
The Optimization of the System of Taxpayers' State Registration Using Road Mapping Method

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Abstract:

In The state registration of taxpayers is the basis for creation of Unified State Register of Taxpayers (as to legal entities and individual entrepreneurs), which allows controlling completeness and timeliness of taxes' payment and, consequently, providing formation of budget. The paper analyses legal framework for regulation of taxpayers' registration, distinguishes the particularities of registration of organizations and private persons (individual entrepreneurs). There is also an analysis of applicable practice of taxpayers' registration in Russia and the Republic of Mordovia. The positive trends (formation of unified federal registration base for taxpayers' recording; openness and general availability of information about all taxpayers registered on the territory of Russia; wide list of services on state registration that are rendered by tax authorities to taxpayers; transition to the regime of "single window" in interaction between registering structures; prejudicial regulation of appeal of decisions on state registration of legal entities and individual entrepreneurs) and system problems (impossibility of use of unified registration number of a taxpayer for coordination of information about him in different state organizations; irrelevance and incompleteness of information contained in databases of different state institutions; conscious evasion of taxpayers of performance of tax obligations on registration; difficulty of timely detection of short-lived companies; significant volume of migrant organizations; insufficient technical and program support of regional tax inspections) linked to registration processes are elicited.

Key Words: *Registration, registering authorities, road map, Internet-service, on-line registration*

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1. Introduction

1.1 Exploring the problem

In the modern context the key element of economy state regulation that influence the level of tax collection and, ultimately, the level of economic and social development of country - is the tax administration. And the significant role in the system of tax administration is referred to such a tax institution as registration of taxpayers.

The development of the institution takes the priority in realization of measures on optimization of the procedures of legal entities and individual entrepreneurs' registration and is being the basis, on which partner relationships between taxpayers and tax authorities are built up.

In such a way, the relevance of the research is stipulated with the necessity of formation of full and authentic information on registration of legal entities and individual entrepreneurs for the purpose of provision of tax administration affairs aimed at increase of the level of tax collection and replenishment of budget revenues.

1.2 Studying the importance of the problem

The system for registration of taxpayers should provide:

- the opportunity of receiving by all the interested persons of publicly available information about registered legal entities, for example, for the purpose of counterparties' legal capacity control;
- conduct of economy statistical monitoring, registration of principal employers as insurants in pension and social bodies;
- supervision of carrying on business and other activity by organizations and individual entrepreneurs;
- arrangement of conditions that will exclude tax avoidance.

1.3 Literature Review

The analysis of the results of researches of scientists dedicated to examination of taxpayers' registration problems has shown insufficient exploring of the issue in scientific literature. The subject of scientific works at most includes only a few of matters on regulation of taxpayers' registration linked to its organization and, as a rule, representing practical comments of corresponding articles of the Tax Code of the Russian Federation. Such issues one can find in the works of Bryzgalin (2008), Ermakov (2012), Mishustin (2005), Pepelyaev (2010), Spirina (2010), Timoshenko (2010), etc.

In the meantime, such important issues as optimization of interaction between tax authorities and taxpayers within the process of tax registration with account of regional peculiarities were researched quite insufficiently and require further development and fundamental integrated studies. Our research is dedicated to consideration of the present matter on the example of the Russian Federation and the Republic of Mordovia.

1.4 Hypotheses and their influence on the structure of research

Taking into account the fact of quite poor scientific development of the problematics linked to taxpayers' registration, the main task of the present research is the grounding of the necessity of transition to service-oriented model of tax administration in the area of formation of partnership relations between tax authorities and taxpayers aimed development of general economic climate in Russia and the Republic of Mordovia.

The suggested work is dedicated to solution of the following conceptual problems:

- research of regulatory provision of taxpayers' state registration;
- estimation of modern state and development trends of the system of state registration of legal entities and individual entrepreneurs at federal and regional levels;
- development of conceptual recommendations on formation of service-oriented approach to tax administration for the purpose of increase of quality and availability of obtainment of public services on state registration.

2. Methods

2.1 Statistical Monitoring Method

The data for estimation of the state of state registration of legal entities and individual entrepreneurs were collected with help of selective statistical monitoring. The collected information includes the data on the quantity of registered, filed and taken off legal entities (in terms of organizational forms) and individual entrepreneurs, taxpayers' migration, which provided conduct of analysis of the state of their state registration in the Republic of Mordovia.

2.2 Analysis Method and Measurements

The calculation of separate indicators characterizing the state of dynamic processes of taxpayers' registration in Russia and the Republic of Mordovia in the period of 2010-2014, which allowed revealing the trends and priorities of its development, was held.

All the collected data are presented the form of tables, diagrams and charts, which provide better perception and understanding of trends and principles of taxpayers' registration process, their changes and development.

2.3 Deduction and Logical Conclusion Method

The trends of development of taxpayers' registration in Russia and the Republic of Mordovia, such as transition to automation of tax registration process, simplification of the procedure of registration in terms of reduction of the number of stages necessary for registration, decrease of labor and time costs were revealed.

The use of logical conclusion method has helped authors to suggest conceptual recommendations on transition to service-oriented approach in realization of tax registration aimed at increase of effectiveness of legal entities and individual entrepreneurs' state registration sub-system in the tax administration system.

2.4 Method of Road Mapping

The road mapping method was used when considering the plan of affairs on optimization of legal entities and individual entrepreneurs' registration procedure realized by the government of the Russian Federation. On its basis the complex of measures aimed at further development of taxpayers' registration process was suggested.

3. Results

The state registration of taxpayers is being the starting point in organization of interaction between tax authorities and taxpayers and represent complex of legally-established measures performed for the purpose of registration of all taxpayers (or tax agents) and accumulation of data about them in unified state register.

The objectives of state registration of economic entities are:

- arrangement of conditions that will exclude tax avoidance;
- supervision of carrying on business and other activity by organizations and individual entrepreneurs (for example, the control of meeting the requirements in some kinds of activity and suppression of illegal enterprise);
- receiving by all the interested persons of publicly available information about registered legal entities (in particular, by means of depositing by tax authorities of copies of their charter documents), for example, for the purpose of counterparties' legal capacity control;
- economy statistical monitoring, registration of principal employers as insurants in pension and social bodies, other analogous purposes.

In accordance with the Civil Code of the Russian Federation an entity is considered established from the moment of its state registration and a citizen has a right to carry on business without establishment of legal entity from the moment of state registration as a individual entrepreneur as well (Timoshenko & Spirina, 2010).

