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LEGAL MEASURES OF OVERCOMING TAX CULTURE SHOCKS AND TAX CULTURE LAGS

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Abstract

The article researches such phenomena of tax culture as tax culture shocks and tax culture lags in interrelation with the law. Tax culture shocks and tax culture lags arise as a reaction of various subjects and institutes of taxation system to undertaken tax reforms. Proceeding from the role of law in general as a regulator of the behavior of individuals and public relations, we assume that tax culture shocks and tax culture lags can be overcome by using a complex of legal measures. Legal measures can be applied at a development stage of drafts of tax laws, or can be connected with tax law application. In this work we considered legal measures of overcoming tax culture shocks and tax culture lags which have to be applied at the development stage of bills, and revealed flaws of their application.

Kew words:

Tax law, tax culture, tax culture shock, tax culture lag, concept of the tax law, public discussion of the bill, tax experiment.

JEL Classification: H300, K340

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1. Introduction

Tax culture as a derivative of the general culture is characterized by a multilateral phenomenon and can be defined by economic, social, historical and psychological positions. The complexity of researching tax culture is predetermined by lack of unified philosophical notion to determine the culture. In modern science there are more than 400 definitions of the concept of culture which are characterized by various opinions (Bondarev, 2012: 3). Now scientific discussions are mainly being held on social aspects of tax culture and ethical aspects of behavior of taxpayers: studying the motives which impact on tax avoidance and on compliance of taxpayers to the tax law (Alm, McClelland, & Schulze, 1992: 219-38; Frey & Feld, 2002: 87-99), determining tax mentality, tax morals and tax discipline (Alm & Torgler, 2006: 224-246), researching ethical problems of fight against tax avoidance (Woźniak, 2018: 81-94).

Without pursuing the aim to formulate our own concept of tax culture in this article, we used B. Nerré's point of view on the matter as a basis: "A country-specific tax culture is the entirety of all relevant formal and informal institutions connected with the national tax system and its practical execution, which are historically embedded within the country's culture, including the dependencies and ties caused by their ongoing interaction" (Nerreé, 2008: 155). The same point on national tax culture causes possibility and necessity of researching the tax culture for interrelation with legal substance, because law is the main regulator of tax relations.

The purpose of law is to affect subjects' behavior so that it will correspond to the common society interests. The mechanism of legal regulation or influence "is started" by adoption of law in a wide meaning of this word. Thus, adoption of the new law or amendment of the current law has a direct impact on subjects to whom the law is addressed. At the same time, the level of development of tax culture reached at a certain historical period is fixed in material objects of the legal world: tax laws, explanations of competent authorities concerning taxes and fees, the judicial acts adopted during consideration of tax cases, scientific and educational literature, etc.

However, both law in general and tax law in particular, are not static. The principles of stability and mobility, which are not mutually exclusive, are applied in the sphere of functioning of the taxation system at the same time. The principle of stability implies the invariance of basic elements of the taxation system, unless given objective reasons. Changing the taxation system is permissible only in

exceptional cases and through carrying out tax reforms. The principle of mobility provides an opportunity of quickly reacting to social and economic changes in society by changing the procedure of collecting separate taxes and rules of tax administration.

B. Nerreé fairly notes that carrying out tax reforms can be followed by emergence of tax culture shocks or tax culture lags, connected with the fact that a formal part of tax culture (tax laws) changes, and the rest of tax culture remains invariable (Nerreé, 2008). The legal conscience, values, skills and experience in the sphere of taxation, legal habits of individuals are changing critically slowly.

For definition of tax culture shocks or tax culture lags B. Nerreé relies on the basics which are developed in anthropology (Oberg, 1960), sociology (Ogburn, 1922) and economy (Veblen, 1899). Culture shock is a negative reaction of people to unexpected examples of behavior in foreign culture which leads to feeling of unreliability, lack of understanding or discomfort (Oberg, 1960: 177–182). Cultural shocks are connected with rejection by individuals of any order new to them. Shocks in the field of tax culture appear as collision with a new tax and legal regulation and also by inclusion of elements of foreign tax culture in the taxation system. Tax cultural shocks at macrolevel occur not so often as at the microlevel, and they are characterized by the fact that both taxpayers and tax officials suffer significantly from a new regulation. We believe that the general reason of tax cultural shocks, first of all, is tax reforms for which there is no social and economic necessity, historical and political prerequisites.

