ORGANIZATION OF THE ANALYSIS OF THE EFFICIENCY OF TAX PLANNING OF THE SUSTAINABLE DEVELOPMENT OF THE ENTERPRISE

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The main provisions for improving the existing theoretical foundations and practical measures of the tax planning system at an enterprise are outlined, taking into account the analysis of its effectiveness.

Organizational forms of analysing the effectiveness of tax planning at an enterprise may vary and are determined by its size, organizational and legal form, and industry specifics. Successful conduct of this analysis depends on carefully planned work. In addition, the information base of the analysis plays an important role, so before starting the analysis, it is necessary to check its completeness, quality and reliability. The article identifies the stages of assessing the effectiveness of tax planning of enterprises and proposes a system of performance indicators which can be used to carry out such an assessment.

A well-founded tax planning system can sufficiently minimize the risks arising from the taxation of business activities. And when making management decisions, tax planning is a mandatory tool for the company's management. However, individual measures to optimize taxation will not become a full-fledged tax planning system unless they are implemented as part of a unified strategic plan for the development and operation of the company. Without fundamental provisions, methods and ways of developing (applying) certain tax optimization measures and schemes, tax planning cannot be implemented as intended, and will only act as a tool for minimizing tax payments in the short term - without planning the company's activities and business development in the long term.

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Introduction

In today's economic environment, characterized by constant changes in tax legislation and thus uncertainty in the tax environment and a high tax burden on industrial enterprises, it is particularly important to improve the efficiency of management decision-making in the tax area. An important component of such decision-making is the effective organization of tax planning at an industrial enterprise.

In view of this, one of the most pressing issues today is the development of a methodological approach to analyzing the effectiveness of tax planning at an industrial enterprise as a prompt response to changes in the external tax environment and, in particular, changes in tax legislation aimed at eliminating their negative impact on the financial stability of enterprises through additional financial losses (fines, penalties) and, at the same time, providing the budget with the necessary financial resources to address social problems.

Materials and Methods

In this study, a systematic approach was employed to analyze and compare various factors related to the subject matter. The research methodology incorporated elements of comparison, analysis, synthesis, and abstract-logical reasoning to ensure a comprehensive and rigorous investigation. To begin with, a systematic review of expert resources was conducted to gather relevant information and insights from existing studies and scholarly works. In addition, the use of a systematic approach, combined with comparison, analysis, synthesis, and abstract-logical reasoning, ensured a rigorous and comprehensive methodology for this study. Overall, these methods provided a solid foundation for collecting, analyzing, and interpreting data, ultimately leading to reliable and valid conclusions.

Results and Discussion

The theoretical and practical aspects of analyzing the efficiency of tax planning at enterprises have been studied and covered by such scholars (Krysovaty, 2004; Ivanov, 2008; Suprunenko, 2009; Dmytrenko, 2010; Tkachenko, 2008) and others. However, insufficient attention is paid to the analysis of the effectiveness of tax planning of business entities, which negatively affects the quality of management decisions.

The Banking Encyclopedic Dictionary defines tax planning as follows: «minimizing the tax burden through financial planning, including tax-deferred investments, the purchase of tax-exempt securities, and the use of various tax shelters». The Dictionary of Business Terms by Jack P. Friedman defines tax planning as «the systematic analysis of various tax alternatives aimed at minimizing tax liabilities in the current and future periods. How (jointly or separately) to file reports, when to sell assets and pay out pension savings, when to receive income and pay expenses, when and in what amount to make gifts and acquire real estate - all these are examples of tax planning» (Friedman, Jack P., 2000).

The article by Matti Ylönen & Matias Laine discusses the tax planning mechanisms of a multinational company that uses transfer pricing to achieve significant tax savings (Ylönen, & Laine, 2015).

Höglund, H. & Sundvik, D. in their study concludes that outsourcing of accounting tasks improves the corporate quality of tax reporting. According to scientists, firms with an internalized accounting function are more active tax planners (Höglund, & Sundvik, 2016).

The issue of global cooperation of the world's largest countries in the field of tax administration is studied in (Lips, 2019).

The article by Beth B. Kern discusses the implications of tax credits for tax planning, research, policy, and financial reporting through the disclosure of income tax information in financial statements (Kern, 2012).

The work of Mário Marques at all is devoted to the study of the peculiarities of tax planning in Portugal in the context of corporate profit management (Marques, Rodrigues, & Craig, 2011).