In accordance with article 1 of the Federal law of August 8, 2001 No. 129 "Of state registration of legal entities and individual entrepreneurs" the state registration is represented with acts of tax authority performed by means of making records in state registers of data about establishment, reorganization and liquidation of legal entities, acquiring by private persons of individual entrepreneur's status and termination of activity in such status, other data.

The state registration of legal entities and individual entrepreneurs is performed for the purpose of strengthening of control for physical address of legal entities, provision of tax revenue to budget, development of civilized business environment (Gamrat, 2002).

Among the principles of state registration of legal bodies and individual entrepreneurs there are:

- 1) Consistency. Registration is performed in accordance with unified system all over the territory of the Russian Federation;
- 2) Federal status. Registration bears the federal status.
- 3) Reliability. Registration is based on reliable data, the delivery of which is imposed with responsibility of applicant. In case of delivery of false information the applicant can be applied with fine sanctions in accordance with applicable legislation.
- 4) Actuality. Registration is being of declarative nature. State registration authority shall check for availability of necessary documents and issue corresponding registration certificates within a period of one month, unless otherwise provided by legislation of the Russian Federation.
- 5) Informational accessibility. Registration data are not being confidential. The registering authorities shall send necessary information about newly established legal entities and newly registered individual entrepreneurs to bodies of state authority and local government in accordance with applicable legislation and get confirmation of recording of the data from them.
- 6) Territoriality. Registration is performed by physical address (location) - for legal entities; and according to place of residence - for individual entrepreneurs.

As far as state registration is the manifestation of power authorization and significantly affects rights and interests of different subjects' categories, its performance is imposed on government authorities.

Until July 1, 2002 in the Russian Federation there was about 4,5 thousands of registering bodies (35 in Mordovia), each of which performed registration of legal entities, issued documents on state registration, formed state registers walking by the rules approved by executive authorities of corresponding constituent of the Russian Federation (Pepelyaeva, 2004).

According to decree of Government of the Russian Federation of 09.30.2004 No. 506 "Of approval of the Provision about Federal tax service" the functions of state registration of legal entities, private persons in the capacity of individual entrepreneurs and peasant (farm) households were attributed to Federal tax service of the Russian Federation being in charge of Ministry of Finances of the Russian Federation. The body that performs state registration of non-commercial organizations, public associations and parties is the Ministry of Justice of the Russian Federation.

In the work on registration of taxpayers being legal entities and taxpayers being entrepreneurs, who does not establish a legal entity, there are definite differences, however, the basic procedures comprising the work, objectives and tasks of its performance, forms and methods of conduct are generally identical.

Among the main procedures linked to taxpayers' registration there are:

1. Receipt from a taxpayer of package of documents necessary for registration, their verification, and inclusion of information about taxpayer to database and assignment of identifying number to him.
2. Receipt from a taxpayer of information about introduction of changes to initially presented package of documents and inclusion of information about alteration of taxpayer's documents to database.
3. Receipt and inclusion of data about taxpayer taken from various sources (not from the taxpayer) to database.
4. Issue of certificate of registration in tax authority and different statements necessary for performance of business activities by taxpayer.
5. Answers to demands coming from tax, law-enforcement, judicial and other bodies that concern the data containing in organizational documents of taxpayers and their accounts in banks.
6. Representation of database of Unified state register to regional level.
7. Preparation of reporting about work on taxpayers' registration and participation in preparation of reporting about inspection work.
8. Purification of data containing in database.
9. Other works that are not in the list, but linked to taxpayers' registration.

Registration of organization or individual entrepreneur in tax authority is performed on the basis of data included into Unified state register of legal entities and Unified state register of individual entrepreneurs respectively in accordance with the procedure set by the Government of the Russian Federation.

The taxpaying organizations and individual entrepreneurs are subject to registration in the tax authorities:

- 1) by location, i.e. the place of state registration (article 11 of the Tax Code of the Russian Federation);
- 2) by location of organizations' subdivisions, i.e. by the place, where the organization performs activities by means of its subdivision;
- 3) by location of owned real estate and transportation means that are subject to taxation (Bryzgalin, 2008).

The application of registration of organization or individual entrepreneur is submitted to tax authority at the location within 10 days from the moment of state registration, at the location of subdivision - within a month from the moment of its establishment; at the location of real estate and transportation means - within 30 days from the moment of their registration.

The tax authority shall register a taxpayer, assign a taxpayer's identification number to him and issue registration certificate within 5 days from the moment of presentation by the taxpayer of all the necessary documents.

In such a way, the Tax Code of the Russian Federation sets quite tight time frame for registration for both - the taxpayers and the tax authorities. Besides, having received a

package of documents from taxpayer, tax inspection, in fact, has no right to deny registration to him even in the case if it possesses information that in the documents there are false data.

Federal tax service of Russia maintains the Unified state register of legal bodies, Unified state register of individual entrepreneurs and Unified state register of taxpayers according to established procedure; approves forms of applications, notifications, messages presented in the process of grant registration of legal entities, peasant (farm) households and private persons in the capacity of individual entrepreneurs; approves requirements to drawing up of documents presented to registering body; approves the form and content of the document confirming the fact of making an entry in state registers of taxpayers; approves the procedure of sending of documents to registering body with help of information and telecommunication public domain networks, particularly, the Internet, including federal state informational system of "Unified portal of state and municipal services"; approves the procedure for interaction between registering bodies at location of reorganizing and establishing as a result of reorganization legal entities.

Tax authorities take into account taxpayers on the basis of information coming:

- from registering bodies that shall send to tax authorities the data about registered (re-registered) or liquidated (reorganized) organizations, private persons, which had registered or gone out of business in the capacity of individual entrepreneurs, the facts of private persons' registration according to place of residence, birth and death of private persons, the information about real estate in the territory under their jurisdiction or about transportation means and their owners registered in the authorities (the Ministry of Internal Affairs of the Russian Federation, federal tax service of Russia, 2008; Federal Registration Service (Rosregistratsia), federal tax service of Russia, 2005);
- from bodies that issue licenses, certificates or other similar documents giving right to perform definite kinds of activity to private persons, who had received the specified documents or the documents of which were shelved or ceased to be effective;
- from bodies (institutions) authorized to perform notarial actions and legal public notaries, who shall report tax authorities about notarial certification of succession right and gift agreements;

The practice of working of tax authorities shows that many taxpayers concede misrepresentation of information as early as at the first stage of their activity - at the stage of establishment. Such unreliable information is entered to their organizational documents and, subsequently, to database of Unified state register. This stipulates the necessity of more complete check of organizational and other documents presented by taxpayers within the process of registration, which would promote avoiding a number of tax offences and reduction of state expenses for tax collection (Plautz R. & Fineman M.L., 1997).