Tax culture lags are similar to tax culture shocks in the way that they both break the balance in various interconnected parts of tax culture; however, tax culture lags differ from tax culture shocks in depth and degree of such imbalance. Individuals need some period of time, sometimes a very considerable amount, to adjust to the new tax claims. During this period individuals may misunderstand tax rules, not estimate tax duties, count and pay a tax incorrectly, not submit tax accounts and commit any other tax offences to evade paying taxes. The time period necessary for adaptation of individuals to new tax rules is also tax culture lag.

When carrying out tax reforms it is necessary to consider a possibility of emergence of tax culture shocks and tax culture lags. Whereas the former need to be avoided, the latter are almost inevitable. We believe that by using a certain set of legal instruments it is possible to avoid tax culture shocks, minimize negative consequences of tax culture lags for society and overcome such lags faster.

The purpose of this article consists of allocating, classifying and describing those legal instruments which can be used by the authorities to overcome tax culture shocks and tax culture lags. For reaching the goals of the research the following steps are taken:

- the concept of legal means is defined and its classification in relation to a problem of overcoming tax culture shocks and tax culture lags is given;
- it is established at what stage of legal regulation it is necessary to take measures for overcoming tax culture shocks and tax culture lags;
- specific legal means of overcoming tax culture shocks and tax culture lags are offered and also practice of application of such means in Russia is studied.

It should be noted that there are no specific books or articles about legal aspects of tax culture shocks and tax culture lags and problem of their overcoming. In the present article legal means are understood in that meaning which is attached to them in the Russian theory of the law and it will be studied in more detail in Chapter 2 of the present work.

For illustration of separate conclusions of the research we will be guided by the legal acts and also materials of legal practice and explanation of the tax legislation existing in Russia. At the same time, we consider that results of the research are applicable not only to Russia but also to all other countries in need of implementation of tax reforms.

2. Some general remarks about defining legal measures of overcoming tax culture shocks and tax culture lags.

The term “overcoming culture shocks and tax culture lags” is understood in this article as reduction of the period of time which is required for adaptation of all tax institutes and subjects participating in the tax relations to the new law and also prevention of violations of the tax law, both from tax administrations, and from taxpayers during adaptation. As a result of overcoming culture shocks and tax culture lags the social tension is relieved, the concern of individuals decreases, the feeling of stability and trust to the state increases. Overcoming culture shocks and tax culture lags can be promoted considerably by using a complex set of special legal means.

Juridical (legal) means “perform function of universal “construction material” which the law system is built of, because legal means unify all those phenomena of

which law is built (Matuzov & Malko, 2017: 496). In relation to law in general the following legal means can be listed: norms and principles of law, law-enforcement acts, agreements, legal facts, subjective rights, legal obligations, prohibitions, privileges, measures of encouragement, penalty measures, acts of realization of the rights and duties and etc. Being in a certain combination, legal means mentioned above create a special order of regulation of specific spheres of public relations, that is a legal regime.

The following factors influence the choice of the legal means used for legal regulation: the purpose of legal regulation, the nature of the public relations which are subject to settlement and also possible obstacles which influence negatively the process of obtaining socially important results (Alekseev, 1987: 14; Matuzov & Malko, 2004: 495–499).

It is common in Russia to classify legal means by various bases (Malko, 1998), for example:

- depending on complexity degree – into primary (elementary) and complex (compound). The former are the simplest and indivisible establishments, for example, subjective rights and legal obligations, encouragement and penalties, privileges and prohibitions. The latter are combined, consisting of the simplest legal means (agreement, normative, legal institute, legal regime);
- depending on the role which is carried out in a legal regulation – into regulatory (permissions) and guarding (measures of protection);
- by the nature of legal means – into substantive and procedural;
- by an action time – into constant and temporary;
- by an information and psychological focus – into stimulating and limiting.

