

UDC 336.76

DOI: 10.17223/19988648/54/12

P. Oyunbileg, D. Suvdaa

TAX EFFECTS ON THE ATTRACTIVENESS OF BUSINESS ENVIRONMENT: THE CASE OF MONGOLIA

The main aim of the present survey lies in studying the impact and making an evaluation of the main indicators of the tax environment on business support along with exposing some problems that should be regulated with the tax policy. The survey findings show that, when the suitability of tax rates of 7 types of main taxes followed presently in the country to the current business environment was studied, a conclusion was made that tax rates were inappropriate and a change was necessary; when types of taxes and their burden, tax payment and reporting, tax privileges, duplication of taxes, tax equity and fairness indicators were studied for their suitability, all indicators except tax payment and reporting did not make a positive impact on the business environment; when formation of a favorable tax environment to support the national industry was examined, a conclusion was made about lack of such environment; when factors determining this situation were investigated in detail, a regression equation showed impact of other indicators excluding the tax payment and reporting indicator; when compatibility of the Tax Law with the business environment and its impact was studied, a conclusion was made about its incompatibility with the present business environment. A multifactor regression assessment to study the impact of tax indicators and tax rates was made.

Keywords: taxation, tax effect, level of tax burden, business environment, domestic manufacturers, tax reform.

Authors:

Pagjii Oyunbileg Bulgadar, National University of Mongolia (Ulaanbaatar, Mongolia). E-mail: oyunbileg_p@num.edu.mn

Suvdaa Damiran Chors, National University of Mongolia (Ulaanbaatar, Mongolia). E-mail: d.suvdaa@num.edu.mn

Introduction

Mongolia is regarded as a country with open and small economies that hugely depends on natural resources, fluctuation in price of raw materials and other external factors. Due to the devastating economic disruption caused by the COVID-19 pandemic worldwide, there has been a sufficient evidence of the economic growth slowdown, an increase in poverty and unemployment, a decrease of foreign direct investment, and a noticeable drop of earnings of businesses. Since 2007 Mongolia has had tax reforms twice. The revised tax laws that have become effective since 1 January 2020 [1] implement the following objectives: **in the frame of the policies to support economy**: the objectives to encourage business environment, investment, exports and stock market; the objectives to support private sectors by enhancing the quality and discipline of bookkeeping and by providing development opportunities, **in the frame of the**

policies to collect taxes: the objectives to collect the taxes imposed by law and discourage tax avoidance and the issues of raising individual rights of tax authorities; **in the frame of the policies to encourage taxpayers:** the objectives to decrease expenses related to the registration and reporting of taxpayers, and expenses arisen from tax payment processes; to create transparent and user-friendly e-tax services. Moreover, definite steps needed to be taken have been reflected in the revised tax laws to **implement new international taxation principles**. Thus, the objectives of promoting investment and business environment, introducing latest international taxation principles, provision of transparency and protecting taxpayers' rights have been gradually fulfilled.

The research has been conducted with the aim to study thoroughly the implementation process of tax reform goal and objectives and effects of some reform issues on business environment. The research has been conducted using a multi-stage random sampling method. The participants in the study were 1,202 out of 63,028 overall entities conducting business in Ulaanbaatar and 2,873 out of 31,792 provincial entities. Totally, 30% of the entities engaged in the study operate in Ulaanbaatar, whilst the remaining 70% are entities operating outside of Ulaanbaatar (local area).

In addition to the quantitative research methodology, other methods, such as statistical analysis, comparison, regression analysis, correlation analysis, and summary analysis, were employed.

In the era when globalization is in a broad spectrum, most countries are struggling actively for attracting foreign investment and creating more appropriate business environment. In other words, the effects of tax environment and its attractiveness are becoming essential in importance in the economic condition.

Abundant articles and papers of famed domestic and foreign researchers have been considered in the scope of our study. Here are just a few of them to mention.

Deborah Schanz et al. (2017) in their "The Tax Attractiveness Index: Methodology" studied over 100 countries worldwide and compared them by the Tax Attractiveness Index [2]. The index covers 20 components, which include the rates of the corporate income tax, the personal income tax and property taxes, which affect the investment and business environment attractiveness, the rates of taxes payable to accumulation income such as interests and dividends, transfer pricing rules, and general anti-avoidance rules. In our study the parameters of Mongolia's corporate income tax of, personal income tax, rates of property taxes, and real estate tax have been taken to conduct the estimation of the country's tax environment.