In the course of continuous work on registration tax authorities take initial information about taxpayers and introduce it to their database that is constantly specified and supplemented.

The data about number of taxpayers registered in tax authorities of the Russian Federation are presented in figure 1 (Federal tax service of Russia, 2015).

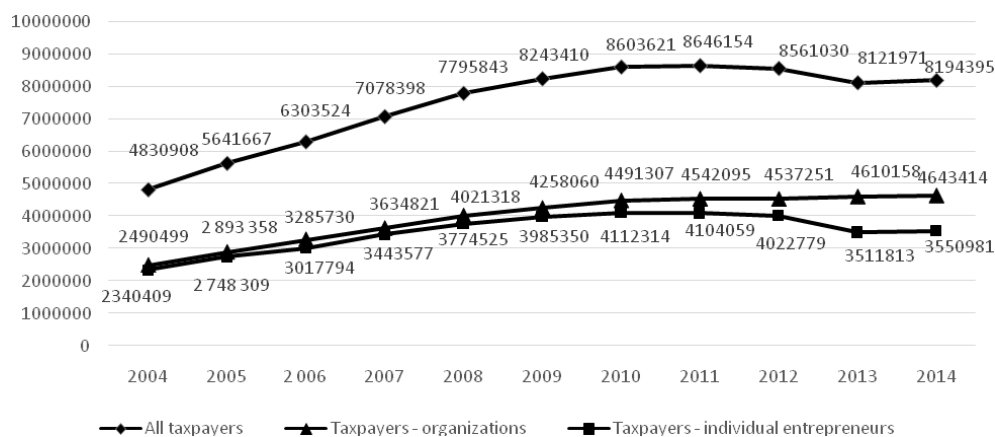


Figure 1. The dynamics of indicators of number of taxpayers registered in tax authorities of the Russian Federation, units

As the data presented in the diagram show, the biggest number of taxpayers registered in Unified state register of legal entities and Unified state register of individual entrepreneurs falls at 2009-2012. At the same time the higher rates of growth of number of registered taxpayers are fixed in the first half of researched period. Thus, in 2005 the growth made 17% (810759 units), in 2006 - 11% (661857 units), in 2007 - 12% (774874 units), in 2008 - 10% (717445 units), in 2009 - 6% (447567 units), in 2010 - 4% (360211 units), in 2011 - 0,5% (42533 units). Starting from 2012 there is reduction of registered taxpayers' quantity, which was stipulated by reorganization and liquidation in relation to unstable financial situation and also by deregistration of big number of individual entrepreneurs due to increased tax burden.

The biggest share of all the taxpayers being legal entities accounts for the following federal districts: Central federal district (226604 units), Volga federal district (82908 units), Northwestern federal district (68472 units) (figure 2) (Federal tax service of Russia, 2015).

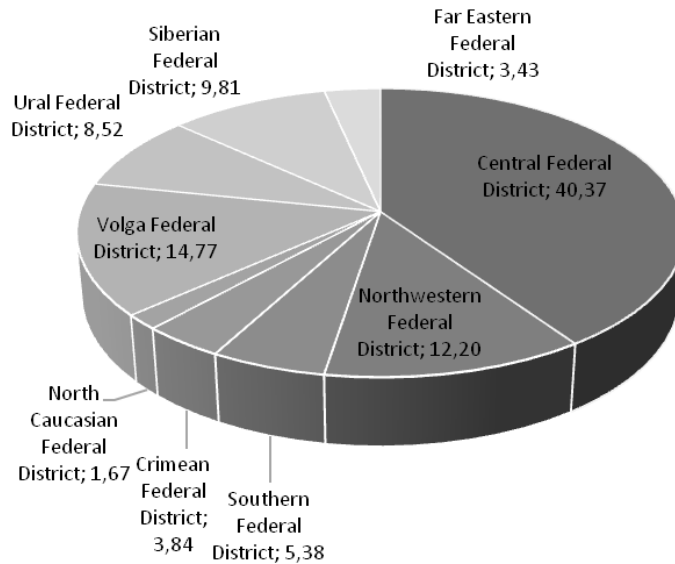


Figure 2. Share of taxpayers being legal entities registered in tax authorities of the Russian Federation, by federal districts in 2014, %

However, the registered individual entrepreneurs comprise the following diagram (figure 3) (Federal tax service of Russia, 2015). In the present case the biggest share of tax payers accounts for Central federal district (139855 units), Volga federal district (113106 units), Siberian federal district (78815 units), Southern federal district (75535 units).

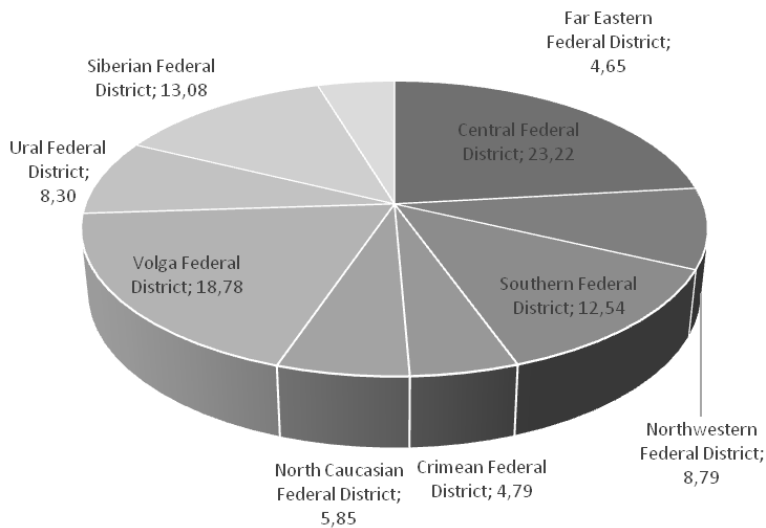


Figure 3. Share of taxpayers being individual entrepreneurs registered in tax authorities of the Russian Federation, by federal districts in 2014, %

The conducted research showed that Volga federal district includes 17-18% of total number of taxpayers registered in Russia (figure 4) (Federal tax service of Russia, 2015), the main part of which falls at the Republic of Tatarstan (14,2%), the Republic of Bashkortostan (12,1%), the Samara region (12,1%), the Nizhni Novgorod region (11,9%), the Perm territory (10,2%). In the Republic of Mordovia there is only 2,16% (14396 legal entities and 16355 individual entrepreneurs) of taxpayers of Volga federal district (figure 5) (Federal tax service of Russia, 2015).