Legal means used for overcoming tax culture shocks and tax culture lags belong to the category of the complex legal means, because they consist of several prescriptions correlating among themselves. That is, for example, the tax experiment which will be considered further in detail.

Both regulatory legal measures allocated to establish positive rules not connected with the offence (for example, rules of enforcement of tax laws), and guarding measures allocated for suppression of illegal behavior of individuals, protection of rights of an individual and other subjects of law (for example, tax amnesty) can be used for overcoming tax culture shocks and tax culture lags.

The legal means used for the purposes involved can be material, establishing the maintenance of rights and duties of participants of the tax relations (moratorium on using different forms of punishment for violation of tax laws) or procedural, defining the order of commission of any actions (for example, special rules of introduction of tax law power).

We will mainly consider temporary legal means, the usage of which stops after a certain period of time (the moratorium on using different forms of punishment for violating tax laws etc.). However, some means of overcoming tax culture shocks and tax culture lags must be applied constantly, i.e. requirements of development of the concept of the revenue bill or its public consideration.

Informational-psychological legal means of overcoming tax culture shocks and tax culture lags will have stimulating character promoting taxpayers to fulfill their responsibility to pay taxes and other duties in this sphere.

The choice of certain legal means of overcoming tax culture shocks and tax culture lags, as it was noted above, has to be carried out proceeding from the possible obstacles which influence negatively the process of obtaining socially important results. Such obstacles should be detected even before the development of the draft of the tax law on the basis of socio-economic indexes and calculations, scientific, including comparative and legal, researches, taking into account statistical data, the analysis of public opinion etc.

In the history of Russia there were some examples when serious preparation for tax reforms was carried out. Thus, in the middle of the XIXth century a special Commission was created for elaboration of suggestions for improvement of taxation (The commission for revision of a system of taxes and collecting). Drafts of tax laws were formed following the results of the comprehensive scientific analysis of separate taxes. Works of the Commission were published in 23 volumes during the period from 1863 to 1882 and included historical and legal, comparative and legal, statistical researches on separate taxes and duties, as well as translations of works of foreign scholars.

If the research reveals critical conditions which can probably lead to tax culture shocks, the government should reject carrying out tax reform or considerably change its essence.

Legal measures of overcoming tax culture lags can directly influence the law, forming particularly special legal regime of operation of the tax law for the period

of adaptation to a new legal regulation. Legal means which directly influence individuals and tax administration can also be used.

3. Legal means of overcoming tax culture shocks and tax culture lags connected with the development of the draft of tax laws.

At a drafting stage of tax laws it is already necessary to use legal means of overcoming tax culture shocks and tax culture lags such as forming the concept of the bill, public discussion of the bill, carrying out a tax experiment. These procedures will allow to inform the subjects concerned on the planned tax reforms and thus to prepare them for reforms, to receive feedback from subjects of the tax relations and business community, to reveal “weak” sides of the bill (or the tax law, in case of carrying out a tax experiment) and to revise it using evaluation of stated wishes and fears.

Tax law draft preparation should be followed by *development of the concept of the bill*¹. The concept of the bill, being in-between authors ideas of the bill and his views of public relations, models and ways of legal regulation, and the text of the bill, has value not only in the legislative procedure, but also in the subsequent law enforcement.

The concept of the tax bill should always be prepared when tax reform is undertaken when the following is planned:

- imposing new taxes and any other obligatory payments;
- changing principles of taxation;
- laying new duties on taxpayers;
- establishing means of punishment for tax offences;
- changing taxpayers’ rights protection methods.

Concept of the bill should reflect: (a) the main ideas of the bill; (b) the purposes and subject of legal regulation; (c) the focus group of people who the bill is addressed to, their new rights and duties, including previously established expenses (d) the place the upcoming law will take in the system of the current legislation and also the value of the bill for the legal system in general; (e) analysis of the corresponding law-enforcement practice, including foreign practice, and also statistical, so-

¹ The ideas about the concept of the draft of the tax laws during legislative process and the main problems with the preparation of the concept of the revenue bill in Russia were stated by us earlier (Reut, 2017: 16–25).

cial and politological researches results; (f) social and economic, political, legal and other consequences of implementation of the upcoming law.