Thus, both foreign and domestic researchers understand tax planning as activities aimed at reducing tax payments. The proposed definitions consider the meaning of tax planning from a purely limited perspective, perceiving it through the prism of confrontation between the taxpayer, on the one hand, and the fiscal authorities, on the other. At the same time, tax planning is intended not only and not so much to reduce tax deductions of the enterprise, although optimization of the tax portfolio is its most important function, but to become a regulator, along with the marketing and production plan, of the enterprise management process.

Tax planning should be considered as one of the main functions of financial management. For example, various expenses (financial, material, labor, etc.) are the basis of any business, while the main goal of commercial enterprises is to make a profit. It is the expected profit and payback period that is the criterion for the feasibility of incurring certain expenses by a business. By definition, tax expenditures are not aimed at making a profit, as they are a forced withdrawal of part of the organization's funds in favor of the state in accordance with the rules unilaterally established by the state. Taxes are withdrawn irrevocably and are individually non-refundable, meaning that the company, in the narrow sense, will not receive any counter-benefit for these payments.

In other words, it can be argued that tax planning, while closely interacting with such management functions as marketing, finance, accounting, HR policy, and procurement, is at the same time one of the basic tools for generating performance indicators for an enterprise, since calculating the latter without taking into account tax consequences seems to be very reckless and irrational. Therefore, tax planning should become a mandatory tool for the management of a Ukrainian company when making a particular management decision.

In addition, tax planning can become not only one of the most valuable and promising tools in the manager's arsenal, but it already has a profound impact on investment policy, both at the macro and microeconomic levels (Zherebylo, Sarakhman, & Shurpenkova, 2021).

This statement is especially evident in the process of analysis during investment decision-making, since in Western corporations the main indicator on the basis of which the prospects of an investment project are judged is the Net Present Value, in the calculation of which tax planning takes a leading place, and given the fact that recently the problem of attracting foreign resources to Ukraine (both monetary and, no less importantly, technological) has been one of the most acute and urgent, it becomes obvious that the

The prerequisite for allocating the analysis of tax planning efficiency into a separate block of financial analysis was the allocation of a tax planning system in the system of general economic planning of the enterprise.

Assessing the effectiveness of the tax planning system is the final stage of tax planning. And it is an indicator of the effectiveness of all measures carried out with the aim of optimizing taxation.

The elements of this stage are:

- comparison of actual data with planned indicators, determination of deviations, identification and analysis of their causes, establishment of the maximum permissible deviations (determination of the accuracy of tax planning);
- development of a system of indicators to determine the effectiveness of the applied methods and techniques of tax planning, as well as their impact on the effective financial characteristics of the organization (determination of the effectiveness of tax planning);
- adjusting the existing tax planning system, making decisions on abandoning ineffective methods and developing new ones.

When analyzing the effectiveness of tax planning, the following stages are distinguished (Figure 1).

Small enterprises with a small number of employees and unbranched structure can engage a financial director, chief accountant, or use the services of specialists from audit or consulting companies to conduct the analysis.

At large enterprises with a branched structure, a special unit engaged in economic analysis may analyze the effectiveness of tax planning (Shurpenkova, 2022.). Tax schemes of the enterprise as a whole, as well as sales schemes, require preliminary planning and calculations.