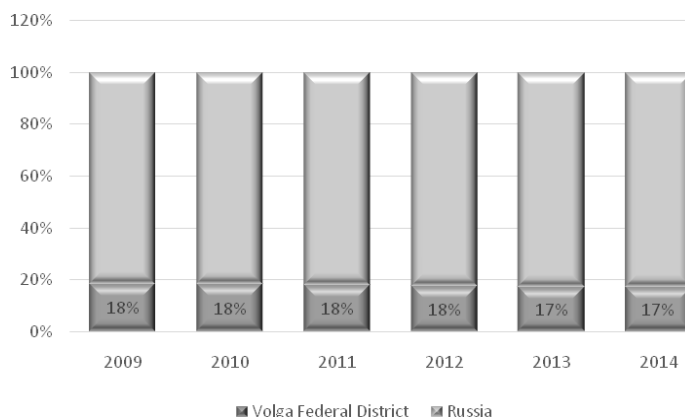


Figure 4. The dynamics of indicators of share of taxpayers registered in tax authorities of Volga federal district of total number of taxpayers in Russia

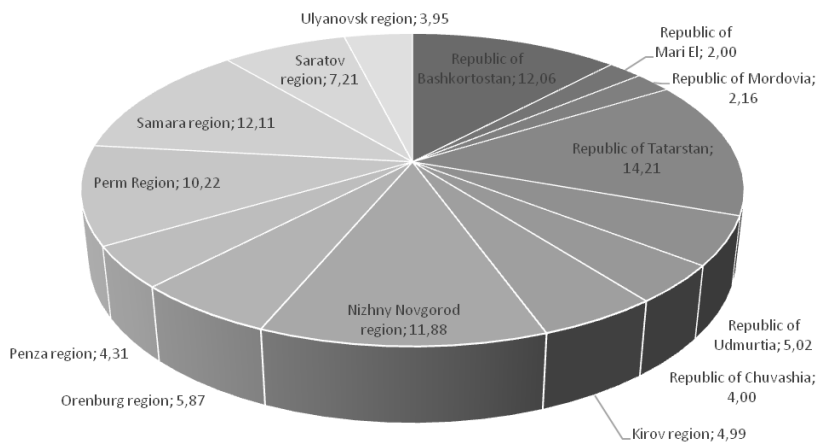


Figure 5. Share of taxpayers registered in tax authorities of constituents of Volga federal district in 2014, %

The dynamics of the number of taxpayers registered in tax authorities of the Republic of Mordovia is presented in figure 6 (Federal tax service of Russia, 2015).

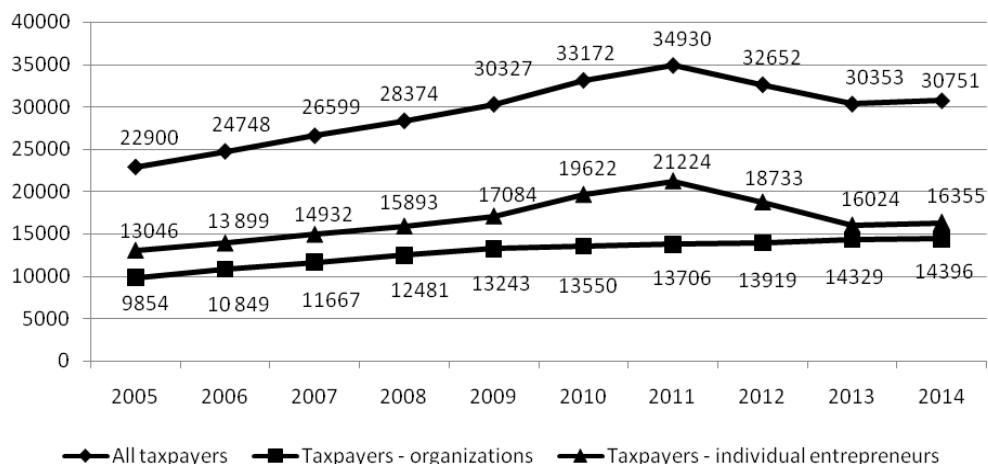


Figure 6. The dynamics of indicators of number of taxpayers registered in tax authorities of the Republic of Mordovia, units

The presented data to a large extent repeat the all-Russian situation in researched area denoting the biggest number of registered legal entities and individual entrepreneurs within the period of 2009-2012 and subsequent reduction of the present indicator.

What is for consideration of dynamics of indicators of registered legal entities by different categories (Table 1) (Federal tax service of Russia, 2015), here we can note the following. Within the period from 2009 to 2014 there was a growth of number of registered commercial organizations (in 2010 - for 307 more units, in 2011 - for 156 more units, in 2012 - for 213 more units, in 2013 - for 410 more units, in 2014 - for 67 more units) mainly due to increase of number of such organizations, as limited liability and additional liability companies, production cooperatives, unitary enterprises. The number of legal entities registered in accordance with a special order (Rosregistratsia), on the contrary, had been progressively reducing - in 2014 their number reduced 41% against the beginning of the researched period.

Table 1. The dynamics of indicators if state registration of legal entities in the Republic of Mordovia

Indicator	2009	2010	2011	2012	2013	2014
The number of legal entities included into tax records, total	13243	13550	13706	13919	14329	14396
Including:						
Commercial organizations,	7379	7764	7872	8184	8606	8807

total:						
- general partnerships	1	1	0	0	0	1
- limited partnership	9	8	7	7	7	7
- limited and additional liability	6380	6852	7119	7519	8014	8255
- joint stock companies (open, closed)	398	392	350	331	322	302
- cooperatives	116	103	94	81	131	109
- unitary enterprises	77	55	48	45	125	117
- other commercial organizations	398	353	254	201	7	16
Non-profit organizations, total:	5864	5786	5834	5735	5723	5589
- consumer cooperatives	376	400	391	383	371	351
- state and municipal institutions	3012	2930	2969	2338	2901	2784
- legal entities registered in accordance with a special order (FRS)	2432	2413	2434	1989	1425	1431
- other non-profit organizations	44	43	40	1020	1026	1023
The total number of records on the registration of legal entities	189093	213163	232952	249587	269338	285868

The dynamics of indicators of newly registered and terminated (deregistered) legal entities and individual entrepreneurs is presented in figures 7 and 8 (Federal tax service of Russia, 2015).