The concept of the tax law draft should become an object of public discussion with the participation of representatives of business community and tax administrations, and be an object of scientific discussions. Thus, coordination of interests of the state and society will be provided. On the one hand, development of the concept of the bill requires extra time, organizational and material costs. On the other hand, such costs are compensated by improvement of quality of the legal technology of the laws passed, increasing their clarity, clearness, transparency that finally facilitates the tasks of the law enforcement subject and helps to overcome tax culture lags. The concept of the bill promotes comprehension of the essence of the legal instruction and can serve as an additional tool for interpretation of law.

In Russia development of the concept of the bill and the tax law draft in particular is not obligatory. The concept of the bill is developed if needed and only if the legislative initiative comes from the Government of the Russian Federation. Other subjects of the legislative initiative are not obliged to create the law draft. Besides, in legal acts criteria of necessity for development of the concept of the bill are not defined, as well as who and in what order should conduct it.

However, according to the regulations of the Parliament of the Russian Federation each bill should be followed by an explanatory note with the concept of the bill being a part of it (Act no 2134-II-GD/1998). The content of such concept is not defined in the regulations, although it is stated that when the Parliament considers the bill during the first reading its concept is also discussed. The idea of this procedure is that even if there are some amendments made to the bill during the second reading, the concept of the bill approved in the first reading must not be changed.

Yet the explanatory notes to tax law drafts often contain general phrases about the necessity of improvement of legal regulation for the tax sphere, without specification of the purpose of the legislation and its subject. As a result, during the second reading of the tax law draft even regulations on imposing new taxes and fees are introduced as amendments. Such corrections are not rejected despite being required by regulations, and are considered and accepted during the second reading, and further in the form of the law.

For example, using the procedure which was described above, the law on sales fee was passed (Law no 382/2014). The Constitutional Court of the Russian Fed-

eration had to deal with the question whether the procedure of passing this law contradicted the Constitution of the Russian Federation and ruled that there were no such contradictions (Act no 2152-O/2016). The Court ruled that the bill “considered proposing some amendments to the tax legislation which are not directly connected between themselves for the purpose of its improvement proceeding from requirements of law-enforcement practice”. Therefore, including in the bill other amendments of the same purpose, including rules of sales taxation during the second reading did not contradict the concept of the bill.

The Court disregarded a number of indirect formal features which also indicated changes of the concept of the law: introduction during the second reading of amendments in the quantity exceeding the bill text and also changing the title of the bill. The initial text of the bill suggested amending only nine articles of the Second Part of the Tax Code of the Russian Federation. The bill prepared for the second reading already contained amendments of four articles of the First Part of the Tax Code of the Russian Federation and of twenty-eight articles of the Second Part of the Code and also had a new chapter in the Second Part. The name of the bill was changed respectively.

Such a ploy allows to bypass the requirement of the Constitution of the Russian Federation to propose tax exemption bills or the ones imposing or cancelling taxes only when there is a resolution of the Government of the Russian Federation, and also to avoid public discussion of the bills passed.

Public discussion of bills is not an obligatory process when preparing a bill in general or drafts of tax laws in particular. However, we believe that such discussions help to understand the logic of the authors of the bill, inquiries and expectations not only of taxpayers, but also of all subjects of the tax relations concerned, including tax consultants. At the same time discussions can be carried out on both concepts of the bill and the text of the tax law draft in particular by using a lot of various formats: round table discussions and conferences, meetings with the participation of representatives of tax administration, business and tax consultants, query for expert opinion of scientific community etc.

In Russia the procedure of public discussion of federal laws can be initiated by the President of Russia (Act no 167/2011). At the instruction of the President the public authority which drafted the bill places it at specially created websites on the Internet together with the explanatory note and financial and economic justification. Citizens can send their remarks and offers to the website during the stipulated time as well as get acquainted with the offers and remarks which came

to the website. The report on the results of discussion of the bill is presented to the President. Given the results of such a discussion, the President can submit the bill to the Parliament for consideration, give an order to revise the bill, or to reject the offered bill.

