

**PRIVILEGES GIVEN TO PARTICIPANTS OF A SPECIAL ECONOMIC
ZONE: in case of “Navoi” SEZ**

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Abstract: In this article, the concept of Special Economic Zones and their types, tax incentives given to enterprises and the conditions created in Special Economic Zones occupy the main place.

Key words: Special economic zones, free economic zone, tax, investment, property tax, land tax, water resources, customs, technological equipment, electricity, gas, road.

1.Introduction

Currently, special attention is paid to enterprises operating in special economic zones, and they are granted a number of tax and customs privileges and reliefs. The main goal of these zones is to achieve accelerated socio-economic development of the relevant regions, achieve high economic efficiency by attracting foreign and domestic investments, introduce high technologies and modern management practices, and develop innovative activities.

To achieve these goals, special economic zones are separately allocated territories that have a special legal regime and are provided with favorable conditions for investment activities. In general, a special economic zone is a separate territory aimed at developing the economy, attracting investments and expanding innovative production.

2.Literature review

Maxsus iqtisodiy zonalar (Special Economic Zones – SEZ) ishtirokchilariga beriladigan imtiyozlar masalasi xalqaro iqtisodiy adabiyotlarda investitsiyalarni jalb qilish, eksport salohiyatini oshirish va hududiy rivojlanishni jadallashtirishning muhim vositasi sifatida keng tadqiq etilgan. Tadqiqotlarda SEZ rezidentlariga taqdim etiladigan soliq, bojxona, valyuta va ma'muriy preferensiyalar xorijiy investitsiyalar oqimini rag'batlantiruvchi asosiy omillardan biri sifatida baholanadi. Jumladan, Jahon banki ekspertlari tomonidan olib borilgan tadqiqotlarda maxsus iqtisodiy zonalarda korporativ soliq stavkalarining pasaytirilishi, soliq ta'tillari, bojxona bojlaridan ozod qilish hamda tezlashtirilgan amortizatsiya mexanizmlari investorlar uchun muhim rag'batlantiruvchi omillar ekanligi ta'kidlangan.[9]

Tafese tomonidan olib borilgan tadqiqotda Vetnamdagi maxsus iqtisodiy zonalarda xorijiy investorlarga berilgan imtiyozlar sanoat modernizatsiyasi, mehnat unumdorligi va eksport hajmlarining oshishiga ijobiy ta'sir ko'rsatgani aniqlangan. Muallif SEZlarda preferensial soliq va bojxona rejimlari ishlab chiqarish xarajatlarini kamaytirishini hamda xalqaro kompaniyalar uchun qulay investitsion muhit yaratishini asoslab bergan.[9]

Magdalena va hammualliflarining Polsha maxsus iqtisodiy zonalarini bo'yicha tadqiqotida soliq imtiyozlari investorlarning hudud tanlash qaroriga sezilarli ta'sir ko'rsatishi qayd etilgan. Tadqiqot natijalariga ko'ra, foyda solig'i bo'yicha yengilliklar, infratuzilma bilan ta'minlangan hududlar va "yagona darcha" tamoyiliga asoslangan ma'muriy xizmatlar investorlarning SEZlarga joylashish motivatsiyasini kuchaytiradi.[10]

Pigliucci tadqiqotida [11] esa SEZlar iqtisodiy o'sish va hududiy raqobatbardoshlikni oshirish mexanizmi sifatida ko'rib chiqilib, soliq va bojxona imtiyozlari bilan bir qatorda soddalashtirilgan biznes yuritish tartiblari ham investitsion faollikni rag'batlantiruvchi omil sifatida tahlil qilingan. Muallifning fikricha, maxsus iqtisodiy zonalarining samaradorligi nafaqat fiskal imtiyozlarga, balki transport-logistika infratuzilmasining rivojlanganlik darajasiga ham bog'liqdir.

Dubinina [12] tomonidan amalga oshirilgan ilmiy izlanishlarda SEZ rezidentlariga beriladigan imtiyozlar korxonalarining moliyaviy barqarorligini mustahkamlashi, ishlab chiqarish tannarxini kamaytirishi va raqobat ustunligini oshirishga xizmat qilishi qayd etilgan. Shu bilan birga, muallif ayrim holatlarda SEZlar mahalliy korxonalar bilan integratsiyaning sustlashishiga ham olib kelishi mumkinligini ta'kidlaydi.

Zamonaviy ilmiy tadqiqotlarda maxsus iqtisodiy zonalar faoliyatining institutsional va huquqiy jihatlariga ham katta e'tibor qaratilmoqda. OECD ekspertlari tomonidan ishlab chiqilgan tadqiqotlarda SEZlar doirasida investitsion soliq imtiyozlarini standartlashtirish, ularning samaradorligini baholash va davlat budjeti uchun fiskal xavflarni kamaytirish masalalari tahlil qilingan. [13] Tadqiqotlarda imtiyozlarning haddan tashqari kengayishi ayrim hollarda "race to the bottom" holatini yuzaga keltirishi mumkinligi qayd etilgan.