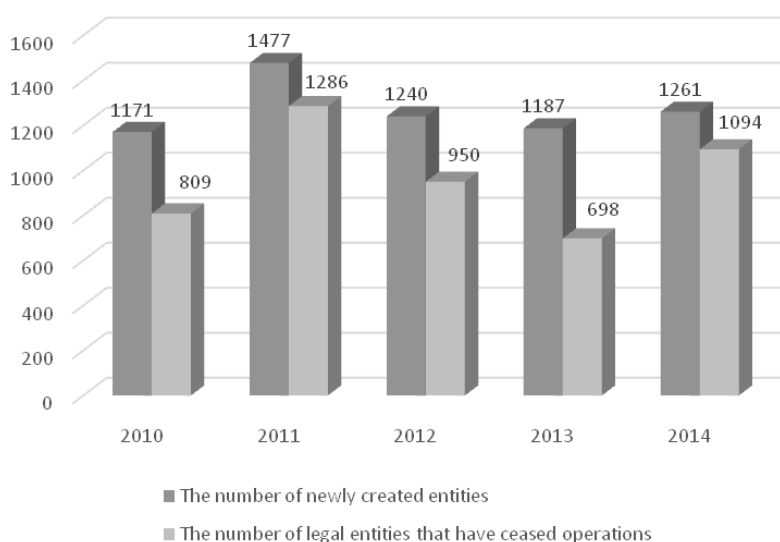


Figure 7. The dynamics of indicators of number of newly registered and terminated legal entities in the Republic of Mordovia

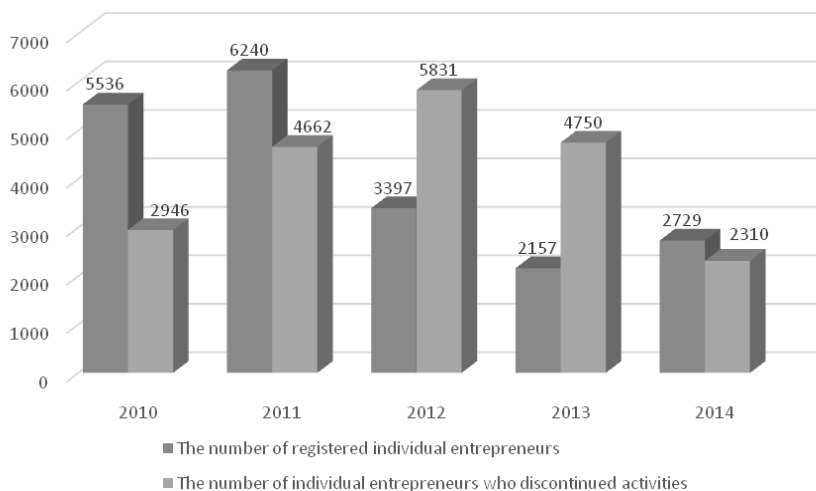


Figure 8. The dynamics of indicators of number of newly registered and terminated individual entrepreneurs in the Republic of Mordovia

The presented data on legal entities witness excess of newly established organizations over terminated ones. The total number of organizations registered during a year remained practically at the same level within the whole researched period.

What is for registration of individual entrepreneurs, here one can see excess of terminated individual entrepreneurs over newly established ones starting from 2012. Such a situation is mainly stipulated by deterioration of economic climate in country and in the Republic of Mordovia. The trend remains by the present moment as well. Thus, in 2014 the number of registered individual entrepreneurs made only 49% of the level of 2010.

At the same time, the research has revealed significant quantity of both - private persons and individual entrepreneurs that had taken refusal of registration, which is confirmed by data of figure 9 (Federal tax service, 2015). The reasons for refusal were: non-delivery of documents necessary for state registration; delivery of the documents to improper registering body; non-compliance with notarial form of delivered documents; signing of documents by unauthorized person; non-conformity of legal entity's name to requirements of legislation; prohibition of carry on business for definite time by decision of court, etc.

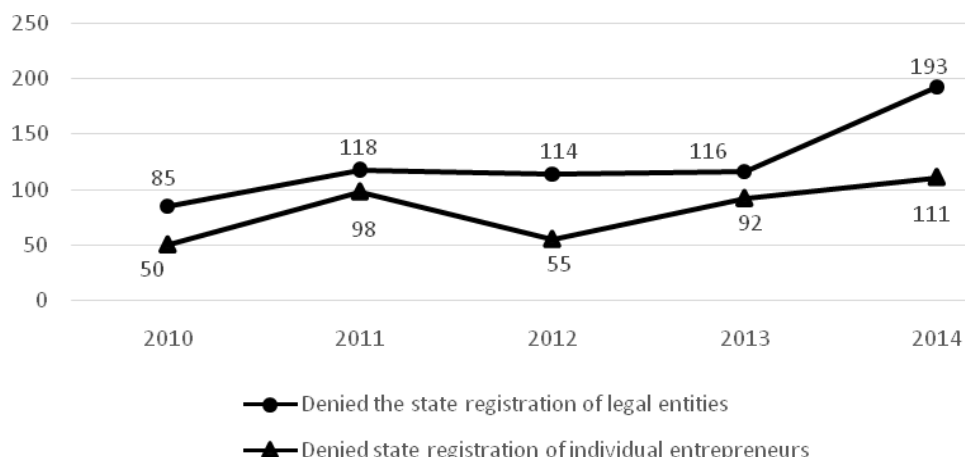


Figure 9. The dynamics of indicators of number of taxpayers, who had taken refusal of state registration in the Republic of Mordovia

The great problem of tax authorities' activity is the control of short-lived companies and migrant taxpayers.

Within the process of registration it is necessary to check all the information about taxpayer for the purpose of timely identification of short-lived companies and suppression of their activities. For the recent 20 years the short-lived companies have become integral part of national economy and are being commonly found: according to estimates, up to 80% of all account entries tracked by the Central Bank of the Russian Federation is linked to short-lived companies in this or that way. The major part of them functions at international market for the purpose of export of capital abroad and laundering of money obtained by illegal means (Ermakova E.A., 2012).

There is also a high level of migration of taxpayers either to the Republic of Mordovia and out of it, which is caused by debts on pay obligatory payments and performance of control procedures in regard of them. In such circumstances, the number of departing enterprises and legal entities significantly exceeds their arrival (figures 10, 11) (Federal tax service of Russia, 2015).