Besides, the Government of the Russian Federation established information disclosure rules on preparing legal act drafts by public authorities and its public discussion (Act no 851/2012). These rules define the list of cases when information about the preparation of legal acts should not be disclosed and public discussion of legal act draft is not carried out. Decision on whether to carry out a public discussion is made by the head of the public authority who is preparing the law draft. The draft of the legal act together with accompanying documents should be posted on a specially created website and then sent to the Public Chamber, Expert Council of the Government of the Russian Federation, to bodies and the organizations – representatives of potential participants of the public relations concerned and also to other organizations which should be involved, according to the developer, in public discussion of the legal act draft. As a result, the decision is made whether to start development of the legal act draft or to reject this project.

The Constitution of the Russian Federation provided that initiation of consideration of the law draft, including taxation sphere, in the Russian Parliament can be started not only by the President or the Government of the Russian Federation, but also by some other subjects, in particular, deputies of the Parliament and members of the Federation Council. It is obvious that deputies do not possess sufficient material and technical resources to organize a public discussion of the bill prepared by them. And there are no such requirements in the Russian legislation. This circumstance is used not only by subjects, who got no right for initiation of bills, but often by the Government of the Russian Federation, for submitting bills for examination to the legislator, avoiding legal means of public discussion. For example, the group of deputies submitted the bill of tax experiments for consideration of the Parliament.

At the same time, of course, examples of using various formats of discussion according to drafts of tax laws can be given. Some time ago in Russia prospects of settlement of obligatory payments (fiscal fees) which is not named in the Tax Code of the Russian Federation were actively discussed, various opinions on their legal regulation were offered (Zaripov, Popov & Novikov, 2015). Initially during such discussions legal problems of fiscal collecting in general were raised, without

rather concrete concept of the law or text of the bill. Subsequently the Ministry of Finance prepared the text of the bill and posted it on the website for public discussion. Now the limitation for submitting an offer on the text of the bill expired, and society is waiting for the discussion of the results of publication.

Thereby, applying in the process of tax law preparation phase such legal means as creating a concept of the tax bill and procedure of public discussion, increases openness, transparency and publicity of legislative procedures and promotes overcoming tax culture lags.

4. Tax experiment as a legal measure of overcoming tax culture shocks and tax culture lags.

One more effective legal step of overcoming tax culture shocks and tax culture lags is carrying out tax experiments. A tax experiment is a type of social experiment running in the sphere of taxation. A social experiment allows to resolve contradictions in society and is a way of achieving new, more effective forms of public administration (Hagurov, 1991: 40). Creating theory of social experiments was a reaction to rejecting social changes in a revolutionary way. Thus, initially a social experiment was conceived as an idea to extinguish (not to allow) conflicts between different public groups.

In their character tax experiments are legal experiments, on the one hand, since during such experiments there is an approbation of legal decisions in the tax sphere. On the other hand, carrying out such experiments should be provided in a legal form, that is by means of adoption of a special legal act.

The purpose of a legal experiment is checking a hypothesis about efficiency of any law-making idea, about efficiency of experimental action precepts of law and also identification if possible of “side effects” of experimental factor action (Eltsov, 2019). Results of legal experiments can be used for improving legal instructions after their distribution. Thus, possible negative consequences of new legal regulation will be neutralized, various shocks and lags are overcome, quality of preparation of the bill is increased and stability of the public relations is provided.

In modern Russia efficiency of carrying out legal experiments is influenced by: (a) absence of sharp-cut criteria for evaluation of their efficiency for organizers of legal experiments; (b) difficulties in determination in action of an actually experimental factor; (c) uniqueness and non-standard of each legal experiment; (d) lack of legal act regulating the procedure of organization and carrying out a legal ex-

periment; (e) political factors of the decision about carrying out legal experiments and summing of their results (Eltsov, 2019).

Besides, V. N. Eltsov notes that legal experiments are often made without the purpose of determining efficiency of the proposed legal solutions, perform primarily only “propaganda” tasks and are used for overcoming negative public opinion and stage-by-stage introduction unpopular in society decisions. We believe that even such “imaginary-experiments” nevertheless promote overcoming legal shocks and lags as they allow individuals to adapt to new requirements gradually.