On the international level, the studies on tax effects on business attractiveness have been conducted mostly considering the types of income tax. For instance, Yelena Popova et al. (2017) [3] argue that taxes affect the country's budget and business development differently: businesses enjoy decreasing tax levels, but this affects negatively budgetary revenues. Thus, developing effective tax systems can be the primary factor that influences hugely the nation's economic development.

In the study “The Taxation of Micro and Small Businesses in Transition Economies: Country Experience of the Introduction of Special Tax Regimes” Michael Engelschalk et al. [4] consider the necessity of designing simplified small business tax regimes in Eastern Europe and Central Asia, and the impact of such regimes on small business tax compliance. Moreover, possible ways to decrease tax compliance costs and introduce and maintain presumptive taxation regimes are considered; the employment of presumptive taxation is recognized as initially vital regarding small businesses.

According to the World Bank Group annual flagship publication *Doing Business 2020*, Mongolia ranked 62nd (69.03) in 2017, 74th (69.03) in 2018 and 81st (67.8) in 2019 relatively among 190 countries in the world as stated in the report of business environment estimation. Compared to other countries, the business environment in Mongolia has deteriorated; thus, the objective has been set to conduct studies on effects of taxation on favorable business environment [5]. In the case of Mongolia, numerous studies [6, 7, 8, 9] have been conducted on tax effects on the macro and micro level, particularly, the effects of the major types of taxes, such as the corporate income tax, the value added tax, and the personal income tax, on taxpayers and the level of tax burdens.

The researchers have studied the tax environment in Mongolia, the effects of tax on economic growth and level of tax burdens and reached the conclusion that taxation has become fairly burdensome in Mongolia and the tax environment to support the economic growth has not been established. Furthermore, in the studies of international financial organizations operating in Mongolia, such as IMF (2017), “Improving tax collection in Mongolia” [10], KPMG International (2020), “Income Tax-Mongolia” [11], the tax environment of Mongolia has been evaluated and given directions and guidelines for further insights into the policies to be implemented. Moreover, in the research of Artan Nimani and Valbona Zeqiraj (2015), “Taxes and their Effects on Business Environment” [12], and of Kristina Kindsfaterienė et al. (2008), “The impact of the Tax system on Business Environment” [13], the business environment of the countries with the transition from the centralized planned economy to the market economy, like Mongolia, shifted during the 1990s and the effects of the tax environment on economics have been thoroughly resolved.

Research and outcomes

The study on the compliance of the current tax rates to the business environment. The results of the study on the compliance of the rates of 7 taxes such as: Corporate Income Tax (T1), Excise Tax (T2), Value Added Tax (T3), Personal Income Tax (T4), Social Insurance Contributions (T5), Real Estate Tax (T6), Customs Duty (T7)¹, to the business have been revealed. It is evident from Table 1 that the cumulative percentage of the *not appropriate*, *less appropriate* and *neutral* answers on the rates of the Corporate Income Tax accounts for 85.3%. Since we have considered tax rates as nominal means, the arithmetical

¹ Types of taxes are shown by T1-T7 variables.

calculation has been not appropriate for direct estimation, the statistical calculation has been employed. The histogram in Figure 1 shows that a little high mean of 2.54 and a high standard deviation of 1.029 expose that the means have excessive deviation than the median.

Table 1. Appropriateness of CIT rate /number of responses/

	Frequency	Percent	Valid Percent	Cumulative Percent
<i>Most Appropriate</i>	811	19.9	21.2	21.2
<i>Appropriate</i>	809	19.9	21.1	42.3
<i>Neutral</i>	1650	40.5	43	85.3
<i>Less Appropriate</i>	474	11.6	12.4	97.7
<i>Not Appropriate</i>	89	2.2	2.3	100
N	3833	94.1	100	
Missing	242	5.9		

Source: estimation by researchers.

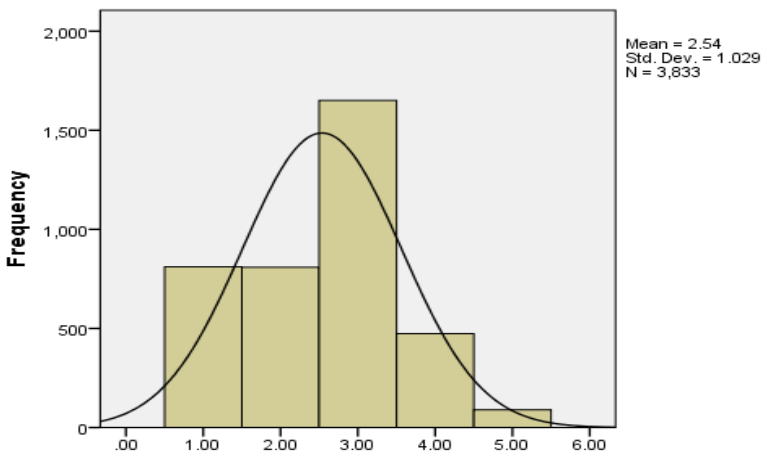


Figure 1. Appropriateness of CIT rate /frequency/

Moreover, the skewness (0.19) and the kurtosis (0.644) reveal that distribution reclines to the right and more to the boundary values. According to the results, we have the conclusion that the current rates of the Corporate Income Tax could not be acknowledged as appropriate to the business. The statistic parameters of the rates of other taxes are shown in Table 2.

