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## **ВОЙДИТЕ В МИР БРИТАНСКОГО НАЛОГОВОГО ПРАВА**

**Аннотация:** *Статья посвящена кратко излагается смысл и состав британского налогового права, указываются особенности британского налогового права и объясняются различные типы британского налогового права. В этой статье подробно рассматриваются стандарты британского налогового права, анализируются цели и методы налогового законодательства, основное внимание уделяется роли и взаимосвязи коммерческих целей и целей налогового законодательства при определении налогов, а также резюмируются различные функции различных налоговых законов. С точки зрения теории и политики обсуждаются необходимость общего налогового законодательства и ограничение объема полномочий. В этой статье рассказывается о текущем состоянии соответствующего законодательства, административной и судебной практики в Великобритании. В то же время в данной статье анализируются типичные случаи в Великобритании на основе применения общих терминов. Общие условия и вспомогательные положения, подоходный налог с населения и предложения по совершенствованию системы правил непрямого перевода капитала для британских компаний-нерезидентов.*

**Ключевые слова:** *Налоговое право Великобритании, налог, Великобритания, подоходный налог с населения.*

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## **THE WORLD OF BRITISH TAX LAW**

**Abstract:** *The article deals with summarizes the connotation and composition of the British tax law, points out the particularity of the British tax law, and explains the different types of the British tax law. This article discusses in detail the standards of the British tax law, analyzes the purpose and methods of the tax law, focuses on the role and relationship of commercial purposes and tax law purposes in tax determination, and summarizes the different functions of various tax laws. From the perspective of theory and policy, the necessity of general tax law and the limitation of authorization scope are discussed. This article is about the current status of relevant legislation, administration and judicial practice in the UK. At the same time, this article analyzes typical cases in the UK based on the application of general terms. General terms and supporting regulations, personal income tax, and suggestions for improving the system of indirect equity transfer rules for UK non-resident companies.*

**Key words:** UK tax law, tax UK, personal income tax.

### **1. What is the basic function and purpose of taxation?**

Taxation is a powerful policy tool and one of the main sources of fiscal revenue. Its existence plays an important role in social stability, which is mainly reflected in the following three aspects:

1) Economic factors (Encourage and discourage certain types of activity: used to encourage or inhibit certain types of activities, for example, for the sake of national health, the tax rate of tobacco and alcohol is relatively high, which increases consumption costs to a certain extent)

2) Social factors (Redistribute income and wealth: the redistribution of income or wealth, the amount of tax is distributed in a tiered manner according to the level of income, which can be simply understood as the higher the income or the greater the accumulated wealth of people, they need to pay The more tax is paid. Through this progressive tax method, the gap between the rich and the poor in the society can be adjusted to a certain extent.)

3) Environmental factors (To deal with environmental concerns like global warming: Tax adjustments can be used to increase national awareness of environmental

protection. For example, high-emission vehicles are taxed more, and environmentally friendly or electric vehicles will be more encouraged.)

## **2. Different types of taxes**

### 1) Direct taxes

The taxpayer pays the tax directly to the tax bureau instead of paying to the merchant/seller. Common types of taxes include Income tax, Corporation tax, National insurance contribution, Capital gains tax, and Inheritance tax.

### 2) Indirect taxes

Instead of paying the tax directly to the tax bureau, it will be handed over to the merchant/seller, who will hand it over to the tax bureau. Therefore, those who pay taxes to the tax bureau are not those who directly bear the tax liability. Value added tax is a typical example.

### 3) Revenue taxes

This refers to the tax levied based on the income level of the taxpayer. Generally speaking, the higher the income, the more tax paid. Common tax types include Income tax, Corporation tax (part of on income profits), National insurance contribution.

### 4) Capital taxes

This is due to capital gains or wealth brought about by the appreciation of the assets themselves, and then taxes levied. Generally speaking, the more value added, the higher the value and the more tax. Common tax types include Capital gains tax, Corporation tax (part of on capital gains), and Inheritance tax.

## **3. UK tax system**

According to the basic framework of the British tax system and its departmental settings, the main lines can be divided into two. On one side is Her Majesty's Treasury, which is responsible for doing things, and on the other is the Crown Prosecution Service (CPS), which is responsible for supervision.

### 1) Her Majesty's Treasury

Under the Ministry of Finance, the General Administration of Taxation and Customs, Her Majesty's Revenue and Customs (HMRC), is further subdivided into

Officers of Revenue and Customs to check taxes, and Receivable Management Officers to collect specific payments.