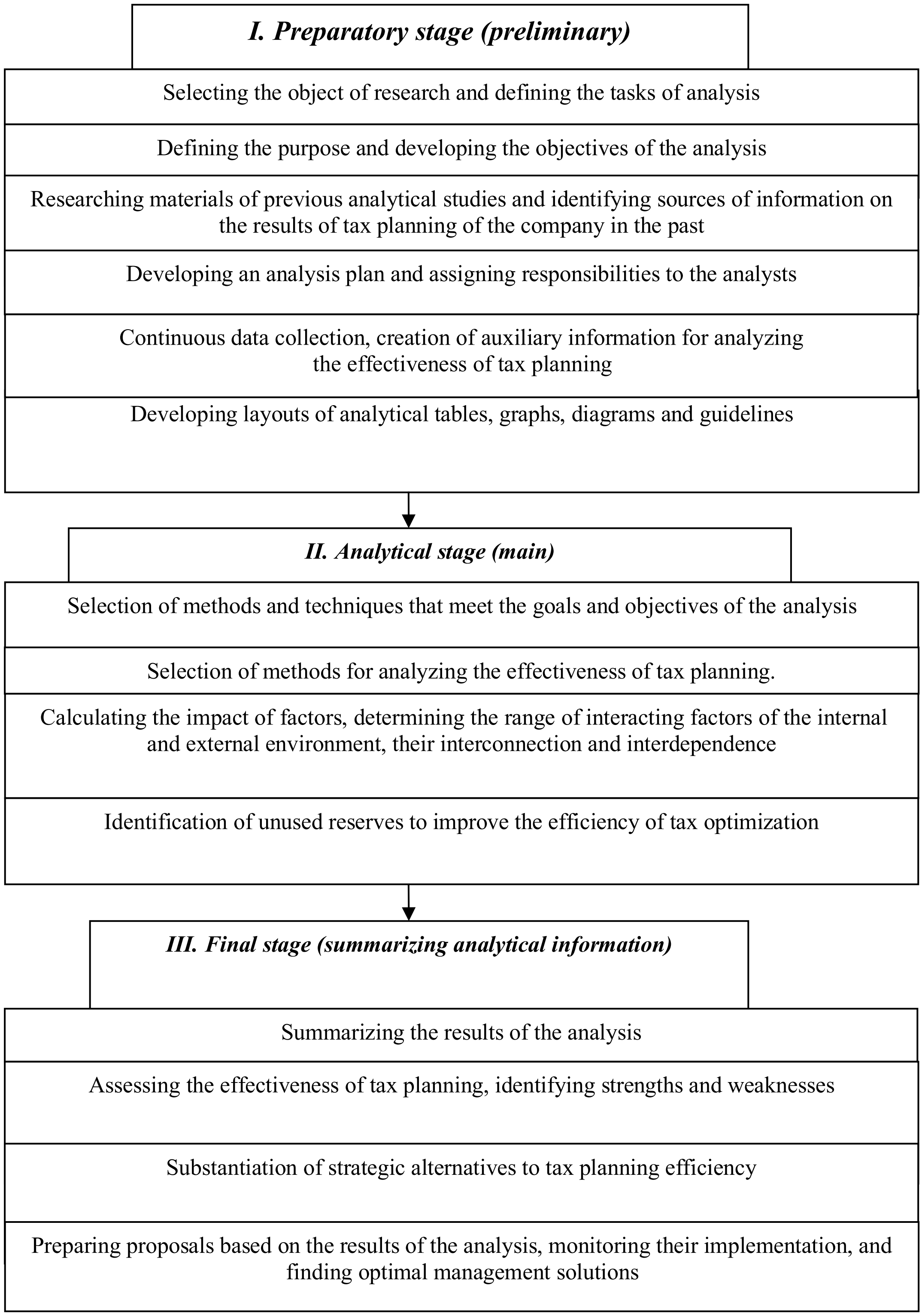

Figure 1. Stages of analyzing the effectiveness of tax planning

The company should form a service that will be purposefully engaged in this work, develop a plan, goals and objectives of tax planning, as well as develop and implement schemes for minimizing tax payments (Vasylkova, 2003).

A system of indicators is especially important in the analysis, which allows to comprehensively characterize the effectiveness of tax planning at the enterprise. The formulas used to calculate the indicators are presented in Table 1.

Table 1. Performance indicators of tax planning at the enterprise

Group I	
Tax burden indicator (TBI)	Amount of Accrued Taxes and Contributions/Net Income Calculated by Accounting × 100%
Tax effect coefficient (TEC)	Net profit/Accrued taxes without personal income tax × 100%
Tax efficiency ratio (TER)	Planned amount of net profit/Total amount of tax payments × 100%
Tax policy rationality indicator (TPI)	Costs of formation and implementation of tax policy/Size of economic effect × 100%
Group II	
Tax intensity ratio of products sold (TIP)	Amount of tax payments/Volume of products sold × 100%
Price tax coefficient (PTC)	Amount of taxes included in the price of products/Product price × 100%
Income tax ratio (ITR)	Amount of Taxes Paid on Gross Profit/Amount of Gross Profit × 100%
Income tax rate (Code)	Taxes included in the price of products/Proceeds from the sale of goods (excluding indirect taxes) × 100%
Expenses taxation ratio (ETR)	Taxes included in the cost of production / Cost of products sold × 100%
Group III	
Preferential taxation coefficient (PTC)	Tax savings as a result of the use of tax benefits / Amount of tax liabilities excluding benefits × 100%
Efficiency ratio of the benefit (ERB)	Tax savings as a result of the use of tax benefits / Total sales × 100%

Source: systematized by the authors

The effectiveness of tax planning is determined by a number of coefficients, the general scheme of calculation of which provides for the ratio of the total tax expenses or their individual components to sales, cost or profit.

Tax planning performance indicators can be divided into the following groups:

Group I - indicators that provide a general description of the effectiveness of the methods and schemes chosen by the company;

Group II - indicators that characterize the share of tax payments groups, for example, in the price of products and in profits;

Group III - indicators of the efficiency of the use of tax benefits.