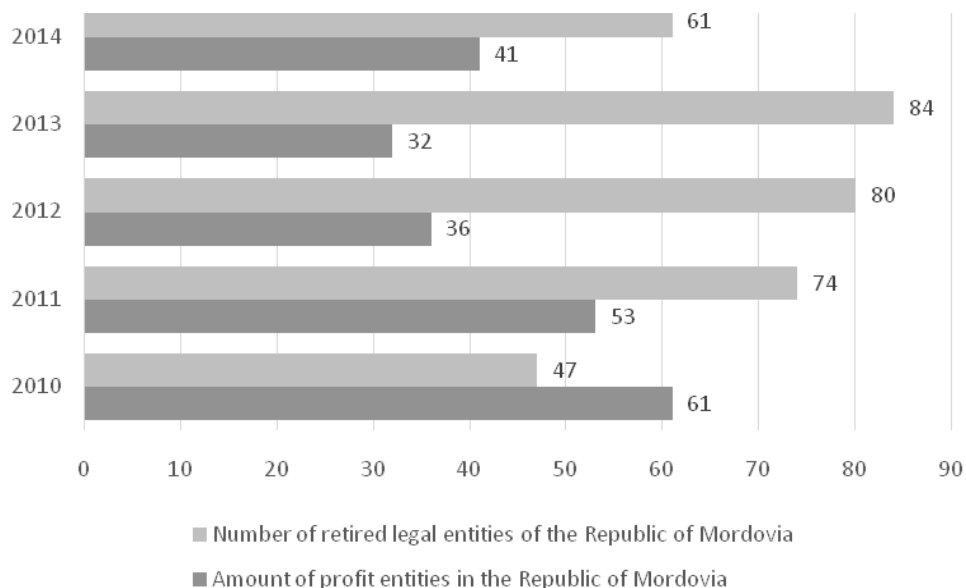


Figure 10. The dynamics of indicators of legal entities' migration

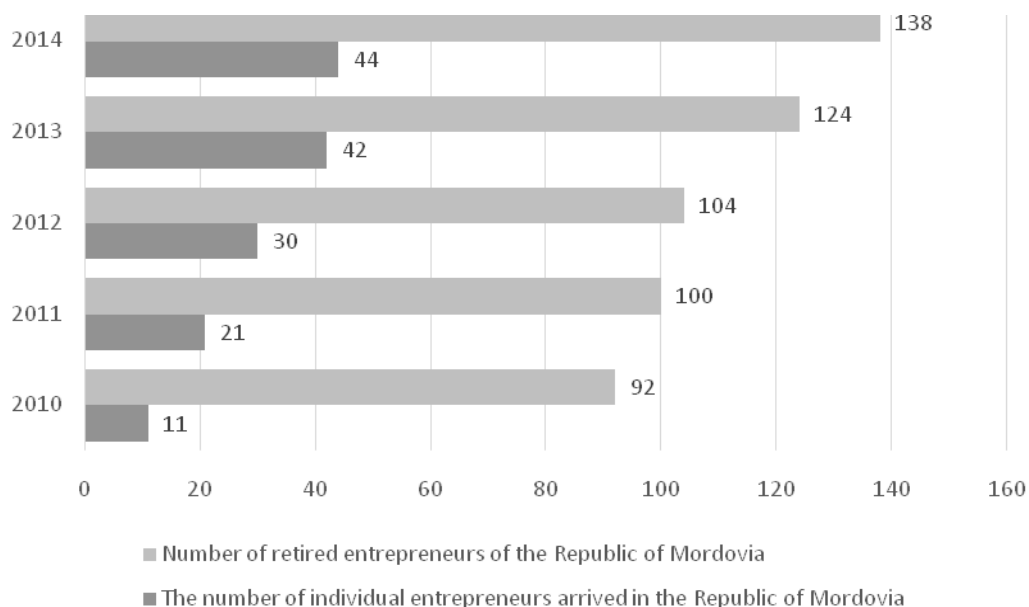


Figure 11. The dynamics of indicators of individual entrepreneurs' migration

In such a way, despite generally established practice of legal entities and individual entrepreneurs' registration, the conducted research has shown the necessity of further development of registration system.

At the present time tax authorities face the following tasks on development of the system of taxpayers' state registration:

1. Optimization of state registration procedure;
2. Optimization of related procedures;
3. Extension of on-line registration opportunity;
4. Improvement of communications and provision of information – the organizational measures that would provide getting of complete and actual information on state registration procedure.

For the purpose of realization of set tasks and implementation of strategic planning approaches on the basis of special-purpose methods Federal tax service of Russia has approved the “Strategic map of FTS of Russia for 2014-2015”.

Realization of measures of the Strategic map is performed on the basis of “Road mapping” method. The road map is the document that allocates points of adoption of decisions, problem areas, and probable scenarios of future events depending on actions of participants of situation on the time scale. In many developed countries such technological mapping is considered one of the most effective methods of planning, forecasting and activity management in regard of actively implemented companies in particular and branches and sectors of industry in general (Kazykhanov, 2012).

By the decision of the Government of the Russian Federation of March 7, 2013 No. 317-p the plan of measures (so-called “road map”) named “Optimization of legal entities and individual entrepreneurs' registration procedures” was adopted. Realization of the measures will provide optimization of procedures linked to state registration, including reduction of number of stages necessary for registration, their total duration and cost. The terms of realizations of “road map” measures are from 2014 to 2018.

Realization of the present measures is aimed at strengthening of Russia's position in ratings of rating investment attractiveness and increase of effectiveness of tax authorities' work in the sphere. For the purpose of the realization a number of changes was introduced to federal laws and definite organizational arrangements were carried out.

The Federal law of May 5, 2014 No. 129-FL has eliminated the requirement of advance payment of no less than a half of charter capital. This will allow entrepreneurs not to open temporary (accumulation) account and to reduce time for registration of joint stock companies (the Government of Russia (a), 2014).

Another one legally ceased obligation of taxpayer concern reporting tax authority about opening (closing) of banking accounts and creation (termination) of the right to use corporate electronic means for payment.

Starting from May 1, 2014 payers are also relieved from the obligation to report premium payment control body about opening and closing of accounts in bank, the corresponding data are now delivered to funds by banks.

There are other adopted laws for optimization of state registration as well. Thus, for now there is no notarial necessity of attesting of signature of applicant in registration application in case of personal delivery of documents to registering body.

The Federal law 59-FL has reduced the terms for exchange of information between registering bodies and extra-budgetary funds in the framework of "single window". Now the funds shall perform registration in no more than in 3 working days from the moment of delivery by tax authorities of data from state registers to the funds (earlier it made 5 days). It is planned that exchange of information with funds will take no more than 1 day by 2018 (the Government of Russia (b), 2014).

The opportunity of delivery of documents for state registration and subsequent receipt of resulting documents by means of multifunctional center of delivery of state and municipal services is legislated.