Looking closely at the statistic parameters shown in Table 2, we have analyzed other taxes and we have estimated that the means were estimated lower than the medians, the standard deviation is high, and the means have higher derivation than the medians; moreover, the reclination and the steepness show the distribution is a bit reclined to the estimation of appropriateness; however, it is more to the boundary values.

On the basis of the estimation, we conclude that the current rates of the above seven taxes could not be admitted applicable for business enterprises; thus, the rates cannot be used as the stimulation for business activities.

Table 2. Statistics on the appropriateness of CIT rates

	Corporate income tax	Excise tax	Value added tax	Personal income tax	Social insurance contribution	Real estate tax	Customs duty
N	4075	4075	4075	4075	4075	4075	4075
Valid	3833	3173	3651	3824	3862	3574	3187
Missing	242	902	424	251	213	501	888
Mean	2.54	2.49	2.41	2.47	2.26	2.48	2.45
Median	3	3	3	3	2	3	3
Mode	3	3	3	3	2	3	3
Skewness	-0.019	0.076	0.078	0.055	0.504	0.052	0.073
Kurtosis	-0.644	-0.492	-0.718	-0.63	-0.35	-0.408	-0.473
Cumulative Percent	85.3%	87.4%	88.3%	87.4%	88.6	89.30%	89.2%
Std. Dev	1.029	1.005	1.032	1.033	1.034	1.000	0.987

Source: estimation by researchers.

We have selected 5 parameters of the tax appropriateness to the business, and the outcomes are the following. In the study we have selected 5 parameters: Type of tax, burden (x1), Tax payments and the reporting (x2), Tax credits (x3), Double taxation (x4), Fairness of the tax payment process (x5). The statistics of the relevance of the parameters to the business environment are illustrated in Table 3.

Table 3. Statistics on the appropriateness of tax parameters

	Type of tax, burden	Tax payments and the reporting	Tax credits	Double taxation	Fairness of the tax payment process
N	4075	4075	4075	4075	4075
Valid	3468	3609	3544	3175	3429
Missing	607	466	531	900	646
Mean		2.96	2.83	2.72	2.64
Median		3	3	3	3
Skewness	-0.013	-0.222	-0.017	-0.058	0.05
Kurtosis	-0.517	-0.329	-0.321	0.017	-0.408
Cumulative Percent	83.9%	70.8%	77.1%	84.7%	82.8%
Std. Dev	0.982	0.98	1.01	0.92	1.012

The statistics shown in Table 3 reveal that Tax payments and the reporting (x2) was estimated as the appropriate parameter. Its histogram is shown in Figure 2.

From the Figure we can see that the mean of Tax payments and the reporting (x2) approached more to the median, the distribution value shifted closely to *appropriate* and *most appropriate*, and there is scarce standard deviation. Figures 3 and 4 display the detailed results of parameters of Tax payments and the reporting (x2) by the sets of Ulaanbaatar and of outside of Ulaanbaatar (local area).