The amount of taxes accrued for the period should include not only the amounts calculated independently, but also the amounts additionally accrued in this period by the tax inspection (including penalties and fines).

The tax burden is an indicator that shows the level of taxes paid by an entity to various budgets relative to its income (turnover). In addition, the tax burden serves as a driving force for the implementation of plans and inspections of businesses by regulatory authorities (in particular, the State Tax Service). As for business, the tax burden, if properly analyzed, is an indicator of excessive pressure and excess of «reasonable» budget contributions and may be the basis for auditing and optimizing financial activities (The importance of the tax burden for business).

The tax effect ratio indicates how the net profit, which is the main indicator characterizing the efficiency of financial and economic activity, and the total amount of tax payments of the company are correlated. An increase in the indicator, compared to the values of this indicator in previous periods, will indicate that the profit received by the company is higher than the tax expenditures, which will indicate an increase in the efficiency of the tax policy.

An indicator of the rationality of the company's tax policy. The costs of tax policy formation include: salary costs for employees directly involved in this process or payment for the services of a tax consultant; costs associated with tax rationalization activities; the amount of penalties, etc. This indicator can be calculated both in relation to all tax payments and separately for each tax. At the same time, according to practicing economists, the costs associated with the implementation of measures to manage the tax burden of the enterprise should not exceed 50% of the economic effect of this activity.

The indicator of tax intensity of sold products is one of the indicators characterizing the effectiveness of the company's tax policy. This indicator allows determining the amount of tax payments per unit of sales, and its decrease indicates a decrease in the tax burden and an increase in the efficiency of tax policy.

The income taxation ratio characterizes the share of tax payments levied on revenue (included in the price of products) in sales revenue; its increase indicates insufficient efficiency of the tax policy in terms of rationalizing tax payments paid on revenue.

The cost taxation ratio characterizes the share of tax payments that are attributed to the cost of production. Its increase indicates the insufficient effectiveness of tax policy in rationalizing tax payments attributed to the cost of production.

The profit tax ratio characterizes the share of taxes paid from profits in the balance sheet profit; its increase indicates insufficient efficiency of the tax policy in terms of rationalizing tax payments paid from profits and charged to the financial result.

The preferential taxation coefficient allows an enterprise to determine the degree of influence of a particular benefit on the amount of this tax, as well as the sum of all benefits on the amount of taxes paid in general. It characterizes the efficiency and effectiveness of both a single benefit and the entire set of benefits used by the organization.

The coefficient of effectiveness of the use of the benefit allows the company to determine the share of participation of a particular benefit in increasing financial resources relative to the amount of total revenue. It allows determining the share of additional financial resources received in relation to revenue. It characterizes the efficiency and effectiveness of both a single benefit and the entire set of benefits used by the company.

The depth, complexity and effectiveness of economic analysis depend on the composition, content and quality of information used in the analysis process and forming its basis (Rudnytskyi, 2018).

The main reasons for the discrepancy between the data of the same indicators from different sources include the following:

- technical errors;
- omissions in accounting;
- concealment of actual data by persons responsible for the calculation and transfer of tax payments in order to conceal errors or omissions made by them;
- deliberate understatement of tax accruals in the corporate income tax return in order to reduce the amount of gross expenses to improve the tax return on income tax (to the level of the industry average).

With regard to the quality of information, it is necessary to pay attention to the completeness of filling in all the necessary indicators of the reporting forms, the presence of signatures of persons responsible for the preparation of specific documents and reports. And for external reporting forms, it is necessary to have a mark on their receipt by the authorities to which they are submitted. This will help to avoid concealment of factual data by persons responsible for preparing the reports.

Once the information for the analysis has been received and verified, it is necessary to start processing it, i.e., using special methods and tools to calculate the effectiveness of the organization's tax planning (Zherebylo, Sarakhman, & Shurpenkova, 2021).

It is worth noting that the timing of the tax burden analysis is also affected by the timing of tax, financial and other reporting. Calculation of taxes and other mandatory payments for the preparation of relevant reports takes time. And the larger the company and the more diverse the activities it carries out, the more time it takes to prepare the reports. However, you can count on the fact that the reports will be prepared within the established deadlines for their submission. Therefore, when calculating the timing of the analysis, it is necessary to take into account the deadlines for filing reports.

The results obtained in the process of analyzing the effectiveness of tax planning allow to assess the achieved positive effect of tax optimization and to check whether the costs incurred in connection with the implementation of the tax planning system are less than the benefits received by the company due to tax planning.

