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EFFECTIVE PREFERRED INSTRUMENTS FOR ATTRACTING CAPITAL IN THE CONDITIONS OF THE ECONOMIC CRISIS

One of the important directions in the modern development of Ukraine is our country's efforts to overcome the economic and financial crisis and minimize its political and economic consequences. For this it is necessary to implement new effective institutional criteria for attracting capital, which include the use of effective preferential instruments. Effective mechanisms include tax credits and investment discounts, which, compared to tax holidays, have certain advantages, as they are more effective preferential instruments for attracting capital and other financial mechanisms in the context of an economic and financial crisis. Revenues from the use of these tools are easier to control and have a more transparent nature.

The availability of an investment tax discount for business entities (enterprises) gives the right to reduce pre-tax profit by a certain percentage of capital investments and R&D expenses carried out by the enterprise. In the Tax Code of Ukraine, the definition of a tax credit provides for a reduction of an enterprise's tax liability for the payment of corporate income tax in an amount equivalent to the share of expenses of the current tax period that must be directed to attracting capital to investment projects or R&D. The difference between these tax instruments is that the investment discount reduces the tax base, while the tax credit directly affects the amount of income tax.

These instruments are more suitable for short-term investment projects because, as a result, they directly reduce the amount of income tax paid. But in the long-term period, the additional incentive for the country from the introduction of these preferential instruments is that the enterprise, after the implementation of investment projects, increases labor productivity and the amount of profit before taxation and reduces production costs.

Western Europe countries' the tax credit definition an investment discount, which has no significance for tax obligations, but reduces taxable income, and is a subsidy, not a loan. Its use, the tax burden on taxpayers is reduced and it is more successful in stimulating investment and innovation activities of the state economy. The use of the investment tax credit is indicative of the fact that it increases the effectiveness of its economic and financial functionality, because only those economic entities that offer to implement innovative, highly effective projects that improve the competitive environment of the innovative development sector receive a tax credit. compared to other forms of credit, the introduction of the investment tax credit has qualitative advantages.

Sufficiently developed EU countries actively use these tax incentives for the innovative development of the economy and sufficient budget financing of innovations. For example, Denmark, Austria, Poland, Spain, and France make more use of investment tax credits, while Great Britain, the Netherlands, Latvia, Greece, and Slovenia use investment tax rebates. In Great Britain, for example, 50% tax deductions for investments are used, while in France, an investment tax credit is assigned in the amount of 25% of the increase in R&D expenditures of economic entities, which is compared with the previous year.

As for American countries, tax deductions for investments in Canada, they are provided in the amount from 10% to 50%, taking into account where the enterprise is territorially located, as for the USA, the share of the investment tax credit fluctuates in the amount of 6-10% of the amount of investment in equipment.

Investment tax rebates are also used in Japan as a mechanism to increase the innovative activity of enterprises, where enterprises are given the right to deduct 7% of the amount of capital investment in equipment from their income tax, which can be used to finance scientific research for the creation of electronic equipment and new materials [1]. In general, as a percentage of the tax base, the rate of the investment tax credit in the R&D component is set as a percentage of the tax base, and the amount can be 50%. It should be standard during the established period of tax credit provision for all types of economic enterprises.

Regarding the term of granting the investment tax credit in the field of research and development, the investment tax credit is applied to the object of taxation during a certain period in connection with the specified legislation. The legislation states that the time period is from one to five years. The amount of qualified expenses for R&D during the year is the calculation base of the tax credit. As for the tax base, it characterizes it by cost and is formed from the object of taxation (the amount of funds allocated by the taxpayer for R&D) [2].

We can consider the national tax system as an effective mechanism that affects the optimization of investment and innovation processes, therefore it can be stated that when the tax burden on an economic entity increases, its profitability decreases, which, in turn, limits the level of financing in this component economic development. And when the tax burden is reduced or special tax conditions are introduced, the profitability of the economic entity increases, which creates favorable conditions for investing in innovative sectors of the economy.

From this it can be concluded that in the field of the tax system, the reduction of the level of payments, which determine the fiscal nature, will increase investments in the necessary branch of industry due to the increase in the level of profitability.

Therefore, the introduction of the investment discount and the improvement of the terms of the tax credit in the domestic practice of taxation of the profit of enterprises will provide an opportunity to realize the modernization of the national industry at the expense of the economic entities' own funds; strengthen the stimulating function of the tax, reduce the tax burden on the profits of enterprises; to increase investment demand, it can be stated that the tax credit has a greater stimulating potential than the exemption from payment of certain types of taxes. In the conditions of the crisis, the introduction of these tax benefits can stimulate investment activity in priority sectors of the economy in order to meet the needs of society in competitive, high-tech products.

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