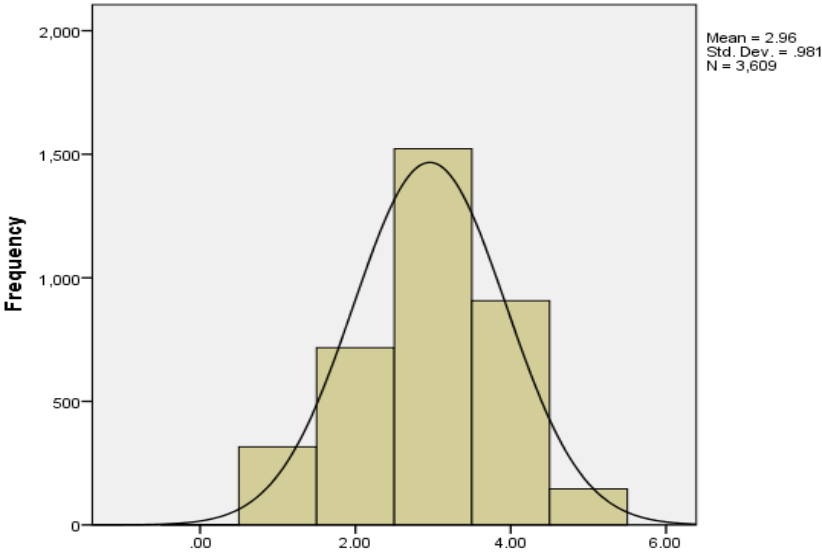


Figure 2. Tax payments and reporting /frequency/

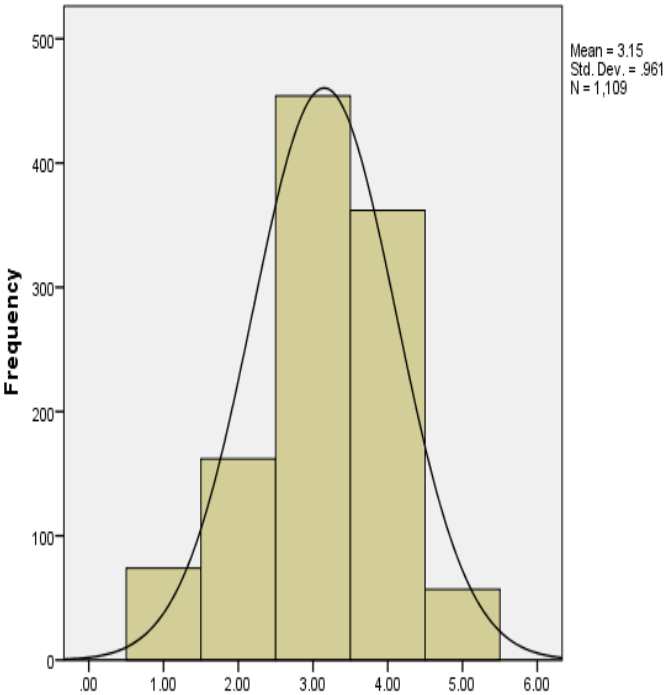


Figure 3. Tax payments and reporting /Ulaanbaatar, frequency/

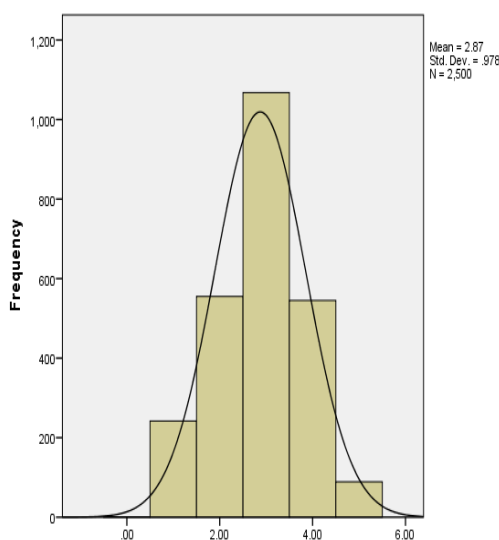


Figure 4. Tax payments and reporting /Local area, frequency/

Figures 3 and 4 depict that Ulaanbaatar enterprises and organizations spend more time and money on tax payment and reporting to encourage businesses than those of local area capabilities. It can be concluded that the normal distribution of the local area estimation has been achieved due to the **implementation of electronic tax systems accomplished in the frame of the tax system reforms**. The mean of Tax credit out of other parameters substantially nears to the median, and distribution value shifts closely to *appropriate* and *most appropriate*; however, standard deviation is seen at a higher level, which indicates that the Tax credit parameter has not showed higher results than Tax payments and the reporting (x2). On the other hand, the appropriateness of the parameters of Type of tax, burden (x1), Double taxation (x4), Fairness of the tax payment process (x5) to business has been shown to be distorted and needs to be taken in serious consideration. Thus, it is the possible conclusion from the estimation.

Following the study on the formation of a favorable tax environment for domestic manufacturers and the factors affecting it, a hypothesis was formed of a sample value of above 3 that means a favorable environment to maintain domestic manufacturing. The hypothesis was tested using the One-Sample Test. The results reveal a high negative value (19.9), and the level of the importance scale is pushed impetuously to 0. The results of the estimation depict that our initial hypothesis was not proved and we conclude that **a favorable tax environment for domestic manufacturers has not been formed yet**. The results are described in detail by the types of economic sectors in Figure 5.