Without fundamental provisions, methods and ways of developing (applying) certain tax optimization measures and schemes, tax planning cannot be implemented as intended, but will only act as a tool for minimizing tax payments in the short term - without planning the company's activities and business development in the long term.

Thus, when systematizing tax planning, the substantiation of its principles and methods, and the creation of a methodology for planning the taxation of an enterprise should come to the fore.

As for the place of tax planning in the financial management system, the following should be noted.

Firstly, being an integral part of the financial management system, tax planning occupies a specific place in it, due to the fact that the tax aspect is present in any segment of financial management of business entities.

Secondly, since tax relations as an integral part of financial relations arise at the redistributive stage of the reproduction process and are the final link in any business decision, tax planning as an integral part of financial management is characterized by limited independence. Just as the control function of finance is manifested only in the process of formation and use of centralized and decentralized funds, so tax planning is manifested only in the process of implementation of relevant activities and decisions. Thus, tax planning, while not clearly independent in nature, nevertheless has a significant impact on business decision-making and improving the efficiency of financial and economic activities of organizations.

Thirdly, tax savings increase the company's own financial resources, so the ultimate goal of tax planning is not only and not so much tax optimization, but also, within the framework of achieving the main goals of the company's business activities, to increase its financial stability and significance.

Let us define the importance and benefits of tax planning at the level of a business entity, as well as the consequences of insufficient attention to the planning problem. The lack of tax planning puts business entities in a position where they:

- do not fully understand the opportunities for business development in more favorable conditions;
- find themselves in a weaker position compared to other market participants;
- do not ensure proper systematic approach to their development;
- may make significant mistakes in the strategic development and realization of their mission.

The use of tax planning of the company's activities and business relations creates the following important advantages for business:

- explanation of emerging problems;
- the ability to analyze and use future favorable conditions;
- preparation of the company for changes in the external environment;
- stimulating participants of tax planning to implement their decisions in further work, creating prerequisites for improving the educational training of managers;
- ensuring more rational distribution and use of various types of resources of the business entity;
- increasing the financial stability and significance of the enterprise.

The qualitative and stimulating goals of organizing the analysis of effective tax planning for sustainable development of an enterprise should be as follows:

- optimal taxation, in order to achieve the maximum possible amount of net profit;
- stimulation of employees in the results of their work, ensuring a fair ratio of income of the owners of the enterprise and their employees;
- formation of an effective balance between means of consumption and accumulation, etc.

All these goals should be realistic, specific in terms of timeframes, reflect the most important areas of improvement of the company's taxation, be understandable and easy to control during implementation. The set goals are specified, mutually agreed upon and quantified in the form of a system of indicators characterizing the efficiency of taxation of the enterprise, to which it aspires for a certain period of time. The organization of the analysis of effective tax planning for sustainable development of an enterprise should be aimed at regulating economic processes, creating tax incentives for the production of goods and services.

Conclusions

At present, Ukraine uses certain elements and methods of analyzing the effectiveness of tax planning, but there is no comprehensive theoretical and methodological framework on which to build a system of appropriate practical solutions, measures and mechanisms for tax management both at the level of business entities and the entire tax process in the country. Therefore, the need to distinguish the tax management system into a special branch of scientific knowledge is obvious. The complexity and volatility of the modern economic environment, uncertainty and riskiness of the functioning of enterprises and the public financial sector make it necessary to provide a scientific basis for the tax management process, taking into account the realities of a market economy. Moreover, as tax systems and economic ties become more complex under the influence of globalization, the role of tax planning is increasing. This is especially true in modern Ukraine, where market relations and institutions have not yet been fully formed. The management of tax payments by Ukrainian companies also requires its own methodological justification and practical development. Corporate tax planning should become one of the most important functions of enterprise management, which, unfortunately, is still applied haphazardly and mostly for the purpose of minimizing (instead of optimizing) tax payments. This indicates the extreme importance of a scientific solution to the problem of tax planning in the context of organizing tax management at an enterprise (Zherebylo, Sarakhman, & Shurpenkova, (2021).

Insufficient theoretical elaboration and lack of a clear system of tax planning in practice, which would allow to comprehensively model effective business decisions taking into account the tax factor, indicate that all possible reserves for tax optimization are not used to increase the efficiency of financial and economic activities. That is why a comprehensive study of the theoretical and practical aspects of tax planning is so important in the current environment, especially in the system of financial management of business entities.

The organization of tax planning at the enterprise will allow to draw conclusions about the further activities of the business entity in terms of tax burden and reduce the tax pressure in a particular situation.

Conflict of interest

The author states no conflict of interest.

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