

THE ROLE OF TAX SYSTEMS IN SUPPORTING SELF-EMPLOYMENT AND FREELANCING

<https://doi.org/10.5281/zenodo.15723587>

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Annotatsiya

Ushbu maqolada yakka tartibdagi tadbirkorlik va o'zini-o'zi band qilgan shaxslar faoliyatining mamlakat iqtisodiy rivojlanishidagi o'rni yoritilgan. Muallif ushbu tadbirkorlik shakllari orqali ishsizlikni kamaytirish, mahalliy iqtisodiyotni qo'llab-quvvatlash, raqamli texnologiyalarni rivojlantirish va davlat byudjetiga soliq tushumlarini oshirish imkoniyati haqida tahliliy fikr bildiradi. Shu bilan birga, frilanser (o'zini-o'zi band qilgan shaxs)lar va tadbirkorlarning duch kelayotgan asosiy muammolari, ularni bartaraf etish yo'llari ham ko'rsatib o'tilgan.

Kalit so'zlar

Yakka tartibdagi tadbirkorlik, frilans faoliyati, iqtisodiy rivojlanish, ish bilan bandlik, soliq tizimi, raqamli iqtisodiyot, ishsizlik.

Annotation

This article analyzes the role of individual entrepreneurship and freelance activity in the economic development of a country. It emphasizes how these forms of self-employment contribute to job creation, local economic growth, and digital transformation. The article also addresses challenges such as lack of legal protection, access to finance, and poor infrastructure, and suggests ways governments can support this sector.

Key words

Individual entrepreneurship, freelance activity, economic growth, employment, taxation, digital economy, self-employment.

Аннотация

В статье рассматривается роль индивидуального предпринимательства и фриланс-деятельности в экономическом развитии страны. Подчеркивается их вклад в создание рабочих мест, поддержку местной экономики и цифровую трансформацию. Также анализируются проблемы, с которыми сталкиваются самозанятые, и предлагаются меры государственной поддержки.

Ключевые слова

Индивидуальное предпринимательство, фриланс, экономический рост, занятость, налогообложение, цифровая экономика, самозанятость.

Introduction

Modern economic systems are adapting to rapidly changing conditions, and the importance of small businesses and self-employed individuals continues to grow. Tax policy plays a crucial role in this process, especially in encouraging self-employment and freelancing activities. These forms of work have become vital in generating income, promoting innovation, and ensuring economic resilience. The aim of this article is to examine the role of tax systems in supporting individual entrepreneurship and freelancing, identify existing challenges, and propose policy recommendations.

Literature Review

According to studies by the World Bank and the International Labour Organization, self-employed and freelance workers make up a significant portion of the global labor force. The OECD (2021) notes that freelancers represent 10–15% of the workforce in European countries. Research from Payoneer's Global Gig Economy Index (2023) highlights the growing economic contribution of freelancers in both developed and developing nations. In Uzbekistan, while academic studies are limited, available data suggests that individual entrepreneurs and freelancers are becoming key contributors to GDP and employment (Boboev, 2020).

Methodology

This paper uses the following research methods:

Statistical Analysis: Based on data from the State Statistics Committee of Uzbekistan and international sources.

Comparative Analysis: A comparison of tax practices in Uzbekistan and selected European countries.

Content Analysis: Examination of academic papers and international reports related to taxation and self-employment.

Findings

Analysis shows that recent tax reforms in Uzbekistan have simplified tax registration and introduced incentives for small-scale entrepreneurs and self-employed individuals. As a result:

The share of products and services created by individual entrepreneurs and freelancers has increased in the national GDP.

There is a notable rise in the export of digital services (e.g., IT, translation, design), mostly conducted by freelancers.

Simplified tax regimes and exemption schemes have helped formalize informal workers and reduce administrative burdens.

Discussion

1. Taxation of Individual Entrepreneurs. Individual entrepreneurs in Uzbekistan must register with the tax authorities and pay fixed or turnover-based taxes, depending on the business sector. These taxes are often lower than corporate taxes and aim to reduce entry barriers for small businesses. Tax incentives include:

- Lower tax rates for new businesses
- Simplified bookkeeping requirements
- Access to online registration systems

2. Taxation of Freelancers

Freelancers often operate informally or under the status of self-employed individuals. In Uzbekistan, recent changes allow freelancers to register via mobile apps and pay social contributions voluntarily. However, issues remain:

- Lack of clear tax rules for online and foreign income
- Limited awareness among freelancers about their tax obligations
- Inconsistent enforcement and monitoring

Criteria	Uzbekistan	European Countries
Tax registration	Simplified via app	Online portals
Income declaration	Often voluntary	Mandatory
Tax incentives	Available for new entrants	Available + training grants
Social contributions	Optional for freelancers	Often mandatory
Enforcement	Limited	Strong and digitized

Recommendations

To improve tax compliance and support self-employment, governments should:

- Offer free digital literacy programs and tax education workshops
- Provide tax incentives for freelancers working in export-oriented sectors
- Improve tax declaration systems and develop freelancer tax calculators
- Encourage voluntary contributions to pension and health systems
- Build freelancer support platforms with legal and tax guidance

Conclusion

A fair, transparent, and accessible tax system is key to unlocking the economic potential of self-employment and freelancing. With targeted reforms, developing countries like Uzbekistan can formalize a large portion of their workforce, enhance tax revenues, and support digital transformation. Continued investment in tax education and digital infrastructure is essential for sustaining long-term growth.

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