We put forward the aim of exposing the factors influencing the formation of a favorable tax environment for encouraging domestic manufacturers. Thus, the favorable tax environment for domestic manufacturers was taken as a dependent variable (Y), tax parameters (X1–X5) were taken as an independent variable, a

multi-factor regression analysis was done separately for entities operating in Ulaanbaatar and outside of Ulaanbaatar (local area).

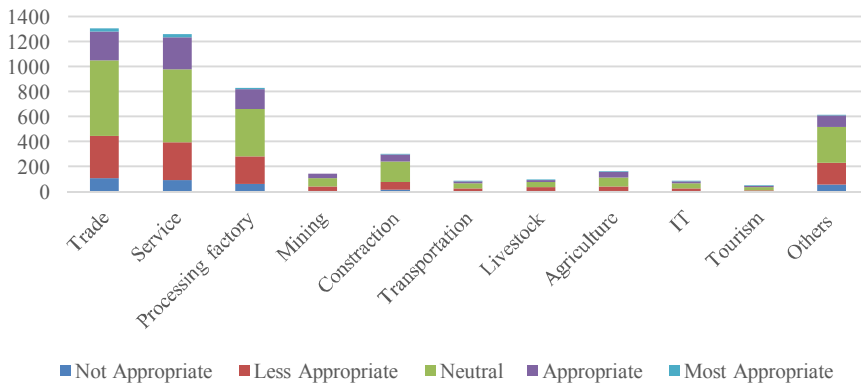


Figure 5. Favorable tax environment for domestic manufacturers /by economic sectors/
Source: estimation by researchers.

Table 4. Regression model on favorable tax environment for domestic manufacturers

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
UB city	0.577 ^a	0.32	0.32	0.85
Local area	0.692 ^b	0.48	0.48	0.76

a. Predictors (Constant), X1, X2, X3, X4, X5

b. Predictors (Constant), X1, X2, X3, X4, X5

Source: estimation by researchers.

The coefficient of determination of each model reveals 0.577 for the Ulaanbaatar model and 0.692 for the local area model, which determines the substantial high capacity for the explanation. The further detailed estimation of the statistical indicators is shown in Table 5.

When the compliance of the models has been estimated for the Ulaanbaatar model, the sum of F-statistic nears to 71, and for the local area model 352, the level of the importance scale is pushed impetuously to 0. Thus, the statistical data depict the equation to be appropriate. Table 5 shows that the parameters of Tax payments and the reporting (0.677), and Double taxation (0.781) are excluded from the Ulaanbaatar model, whilst the parameter of Tax payments and the reporting (0.666) are dismissed from the local area model. The equations are the following:

$$Y_{ub}^1 = 0.151x_1 + 0.292x_3 + 0.349x_5 + 0.455$$

Here, Y_{ub}^1 is the formation of favorable tax environment for domestic manufacturers and the factors /in Ulaanbaatar/, x_1 is Type of tax, burden, x_3 is Tax credits, x_5 is Fairness of the tax payment process.

$$Y_{local}^1 = 0.062x_1 + 0.226x_3 + 0.199x_4 + 0.386x_5 + 0.276$$

Here, Y_{local}^1 is the formation of favorable tax environment for domestic manufacturers and the factors /in local area/, $x1$ is Type of tax, burden, $x3$ is Tax credits, $x4$ is Double taxation, $x5$ is Fairness of the tax payment process.

Table 5. Statistics on favorable tax environment for domestic manufacturers

Model		Unstandardized Coefficient		Standardized Coefficient	T-stat	Sig
		B	Std. Error	beta		
UB city	Constant	0.455	0.142		3.202	0.001
	Type of tax, burden	0.151	0.038	0.143	3.991	0
	Tax payments and the reporting	0.015	0.036	0.014	0.417	0.677
	Tax credits	0.292	0.037	0.266	7.955	0
	Double taxation	-0.013	0.047	-0.011	-0.278	0.781
	Fairness of the tax payment process	0.349	0.038	0.333	9.069	0
Local area	Constant	0.276	0.064		4.288	0
	Type of tax, burden	0.062	0.023	0.058	2.711	0.007
	Tax payments and the reporting	0.01	0.023	0.009	0.432	0.666
	Tax credits	0.226	0.023	0.219	10.001	0
	Double taxation	0.199	0.025	0.178	7.873	0
	Fairness of the tax payment process	0.385	0.023	0.37	16.609	0

The omission of Tax payments and the reporting parameters from both models may be related to the parameter indicating the support of domestic manufacturing. Thus, there has been any influence in case of unsupport. The national mean of the parameter of Tax payments and the reporting is 2.94, which was estimated through other studies, has been proved once more by the results of our study [14, 15].