Tax experiments are held in Russia regularly, therefore the Tax Code of the Russian Federation contains some general rules about carrying out experiments on establishment of taxes, fees and special tax regimes². We suggest distinguishing the following characteristics of tax experiments provided by the law:

- the experiment can be conducted in the sphere of establishment of taxes, fees and the special tax regimes. Carrying out experiments in the tax control sphere is not allowed by the Tax Code of the Russian Federation;
- “experimental” taxes are established by special federal laws. Respectively, regional and local authorities cannot make independent decisions on carrying out tax experiments;
- tax experiment is held in the limited territory: in the territory of one or several territorial subjects of the Russian Federation or municipalities. Therefore, the experiment cannot have individual character, that is be carried out concerning specific taxpayers or their groups;
- tax experiment is held during the period established by the special federal laws on carrying out an experiment;
- all general positions of the current tax legislation extend to “experimental” taxes;
- The Government of the Russian Federation has to report to the Parliament on efficiency (inefficiency) of this experiment. On the basis of the results of such report the decision on establishment of “experimental” taxes, fees and the special regime in the Tax Code of the Russian Federation can be made on extension of an experiment or on its termination.

² The Federal Law on changing the Russian Tax Code about carrying out a tax experiment came into force from January 1, 2019 (Law on 425/2018).

Unfortunately, the Tax Code of the Russian Federation does not consider that for rating the efficiency of a tax experiment, as well as any other experiment, criteria of efficiency are necessary, which have to be sharp-cut recorded in the federal laws on carrying out a tax experiment. For lack of such criteria the decision on recognition of an experiment as effective or inefficient will rely only on subjective perception of individuals or on external factors, for example, political, that is will be nonobjective in fact.

The most important by its large-scale was the experiment on taxation of the real estate in Veliky Novgorod and Tver (Law no 110/1997)³. During this experiment a single tax on the real estate for organizations and individuals was established. Payers of the real estate tax were exempted from tax charge on property of organizations, property tax of natural persons, except for a tax on vehicles, and the land tax in the cities Veliky Novgorod and Tver. The experimental tax was estimated on the basis of the market value of the real estate while the property tax of organizations, land tax and tax on property of natural persons was estimated on the basis of the inventory value of the objects. Charges from the real estate duty came to budgets of the cities of Veliky Novgorod and Tver.

The realization of an experiment was carried out step by step, and in 2000 first conclusions were made. A necessity of creating the real estate register was revealed, which would include data about the real estate actual market value for assessment of tax base, legal status of objects and characteristics of taxpayers. It is considered that the experiment on introduction of a tax on the real estate in these cities was successful and noted its objective achievements. However, reports and suggestions on the results of this experiment did not receive extended application.

Till present time the real estate tax in the territory of Russia is not imposed, but uniform rules of the state accounting of the real estate and cadastral assessment of real estate objects are introduced that allowed local authorities to establish the land tax everywhere. Now gradual transition to tax payment to property and the land tax is carried out on the basis of the cadastral cost of objects which is determined by the basis of actual market information and other information connected with economic characteristics of use of a real estate object.

The number of disputes arising in a certain sphere of tax relations is one of the indicators of tax culture lags. In this connection we will note that the number of disputes about cadastral value of real estate objects considered by special commissions on consideration of disputes about results of determination of cadastral

³ This experiment was carried out to 2005.

cost (administrative bodies) has grown almost three times since 2014 (in 2014 – 17 382, in 2016 – 60 288, in 2018 – 50 988 applications were submitted to such commissions). At the same time the number of claims about determination of cadastral cost considered in courts in 2014 and in 2018 is almost identical: about 16 000 cases. However, the percent of disputes in which the applicants' demands were satisfied reached 92 % in 2018, while being 80 % in 2014⁴.

Statistical data provided above allow to make a conclusion that the government did not manage any means to avoid tax culture lags upon transition to tax payment to property and the land tax on basis of the cadastral cost of objects.