Another one adopted issue is the law about prejudicial dispute settlement in the frameworks of state registration. It will provide faster settlement of disputable situations in the sphere of legal entities and individual entrepreneurs' registration (Wells S.C. et al., 1992). The procedure of appeal of a decision on state registration of legal entities and individual entrepreneurs or registration refusal is set. In accordance with general rule, the decision on solution on complaint is adopted within 15 working days (the Government of Russia (c), 2014).

For the purpose of development of business and increase of the level of taxpayers' servicing amenity on the website of FTS of Russia there are electronic services, with help of which one can for free get much useful information (Glassey, 2010).

The service called "The risks of business: check yourself and counterparty" allows showing due circumspection when choosing counterparty (supplier, contractor), presents data about state registration of legal entities, individual entrepreneurs, peasant (farm) household, provides performance of search of necessary information in the register of disqualified persons. It also includes information concerning addresses of mass registration, data about persons, in respect of which the fact of impossibility of participation in organization had been established by judicial procedure; data about legal bodies that are absent at their legal address.

On the site there is also such a service as “Set up your own business” with bit by bit instruction for first-time entrepreneurs that will help to choose the form of registration, taxation regime, performance of state registration, put up to the rules of application of cash register equipment and present information about procedure of tax inspections’ conduct. The present service has gained the diploma of Ministry of Communications and Mass Media of the Russian Federation in the category of “The best state service presented to business with use of system of interdepartmental electronic interaction”.

By means of the site one can also send a package of documents to tax authority when performing state registration of legal entities and individual entrepreneurs (requires availability of electronic signature), send an application for registration as an individual entrepreneur through mobile device (requires personal visit to inspection, availability of electronic signature is not required). Such an opportunity is widely used in the Republic of Mordovia, which is demonstrated by the data presented in figure 12.

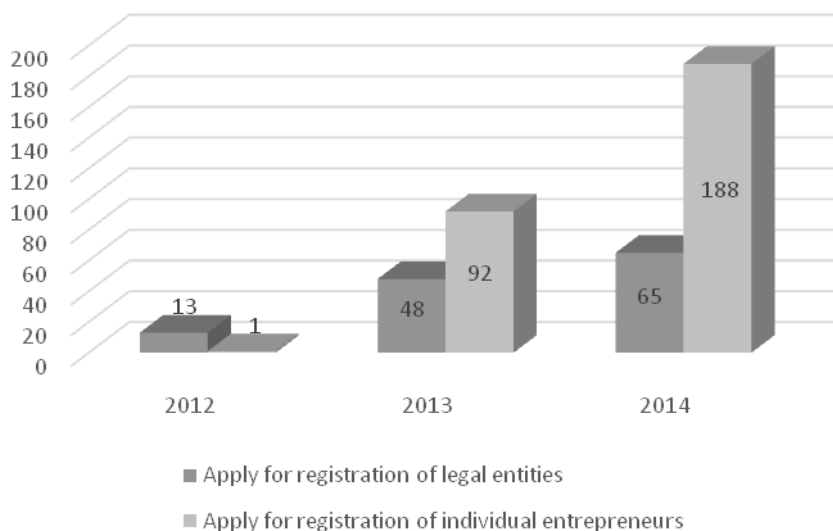


Figure 12. The dynamics of indicators of number of filed electronic requests for state registration in the Republic of Mordovia

Extensively implemented are the organizational measures aimed at extension of on-line registration opportunities:

- 1) at the Unified portal of state and municipal services (functions) the opportunity of on-line tracking of processes of consideration of state registration applications was provided;
- 2) call-center with free federal number providing consultations on matters of legal entities and individual entrepreneurs’ registration was created;
- 3) free content of data about legal entities and individual entrepreneurs’ state registration allocated on official website of Federal tax service of Russia was extended. All interested persons now have an opportunity of getting their data from

state registers in the form of extracts (electronic or in hard copy) on the basis of request sent by means of the Internet.

4) when registering one can pay the fee for presentation of data from state registers of taxpayers and the register of disqualified persons on-line. In addition, one can perform on-line payment through one of partner banks of Federal tax service of Russia.

At this date Federal tax service is one of the most technology intensive services in Russia. According to the data of Doing Business-2014 rating of the World bank, Russia has kept 62nd position among 189 countries. This has become real due to keeping by the Russian Federation of 34th position in the list of the best practices by "Establishing business" ("Registration of enterprises") indicator.

However all the above-mentioned measures on improvement of tax administration cannot solve all the problems linked to registration process to full extent (James S., 2012). The realized procedures of automatic registration cover just partial spectrum of taxpayers and do not solve the task on identification of taxpayers avoiding performance of tax obligations on registration and, subsequently, payment of taxes to budget to the full. In addition, up to the present moment there is an unsolved problem on re-registration and subsequent administration of abeyant taxpayers and the taxpayers registered in tax authorities, but having no possibility to maintain communication with them.

4. Discussion

In such a way, the conducted research of applicable practice of state registration of legal entities and individual entrepreneurs has shown there are positive trends and system problems.

Thus, on the plus side of currently realized program for optimization of taxpayers' registration procedures there are:

- establishment of procedure of legal entities registration that differs covers the whole territory of Russia, being convenient for applicants and performed in short terms;
- formation state information resources that aggregate information about all legal bodies and individual entrepreneurs registered on the territory of Russia on the basis of principle of openness and general availability for all interested persons (Mishustin, 2005);
- transition to non-contact interaction between tax authorities and taxpayers;
- extension of the list of services on state registration rendered by tax authorities to taxpayers;
- reduction of terms of information exchange between registering bodies and off-budget funds in the frameworks of "single window";
- delivery of documents for state registration and subsequent receipt of resulting documents through multifunctional center for delivery of state and municipal services;
- opportunity of on-line tracking of state registration applications' considering at the Unified portal of state and municipal services;

- appeal of a decision on state registration of legal bodies and individual entrepreneurs or about its refusal in prejudicial manner;
- taxpayers' opportunity of getting their data from the Unified state register of legal bodies and Unified state register of individual entrepreneurs in the form of extract (electronic or in hard copy) on the basis of request sent by means of the Internet;
- prevention of big number of offences in the sphere of taxes and tax collection due to formation of unified federal informational base for taxpayers' registration.