The study on the compliance of tax regulations with tax environment. Compliance of tax regulations and its impacts were tested using the One-Sample T-Test and resulted in a high negative value (10.53), with the significance factor moving towards 0, which ultimately illustrates that the current tax regulations are not compliant with the current business environment. The results are described in detail in Figure 6 and Figure 7.

With the aim of exposing the factors influencing the non-compliance of tax regulations, we have considered whether there are impacts of 7 predominant tax rates as examples of tax regulations on the favorable business environment.

Table 6 shows the model that estimated not as important ($R^2=0.093$) and whether the tax rates impact supports business environment of tax regulations can be explained only by R-squares of 9.3%; thus, the remaining 90.7% can be identified by other factors. Consequently, we presume the scarce statistical data, known as explanatory, seem insufficient for the estimation of the equation. In other words, it can be concluded that impacts of 7 predominant tax rates on the non-compliance of tax regulations and its impacts on business environment are recognized as “small”.

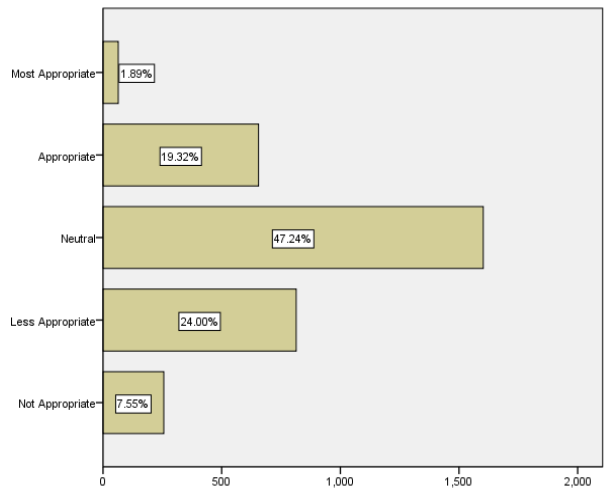


Figure 6. Compliance of tax regulations /frequency/

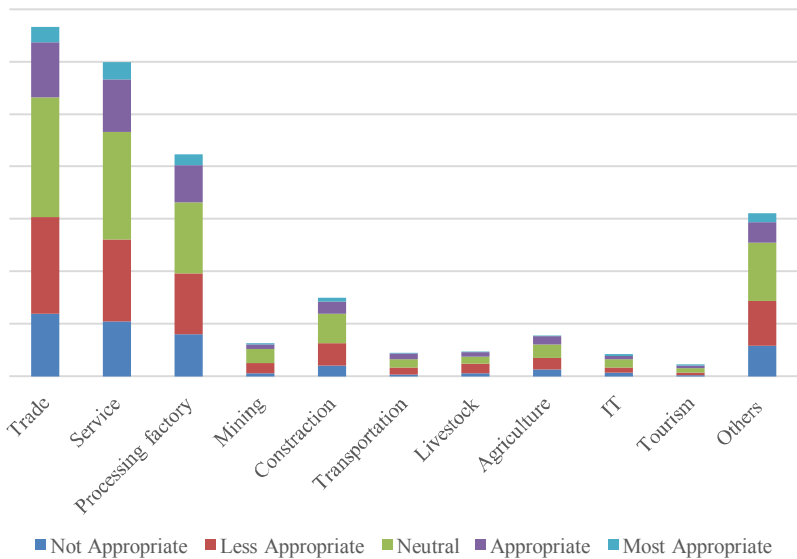


Figure 7. Compliance of tax regulations /sector/

Table 6. Model of Compliance of tax regulations

Model	R	R Square	Adjusted R Square	Std.Error of the Estimate
1	0.271 ^a	0.073	0.073	0.85756
2	0.296 ^b	0.088	0.087	0.85095
3	0.305 ^c	0.093	0.092	0.84861

a. Predictors (Constant), T1

b. Predictors (Constant), T1,T3

c. Predictors (Constant), T1, T5, T7

On the other hand, the total average of impacts of tax indicators on the compliance of tax regulations has been estimated to be the $R^2 = 0.150$ model. However, the Double taxation parameter has been excluded from the models since the level of the importance scale of the parameter was assessed to be 0.084. The data were estimated separately as Ulaanbaatar and local area sets and the results are shown in Table 7.

Table 7. Compliance of tax regulations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
UB city	0.392 ^a	0.154	0.148	0.81714
Local area	0.396 ^b	0.157	0.154	0.81864

a. Predictors (Constant), T1, T2, T3, T4, T5

b. Predictors (Constant), T1, T2, T3, T4, T5

Table 8 depicts the statistical indicators of the model.