Since the end of 2012 the experiment in the field of tax administration on introduction of elements of horizontal monitoring (Horizontal Monitoring Program) was made. With some largest taxpayers the Federal Tax Service took some agreements about expanded information exchange⁵. Taxpayers pledged to provide to the FTS instant access to data of the business and tax accounting, the FTS had an opportunity to carry out monitoring of financial and economic activities of taxpayers in real time, and on the basis of the obtained information could warn a taxpayer about risks of violation of taxes and fees law, about correctness of calculation of taxes and fees. Such interaction allowed to reduce the number of tax disputes with these organizations, without transfer a dispute to court.

The Federal Tax Service considered an experiment successful and prepared corresponding changes in the Tax Code of the Russian Federation. In 2014 a new form of tax control – tax monitoring – was included in the Tax Code of the Russian Federation.

However, in connection with legal principles the legitimacy of the experiment raises doubts. First, carrying out such experiment was not provided for by any legal act, and the Federal Tax Service was not authorized to carry out the experiment. This initiative broke one of the fundamental principles of the activity of public authority recognized in the Russian legal system: everything that is not sanctioned directly is forbidden by public authority. Secondly, the experiment broke the principles of equality and justice of taxation because the advantages in processing of tax control were received by a very limited number of taxpayers. And thirdly, the experiment was not quite open and transparent as conditions of participation in the experiment and the selection criterion of organizations for the experiment were not well known to a wide range of taxpayers, the concept of the

⁴ The official site of the State Immovable Property Cadaster: <https://rosreestr.ru>

⁵ Agreements were concluded with only five companies.

experiment was not published and conditions of the agreements about expanded information exchange (Zhuravleva, 2015) were hidden.

The basis of the special law since May 1, 2018 is the experiment on development of resort infrastructure of preservation, restoration and development of resorts, formations of uniform tourist space, creating favorable conditions for sustainable development of the sphere of tourism (Law no 214/2017). The experiment is held in the following regions: Republic of Crimea, Altai, Krasnodar and Stavropol regions. The experiment is held by introduction in the called regions of a resort fee which represents a payment for using resort infrastructure for financial security of works on design, construction, reconstruction, maintenance, improvement and repair of objects of resort infrastructure.

The law established the period of the experiment, the list of fee payers, the maximum amount of fee criteria depending on its differentiation, basis of remission of fee. The Government of the Russian Federation developed rules for regional authorities on providing an annual report on the course of such experiment and established content of data in such report (Act no 1293/2017).

For example, in 2018 in the territory of Stavropol region it was specified in the Report that the total amount of budget revenues of the territorial subject of the Russian Federation from payment of the resort charge for the reporting period was 185,430,000 rubles, 43 violations of the rules about the resort fee committed by operators were revealed, 153 proceedings on administrative offences were initiated and penalties were collected for the total amount of 70 thousand rubles, in a pre-judicial order resort fee was paid by natural persons for the total sum of 194 thousand rubles and there is also information about actions for the development of tourist infrastructure in the region⁶.

Since January 1, 2019 one more tax experiment connected with application of special tax mode – the tax on professional income is being carried out (Law no 422/18). The experiment is also held on limited operational territory – the city of Moscow, Moscow and Kaluga regions, Republic of Tatarstan and is planned for the next ten years. Individuals, including businessmen who conduct activity in inaction territories and who have no employer or have no hired workers under employment contracts and also get income from using property, may pay a tax on professional income.

For such taxpayers a special mobile application “My Tax” to be used on a computer device (mobile phone, smartphone or computer, including tablet computer)

⁶ http://mintourism26.ru/upload/iblock/159/otchet_o_khode_eksperimenta_2018-g.pdf

connected to Internet is developed. The application allows to create and send checks to clients and on the basis of its data the application will independently estimate the tax on professional income which is subject to payment in the automatic mode, and the application also allows to exchange documents and information with tax authorities.