## 2) Crown Prosecution Service (CPS)

The Tax Tribunal under the Royal Prosecutor's Office is mainly divided into the first tier tribunal (for small amounts and simple cases, namely Basic cases; standard cases; Paper cases) and the upper tribunal (for large amounts). , The case is complicated, that is, Complex case).

When the First Tier Tribunal is unable to make a decision, it can further report to the Upper Tribunal of the second court, or the Upper Tribunal of the second court can further report to the Court of Appeal.

## 4. Different sources of revenue law

1) Acts of Parliament

2) Statutory Instruments

3) Case law

4) In addition, the tax bureau will also issue some public information, collectively referred to as HMRC publication, to assist tax administration, but it has no legal effect:

(a) Statements of practice, setting out how they intend to apply the law

(b) Extra-statutory concessions, setting out circumstances in which they will not apply the strict letter of the law where it would be unfair

(c) A wide range of explanatory leaflets

(d) Revenue and Customs Brief. This is gives HMRC's view on specific points

(e) The Internal Guidance, a series of manuals used by HMRC staff

## 5. Tax avoidance and tax evasion

1) Tax avoidance

Refers to reasonable tax avoidance, that is to say, through tax planning, under the premise of not breaking the legal provisions, to achieve the purpose of reducing tax burden. This behavior is legal.

2) Tax evasion

It refers to tax evasion, that is, by misleading the tax bureau Misleading HMRC, tampering with data or facts, deliberately concealing certain specific information suppressing information or deliberately providing false information, so as to achieve less tax payment purpose.

## **6. Ethical and professional issues**

As a professional accountant, when we provide tax-related professional services to our clients, we cannot ignore the issue of professional ethics. When encountering customers with tax evasion or other unreasonable behavior, we must promptly deal with it correctly.

1) The accountant has a responsibility to advise the client of the error, omission or failure and recommend that disclosure be made to HMRC.

2) If the client does not correct the error, omission or failure, the accountant should cease to act for the client and inform the client in writing.

3) The accountant should also notify HMRC that the accountant no longer acts for the client but should not provide details of the reason for ceasing to act.

4) Report the client's refusal and the facts surrounding it to the Money Laundering Reporting Officer.

5) The accountant must not disclose to the client that such a report has been made because it would be likely to prejudice investigation and this might constitute the criminal offence of 'tipping-off'.

In March 2020, the British government announced a series of tax laws and tax rate updates. In response to the COVID-19 outbreak, it introduced some measures to subsidize people's livelihood, protect the economy, and increase long-term productivity in the UK. It is known as the largest capital investment in recent decades. This article will mainly outline the impact of this UK tax law update on businesses and individuals.

## **7. Allowance subsidies for employers and employees**

Individual tax allowance and tax threshold-The tax allowance for the 2020/21 tax year is maintained at 12,500 pounds; the threshold for the 40% tax rate is 50,000 pounds.

Personal National Social Security-From April 6, 2020, the personal threshold of National Social Security will be increased from £8,632 to £9,500; the employer threshold will be increased from £8,632 to £8,788.

Employer National Social Security-From April 6, 2020, the employer exemption for National Social Insurance will be increased from £3,000 to £4,000 (this policy is only applicable to companies whose annual employer social insurance is less than £100,000).

Statutory National Minimum Wage-From April 6, 2020, the national minimum wage (over 25 years old) will be increased from 8.21 pounds per hour to 8.72 pounds. This means that full-time authors over the age of 25 who receive the minimum wage will increase their income by £930 a year. Minimum wage for other age groups:

21-24 years old-8.20 pounds per hour, 18-20 years old-6.45 pounds per hour, 16-17 years old-4.55 pounds per hour, apprentice-4.15 pounds per hour.

Statutory sick pay-In the face of the increasingly severe virus spread in the UK, the UK government will allocate 5 billion pounds to support the emergency response of the NHS and other public sectors. For those who self-isolate at home, regardless of whether they have symptoms or not, the government will provide statutory sick pay. At present, the UK's statutory sick pay standard is £94.25 per week, with a maximum payment of 28 weeks.

Loan subsidies for companies-the British government has tried to increase corporate cash flow in a variety of ways. British SMEs can apply for loans, overdrafts, invoice financing and asset financing with a maximum amount of £5 million and a maximum period of 6 years. At the same time, the government promised to provide a cash grant of £3,000 to eligible small businesses.

Commercial land tax exemption-For the retail, entertainment, and hotel tourism industries, companies with an estimated value of less than £51,000 are exempted from business rates.

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