Table 8. Statistical analysis on compliance of tax regulations

Model		Unstandartized Coefficient		Standartized Coefficient	T-stat	Sig
		B	Std. Error	beta		
UB city	Constant	1.454	0.139		10.424	0.000
	Type of tax, burden	0.175	0.037	0.190	4.726	0.000
	Tax payments and the reporting	0.055	0.034	0.059	1.592	0.112
	Tax credits	0.172	0.036	0.180	4.777	0.000
	Double taxation	0.076	0.045	0.072	1.676	0.094
	Fairness of the tax payment process	0.052	0.038	0.057	1.378	0.169
Local area	Constant	1.559	0.074		21.176	0.000
	Type of tax, burden	0.078	0.026	0.086	3.031	0.002
	Tax payments and the reporting	0.107	0.026	0.116	4.153	0.000
	Tax credits	0.060	0.025	0.070	2.445	0.015
	Double taxation	0.028	0.029	0.030	.995	0.320
	Fairness of the tax payment process	0.180	0.026	0.202	6.857	0.000

The above table shows that the parameters of Tax payments and the reporting (0.112), Double taxation (0.94) and Fairness of the tax payment process (0.169) are depicted as excluded from the Ulaanbaatar model, while the parameter of Double taxation (0.320) has been excluded from the local area model. The equations are the following:

$$Y_{ub}^2 = 0.175x_1 + 0.172x_3 + 1.454$$

Y_{ub}^2 is the compliance of tax regulations with tax environment, x_1 is Type of tax, burden, x_3 is Tax credits.

$$Y_{local}^2 = 0.78x_1 + 0.107x_2 + 0.060x_3 + 0.180x_5 + 1.559$$

Y_{local}^2 is the compliance of tax regulations with tax environment, x_1 is Type of tax, burden, x_2 is Tax payments and the reporting, x_3 is Tax credits, x_5 is Fairness of the tax payment process.

The indicators of the Ulaanbaatar sets, such as parameters of Type of tax, burden, and Tax credits (x_3), have been estimated and explained to be 15.4%; for the local area sets, Type of tax, burden, Tax credits (x_3), and Fairness of the tax payment process are 15.7%.

Thus, it can be summed up as follows. By making Types of tax and burden appropriate and by improving Tax credits in Ulaanbaatar, it is possible to intensify the compliance of law regulations, while all other parameters except Double taxation are in need to be upgraded in provinces.

Conclusion

The overall outcomes of the research and the estimations, specified by businesses to the overall tax environment, indicate an “average” or “below average” tax environment in Mongolia. Thus, the following conclusions can be drawn from the research analysis:

1. The fact that Tax burdens to businesses arise from the non-compliance of the rates of predominant Tax types with business needs to be taken into consideration. The rates of the 7 main taxes we have taken in the study must be decreased, particularly, the rates of Corporate Income Tax, Social Insurance Contributions and Customs duties are relatively high and are not helping in improving the competitiveness of businesses.

2. It is praiseworthy that tax payment and reporting procedures have been significantly simplified and improved compared to previous years. The main factor of the achievements has been the initial steps, taken to swift into the digital filing system. The speeding up of this transition into an integrated tax management system is essential. Moreover, the Customs Agency, the Social Security Department, and the State Registration Authority need to improve the inter-agency communication and transparency within the organizations.

3. Considering the *satisfactory* ratings of Tax credits parameters to businesses, there is a need of enhancing the current tax relief and incentives.

4. The parameters of Tax payments and the reporting, double taxation and Fairness of the tax payment process are required to be modified step by step.

5. The regression analysis has been performed to determine the factors that are unsupportive to domestic manufacturing with tax environment, and the outcomes have been revealed that in Ulaanbaatar the parameters of Tax payments and the reporting, Tax credits and Fairness of the tax payment process have been noted most influential, whereas in the local area sets, in addition to above parameters, Double taxation has been regarded as influential. It is interesting to consider those parameters. It is required to review whether there has been the issue of Double taxation to promote local businesses.

6. The study has depicted the non-compliance of taxation regulations with business environment. For instance, the parameters of non-compliance of taxa-

tion regulations in Ulaanbaatar have been 2 parameters, such as Tax payments and the reporting and Tax credits; however, in local areas all parameters, except Tax payments and the reporting, have been estimated as unfavorable.

7. It is required to pay more attention to conducting tax policies to encourage the developments of the region and to create fairness and an equal tax environment, considering that tax environment in local areas tends to be more unattractive compared to Ulaanbaatar.