However, there is a number of problems in the process of legal bodies and individual entrepreneurs' registration. Among them there are:

- registration of legal entities at the present time is carried out by several different state structures (Federal tax service of Russia, registering bodies, Pension fund, licensing bodies, etc.), each of which assign its number to taxpayer. These numbers are being unrelated to each other, which makes it impossible to use them for coordination of information about the same taxpayer stored in different state organizations;
- low level of tax culture of taxpayers that leads to occurrence of conscious denial of tax obligations on registration and, respectively, of payment of taxes to budget;
- delivery by taxpayers of unreliable information at the stage of establishment, which leads to difficulty of detection of short-lived companies in the process of state registration in tax authorities;
- significant number of migrant organizations, which makes it difficult to register them all (Whitehouse K., 2004);
- insufficient equipment of regional tax inspections with corresponding hard- and software sustaining the necessity level of taxpayers' servicing;
- irrelevance and incompleteness of information contained in databases of different state structures. It is often happened that at request there is an answer about absence of requested information or discrepancy of data received from different sources is observed;
- lack of qualified personnel among workers of regional subdivisions of Federal tax service of Russia and registering bodies, who are able fully to provide and maintain automated process of taxpayers' registration;
- unreadiness of registering bodies to complete transition to electronic interdepartmental interaction due to skeptical attitude of their heads towards electronic document flow and preference of paper medium (documents with seals, stamps and signatures) instead of electronic files with digital signatures.

In the context of above-stated the general directions of further development of the system of taxpayers' registration should be:

Firstly, It makes sense to rely upon experience of foreign countries and begin to apply unified taxpayer identification number (either in respect of organizations and individual entrepreneurs) in the process of registration in different state structures (Federal tax service of Russia, registering bodies, licensing bodies, etc.), which would significantly simplify formation and support of updating of informational databases

about the same taxpayer and exclude occurrence of replicated and contradictory information.

Secondly, the organization and conduct by regional subdivisions of Federal tax service of Russia of seminars, round tables, conferences, etc. regarding the matters of change of tax legislation, development of tax services, registration procedures, etc. for the purpose of increase of tax competence and culture of taxpayers.

Thirdly, it is necessary to vest tax authorities with powers on conduct of documents' legal examination, which will allow avoiding illegal adoption of decisions on registration of organizations.

Thus, to prevent occurrence of short-lived companies it is necessary:

- not to permit registration of short-lived companies in case there are evidences of person's lack of intent to register a firm;
- in case there are evidences of person's lack of intent to register a firm to consider it illegally established and liquidate it;
- not to permit further carrying out of business activity on behalf of unauthorized persons;
- to get additional evidences about reliability of delivered information and compliance to requirements of article 169, 252 of the Tax Code of the Russian Federation.

At the stage of taxpayers' registration we recommend tax authorities to take the following measures:

- 1) when considering registration documents - to perform check in order to identify the correspondence of location address of legal entity's permanent executive body specified in state registration application to the address of "mass registration" using the electronic resource of "Mass registration addresses" on the official site of FTS of Russia (Federal tax service of Russia, 2015);
- 2) in case a founder being a private person or a head of newly established legal entity is the mass founder, it is necessary to invite and interrogate him in written form about his belonging to legal entity before beginning of registration process;
- 3) when performing visual control of payment documents for their reliability, in case of occurrence of doubts in authenticity of presented payment documents one should contact corresponding credit organization for getting of confirmation of state duty payment;
- 4) in respect of organizations having features of short-lived companies it is necessary to pay special attention to check of authenticity of seal and signature of notary, who had attested documents, as well as to authenticity of certificate of electronic signature dongle (in case of registration by means of tax service's website).

Fourthly, it is necessary to take control for migrant organizations applying for liquidation by means of the following measures:

- 1) checking authenticity of new address of legal entity;

- 2) performing control for complying of organization with obligation on delivery of notification in accordance with article 20 of the federal law No. 129-FL “Of adopting decision on liquidation of legal entity” (The Government of Russia, 2001);
- 3) paying attention to compliance with the procedure of adoption of decision on liquidation in accordance with applicable legislation (who had held meeting, the relevance of the meeting, etc.);
- 4) as a condition of franchising applications on regional taxes providing to constituents of the Russian Federation of obligation of return of the applications to budget in case of migration of taxpayer to the territory of other regions within a definite term (for example, within 5 years).

We also suggest granting to tax authorities the right of refusal of subsequent registration in case of registration of changes related to change of location address of legal entity to the address of the territory that is subordinated to other registering body in the following cases:

- in case of presence of data about beginning of conduct in respect of the present legal entity of field tax inspection;
- in case of presence of legal entity’s deficiency, debts on fines and fees occurred within the last year.

Fifthly, it is the providing of tax authorities and registering structure with modern computer services maintaining uninterrupted operation of the system of interdepartmental electronic interaction and multiple requests of taxpayers to services of “Electronic government” (the Internet sites of various government institutions).

Sixthly, it is the organization of further vocational trainings and courses of continuing education for personnel of registering bodies aimed at increase of standard of knowledge in the sphere of information technologies and work with databases.

For these purposes it is necessary to improve stable interaction between regional subdivisions of the structure with general higher education institutions located on the territory being under their control (in the Republic of Mordovia the institutions are the State University of Mordovia named after Nikolay Platonovich Ogarev).

In such a way, the implementation of suggested measures and means of optimization of interaction between tax authorities and taxpayers in the process of state registration will promote increase of quality and effectiveness of activity of Federal tax service of Russia.

5. Conclusion

The research has shown that despite formed practice of registration of taxpayers there is a need for its further development. For this purpose the Government of the Russian Federation has approved the plan of measures called “The optimization of procedures for registration of legal entities and individual entrepreneurs”, realization of which

will help to optimize the procedures linked to state registration, including reduction of number of stages necessary for registration their total duration and cost.

The analysis of the practice of taxpayers' registration in Russia and consideration of regional feature of the process by the example of the Republic of Mordovia has helped to reveal the key problems of registration process that complicate formation of unified information base of taxpayers and, consequently, the control for payment of taxes to budget system.

There are recommendations on further development of the process of registration of taxpayers, including complex of measures concerning conduct of legal examination of taxpayers' documents, control of migrant organizations and organization applying for liquidation; transition to non-contact interaction between tax authorities and taxpayers; further training of personnel of tax authorities and improvement of tax culture, etc.

It is supposed that realization of the suggested complex of measures will promote:

- increase of effectiveness of activity of state government bodies in regard of matters of civil turnover subjects' identification;
- reduction of number of registering bodies and workers performing registration of legal entities and individual entrepreneurs due to modern informational technologies;
- reduction of administrative barriers for business activity;
- prevention of big number of breaches of law in the sphere of taxes and tax collection.

Ultimately, all these will lead to reduction of administrative load and facilitation of feedback between tax authorities and business and society.

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