3. Analysis and results

In general, special economic zones are an important institutional tool for the development of the national economy, and are of strategic importance in expanding investment flows, accelerating economic growth, and creating new jobs.

In order to legally regulate the activities of special economic zones in our country and develop them, Law No. 604 "On Special Economic Zones" was adopted on February 17, 2020.

This regulatory legal document determines the organization, activities and management mechanisms of special economic zones.

The classification of special economic zones presented in Figure 1 is of significant scientific and practical importance in diversifying the country's economy, increasing investment attractiveness, and comprehensive socio-economic development of regions.

According to the above law, special economic zones are organized in the manner shown in Figure 1.

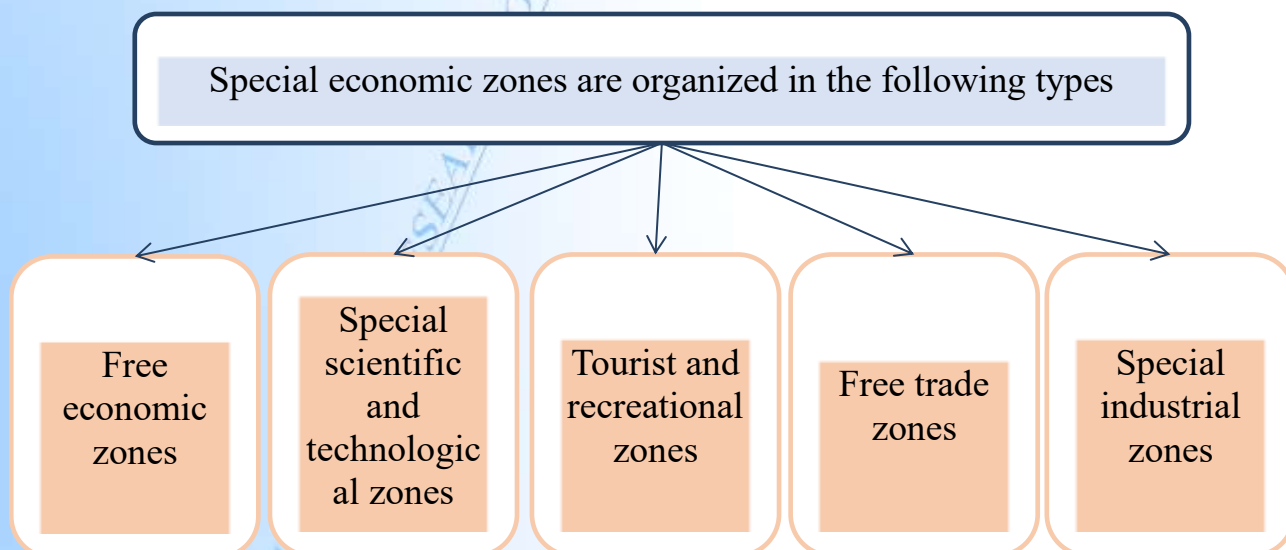


Figure 1 Special economic zones are organized in the following types

A procedure for tax exemption from profit tax, property tax, and land tax for a certain period of time has been introduced for participants in special economic zones, depending on the volume of investments made, based on relevant regulatory legal acts.

The granting of privileges to participants in special economic zones is determined by the laws of the Republic of Uzbekistan and special resolutions and decrees of the President of the Republic of Uzbekistan.

Participants in special economic zones are exempted from profit tax and property tax for a period of 3 to 10 years, depending on the volume of investments made. In particular:

Investments in the amount of from 300 thousand US dollars to 3 million US dollars - for a period of 3 years;

Investments in the amount of from 3 million US dollars to 5 million US dollars - for a period of 5 years;

Investments in the amount of from 5 million US dollars to 10 million US dollars - for a period of 3 years Investments from US\$ 10 million to US\$ 10 million - for a period of 7 years; 10 million US\$ and above are exempted for a period of 10 years.

In addition, participants in special economic zones are exempted from paying profit tax for a certain period depending on the volume of investments made. They are as follows:

For investments in the amount of US\$ 3 million to US\$ 5 million - for a period of 3 years;

For investments in the amount of US\$ 5 million to US\$ 15 million - for a period of 5 years;

For investments in the amount of US\$ 15 million and above - for a period of 10 years.

Privileges are also established for the payment of customs duties (excluding value added tax and customs clearance fees) for construction materials not produced in the republic and imported in accordance with the established procedure during the construction period for the implementation of an investment project in accordance with the investment agreement.