8. Businesses are in favor of the favorable business environment by reducing number of taxes and rates of taxes, by lessening level of tax burdens, by enjoying tax credits and subsidies through proper policies, and by forming equal environment to make fair tax payments.

9. Mongolia, following the best practices of the developed countries, has taken a number of measures to support SMEs through a favorable tax environment and tax subsidies. For instance, the taxes on micro and small businesses have been reduced down to 1%, facilitating the small and medium businesses to file and pay taxes through simplified methods, and 90% of income has been relieved up from taxes for businesses operating in rural areas.

References

1. Mongolia. (2019) *Package of Tax Law in Mongolia*. [Online] Available from: <http://en.mta.mn/2019>.
2. Schanz, D. et. al. (2017) The Tax Attractiveness Index: Methodology. *Review of Managerial Science*. 11. pp. 251–297.
3. Popova, Y. (2018) Impact of Taxes on Business and Budget: Literature Review. *Transformation of Regional Economies: Sustainable Development and Competitiveness*. Conference Proceedings.
4. Engelschalk, M. et al. (2016) The Taxation of Micro and Small Businesses in Transition Economies: Country Experience of the Introduction of Special Tax Regimes. *Journal of Tax Administration*. 2 (1).
5. World Bank Group. (2020) *Doing Business 2020*. World Bank Group.
6. Enkhbaatar, S. (2011) Determining the stage of development of the Mongolian Tax System. *National Conference dedicated to the 20th anniversary of Mongolian Tax Authority*.
7. Lkhagvajav, B. & Enkhbat, R. (2019) Value Added Tax effect on Economy. *Journal Business and Innovation*. 06 (15).
8. Suvdaa, D. & Batbileg, S. (2019) *Tax reform impact on economy in Mongolia*. Project report. Mongolian Foundation for Science and Technology, Ministry of Education and Science.
9. Enkhbat, R. & Ankhubayar, Ch. (2020) Tax burden optimization on economy: In case of Mongolia. *Journal Money and Finance*. 2 (2).
10. IMF. (2017) *Improving tax collection in Mongolia*. IMF.
11. KPMG International. (2020) *Mongolia – Income Tax*. 31 January.
12. Nimani, A. & Zeqiraj, V. (2015) Taxes and their Effects on Business Environment. *Academic Journal of Interdisciplinary Studies*. 4 (1).
13. Kindsfaterienė, K. et al. (2008) Impact of the Tax system on Business Environment. *Engineering Economics*. 2 (57).
14. National University of Mongolia & National Chamber of Trade and Industry of Mongolia. (2017) *Survey on Business environment 2017*.
15. National University of Mongolia & National Chamber of Trade and Industry of Mongolia. (2020) *Survey on Business environment 2020*.

**О ВЛИЯНИИ НАЛОГООБЛОЖЕНИЯ НА СОЗДАНИЕ
БЛАГОПРИЯТНОЙ СРЕДЫ ДЛЯ ВЕДЕНИЯ БИЗНЕСА:
НА ПРИМЕРЕ МОНГОЛИИ****Оюунбилэг П., Сувдаа Д.**

Аннотация. Главной целью данного исследования является изучение влияния основных показателей налоговой среды на поддержку бизнеса и оценка этого влияния наряду с выявлением некоторых вопросов по урегулированию налоговой политики в будущем. Результаты исследования показывают: в ходе изучения соответствия процентных ставок 7 основных видов налогов для создания благоприятной среды для бизнеса выяснено, что ставки налогов не подходят для предприятий, нарушено их соответствие и сделан вывод о необходимости изменений. Было изучено соответствие таких показателей, как виды налогов, налоговая нагрузка, платеж налогов, налоговая отчетность, налоговые льготы и справедливость налогообложения, в результате чего выявлено, что показатели, кроме платежа и отчетности, не оказывали положительное влияние на благоприятность бизнес-среды. Был изучен вопрос о формировании благоприятной среды, поддерживающей развитие национального производства, и сделан вывод, что в настоящее время нет возможности признать наличие благоприятной среды для ведения бизнеса. Углубленное изучение факторов, влияющих на это, и влияние остальных показателей, кроме платежа и отчетности, было выражено регрессионным уравнением. При изучении вопроса о соответствии Налогового кодекса бизнес-среде был сделан вывод, что закон не соответствует среде. Были изучены влияние налоговых показателей и ставки налогов и создана многофакторная регрессионная модель с ее последующей оценкой.

Ключевые слова: налогообложение, влияние налогов, налоговое бремя, бизнес-среда, национальная промышленность, налоговые реформы