This experiment has fundamental differences from the experiment with collection of the resort fee. A general difference consists in a voluntary nature of participation in the experiment. All tourists coming to regions where the resort fee experiment is held are obliged to pay resort fee. A tax on professional income is a special tax mode which is applied at the request by taxpayer. At the same time the taxpayer can independently choose the region in which he carries out the activity, there is not any criteria for this purpose.

In the law on introduction of a tax on professional income unlike the law on resort fee there are no regulations on assessment of efficiency of an experiment, on necessity of providing reports on the experiment course, etc. There are reasonable doubts that the tax on professional income is a simple experiment, but not a stage-by-stage introduction of the special tax mode in whole territory of Russia. These doubts are also supported with statements of the Minister of the Finance of the Russian Federation who declared that by September, 2019 the decision about extension of the list of experiment operational regions or about distribution of a tax on professional income on the whole territory of Russia can be made⁷.

However, stage-by-stage introduction of a tax, as well as carrying out an experiment, in itself is legal measures of overcoming tax culture shocks and tax culture lags. In this sense the advantage of stage-by-stage introduction of a tax for minimization of negative reactions from individuals does not raise doubts.

Tax experiments are accompanied by a series of theoretical and practical problems: respect for the principles of equality and justice of taxation, ensuring unity of economic space. Consideration of these problems is already beyond the announced subject of a research and can be carried out separately.

5. Conclusion

Tax culture shocks and tax culture lags representing imbalance between various parts of formal and informal tax culture almost always arise as a result of tax reforms. Reforms of tax legislation can be connected with the introduction of new

⁷ <https://rg.ru/2019/04/19/siluanov-reshenie-o-specrezhime-dlia-samozaniatyh-ne-priniato.html>

taxes and any other obligatory payments, changes of the principles of taxation, assignment of a new duty on taxpayers, establishment of liability for tax offences, changing a way of taxpayer's rights protection.

Emergence of tax culture shocks can be almost completely excluded, and negative effects of tax culture lags can be reduced if tax reforms are undertaken on the basis of preliminary studies of social-economic indexes, statistical data, results of scientific researches, analysis of public opinion, etc. Careful study of planned tax reforms also allows to choose a special complex of legal means for each case, which will assist in overcoming tax culture shock and lags in the best way.

These measures can be applied at various stages of law enforcement: at a stage of preparation of the bill and its approval by representative body and also at a stage of enforcement of tax laws and actual applications of laws.

In this article we concentrated the attention on legal means of overcoming tax culture shocks and lags which can be used at a stage of preparation of tax bills:

- concept of the bill preparation;
- public discussion of the bill;
- carrying out tax experiment.

Specified procedures will allow to inform society about forthcoming tax reforms and thus to prepare it for reforms, to receive feedback from subjects of the tax relations and business community, to reveal “weak” elements of the bill (or the tax law, in case of carrying out a tax experiment) and to fix its view of identified problems.

After analyzing practice of application of these legal means in Russia, we came to the following conclusions:

(a) development of the concept of the tax bill and public discussion are not obligatory procedures of tax laws drafts preparation in Russia;

(b) analysis of explanatory notes to tax bills showed that the law concept is formulated with not concrete, by generalized phrases, without notification of the bill purpose and its subject. Such practice does not allow to use opportunities of the bill concept in overcoming tax culture lags;

(c) requirement about carrying out public discussion of legal acts does not extend to some acts depending on the sphere of the public relations settled by them and

also to the drafts of laws initiated by deputies of the Parliament. These exceptions are sometimes used for avoidance of public discussions and the fastest passing of the legislative procedure;

(d) problems of tax experiments application are connected, first of all, with the lack of precise criteria of tax experiment efficiency, transparency and publicity of their results;

(e) in Russia extensive practice of tax experiments application is already acquired, and establishment in the Tax Code of the Russian Federation of general principles of carrying out experiments in tax sphere reveals that a tax experiment as a measure of approbation of tax decisions and overcoming tax culture shocks and lags will be used in the future.

Relying on achievements of this research and having fixed the revealed problems of application of the considered legal means, it has become possible to undertake tax reforms, not followed by tax culture shocks and minimize negative effects of tax culture lags. Thus, the taxation system of the state will remain stable and correspond to general principles of a constitutional democratic state.

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