When importing similar technological equipment not produced in the Republic of Uzbekistan according to the approved list, customs duties (excluding customs clearance fees) are increased by 10%.

When importing raw materials, materials and components used by participants in special economic zones for production and export sales of products into the territory of the Republic of Uzbekistan, customs duties (excluding customs clearance fees) are not paid.

At the same time, sufficient communication and infrastructure conditions (electricity, gas, roads, wastewater, sewage) are provided to the territory of free economic zones.

In recent years, a number of measures have been taken to eliminate the problems faced by business entities operating in our country and to support them. In particular, as a result of the implementation of the proposals and recommendations put forward within the framework of the study, a certain part of the existing problems has been solved and more favorable conditions for entrepreneurial activity have been created.

The following examples can be cited as evidence of this process:

1. Scientific proposals on the application of property tax and land tax benefits of 50-100% were put into practice when the number of employees exceeds 50 by expanding the activities of business entities, providing employment for citizens included in the "Unified Register of Social Protection" for at least one year and constituting at least 20% of the total number of employees. The implementation of these proposals in practice created conditions for financial support of enterprises, ensuring the social protection of employees.

2. The proposal to return 100 percent of the income tax paid by individuals on monthly wages from the republican budget and 50 percent of the social tax benefit to the employer when expanding the activities of business entities, when the number of employees exceeds 50, and

when hiring citizens included in the register, was put into practice. As a result of the implementation of these proposals, additional support was created for participating enterprises and the social protection of employees in need of social protection was created.

3. As a result of the implementation of our proposal to change the period for sending a Compulsory Enforcement Order for the collection of tax debts of enterprises participating in a special economic zone from 30 to 60 days, the objective tax debt incurred by enterprises participating in a special economic zone was created as conveniently as possible, thereby ensuring their protection from excessive financial penalties and giving them the opportunity to engage in free economic activity.

As part of the analysis of special zones, the activities of the participants of the Navoi Free Economic Zone (FEZ) were comprehensively and systematically analyzed, and the main factors affecting their economic indicators were assessed using econometric methods. The study used statistical data for the period 2015–2024 to deeply study the interrelationships between regional economic development, tax policy, and investment activity. In particular, tax revenues of FEZ participants to the budget were selected as an outcome indicator, and the factors influencing it were gross regional product, the number of taxpayers, the volume of tax benefits provided, and the amount of tax debt.

As a research methodology, a multifactor econometric modeling approach was used, and all variables were converted to logarithmic form. This allowed the model parameters to be interpreted as elasticity coefficients.

According to the results of the analysis, it was found that the growth of tax revenues in the Navoiy FEZ is directly related to the increase in the volume of regional gross product and the number of taxpayers. At the same time, it was observed that the granted tax benefits and the increase in tax debt may have a negative impact on budget revenues in the short term. This indicates the need to conduct a balanced tax policy.

Also, as part of the study, forecast calculations were made for the period until 2030. According to the results, a consistent growth of economic activity, an expansion of the tax base and a significant increase in budget revenues are expected in the Navoiy FEZ. However, the growth trend in tax debt indicates the need to strengthen financial discipline and improve control mechanisms.

In general, the econometric analysis conducted allows for a comprehensive assessment of the effectiveness of the activities of the participants of the Navoi Free Economic Zone, which

serves to develop scientifically based conclusions on improving tax policy, improving the investment climate, and stimulating regional economic development.

Within the framework of this study, a proposal was developed to introduce a mechanism for applying tax incentives in SEZs to enterprises that are not located in the territory of a special economic zone (SEZ), but fully meet all the requirements and criteria established for these zones.

The main content of the proposed mechanism is that tax incentives are provided not only based on the territorial location criterion, but also on the basis of the compliance of enterprises with economic and institutional criteria. In particular, the main requirements for participants in special economic zones are the production of products that are not produced in our country, or the production of products that are not sufficiently satisfied in the domestic market (the market is not saturated), as well as compliance with such criteria as export of manufactured products in the established manner. It is advisable to support enterprises that fully meet these requirements with the benefits established for special economic zones, regardless of their territorial location.

4. Conclusions

This approach makes it possible to establish socio-economic efficiency as a priority criterion in the distribution of tax incentives and increases the targeting of economic incentives. As a result, an equal competitive environment is formed between enterprises, investment activity increases, and the production of high-value-added products expands. At the same time, the country's foreign economic position is further strengthened by providing the domestic market with quality products and increasing export potential.

In general, the proposed mechanism is an effective institutional approach aimed at expanding the positive experience of special economic zones, reducing territorial restrictions, and stimulating economic growth.

The establishment of special economic zones will lead to the development of the country's economy, increasing export potential, ensuring employment, improving the well-being of the population, and economic stability, and most importantly, integrating into the world community and gaining its own position.

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