

THE CONCEPT OF PRIVILEGES AND ITS ESSENCE

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Abstract: This article discusses the concept of benefits in a market economy, its essence and role in the economic and social system. The importance of benefits in implementing state policy, their role in economic growth, attracting investments, increasing competitiveness and strengthening social protection is analyzed. The legal basis of benefits in the Labor Code of the Republic of Uzbekistan and other legislative acts, the mechanisms for their introduction and cancellation are also indicated. The article emphasizes the role of effective management of benefits in generating state budget revenues, creating new jobs, developing innovative activities and ensuring social stability.

Keywords: privilege, economic policy, tax breaks, social justice, investment, innovation, labor code, entrepreneurship support, public policy, competitiveness.

Introduction.

In a market economy, the system of incentives plays an important role in the effective implementation of the state's economic policy. Incentives are an important tool for ensuring sustainable economic development, supporting social equality, encouraging entrepreneurship, and improving the living standards of the population. Incentives provided by the state usually serve such purposes as developing strategic sectors of the economy, introducing new technologies, expanding exports, protecting socially vulnerable groups, and creating jobs.

The concept of privilege has a broad meaning and can be applied in tax, customs, credit, pension, education, healthcare, labor and other areas. This system is considered by the state as one of the important instruments of economic regulation. At the same time, the provision of privileges should be based on the principles of justice, and their positive impact on economic efficiency and social stability.

The system of benefits in the Republic of Uzbekistan has been taking shape in recent years as an integral part of economic reforms. In particular, the Labor Code, the Tax Code and other regulatory legal acts establish various forms of benefits for citizens and enterprises. Through these benefits, the state, on the one hand, aims to increase economic activity, and on the other, to provide social protection for various segments of the population. Therefore, analyzing the content and essence of the system of benefits, determining their place in the economy and society is one of the current scientific issues today.

Main part.

In a market economy, the system of incentives plays an important role in implementing the state's economic policy. Privileges not only stimulate economic growth, but are also an effective tool for ensuring social stability, supporting small business and entrepreneurship.

Privilege in scientific literature means a system of tax, customs, credit, legal or other benefits established by the state or other authorized bodies for certain entities (individuals or legal entities). In the explanatory dictionary of the Uzbek language, a special, additional right, condition, benefit granted to certain individuals or organizations for certain reasons¹. It can be assigned to citizens in accordance with state laws and other legislative acts, as well as to public associations in accordance with the decision of the administration - to their members. It is given to the person to whom it is given is fully or partially exempted from fulfilling certain obligations as an exception to the established rules or enjoys certain benefits in fulfilling them. It is in areas such as taxes, pension provision, payments for utilities is

¹<https://izoh.uz/uz/word/imtiyoz>

determined by the state. I. in cases established by legislative acts indicates the scope of its users, conditions of use, procedural criteria, grounds for its emergence and termination. I. can be granted to both legal entities (for example, in terms of full or partial exemption from paying taxes for a certain period, full or partial, provision of credit on preferential terms, etc.) and individuals. When appointing I., the principles of equal rights and justice of citizens are strictly observed. The granting of I. not provided for by law and the prevention of the use of legal privileges are not allowed .

Privileges are economically manifested as a means of redistributing resources, providing incentives and ensuring social justice . Its essence is expressed in the following three directions:

1. Increasing competitiveness In order to do so, conditions are created for operating in the domestic market by supporting new enterprises or strategic sectors.
2. Promoting innovation and investment Investment activity will be increased through preferential loans and tax breaks .
3. Social protection task It is used as a practical expression of state assistance to certain segments of the population (disabled people, youth, women, low-income people , those in education) for the purpose of

As can be seen from this, it includes assistance intended to support newly established enterprises, create new jobs, provide modern equipment and technologies to produce modern products, and provide social support to the population.

In addition, enterprises and organizations provide benefits in compliance with laws and regulations in order to create healthy competition among their employees and to provide economic and social support to their employees.

When this system of benefits is properly organized, new jobs will be created, innovative activity will be activated, the tax base will expand, and the income and social stability of the population will increase.

However, unjustified and long-term benefits can reduce state budget revenues and create unfair competition in the market. Therefore, the system of benefits should always be reviewed based on the principles of economic efficiency and fairness .

The system of benefits in Uzbekistan is aimed at increasing the level of education of the population, supporting entrepreneurship, developing exports and encouraging women's entrepreneurship, as well as supporting people with disabilities. These are detailed in the table below (Table 1).

Table 1

Orientation of the system of privileges and their content

№№	Benefits system	Content of benefits
1 1 .	Enterprises in free economic zones	Tax exemption for 3–10 years

22.	For women entrepreneurs	Loan interest is subsidized
33.	For companies that have implemented new technology	Customs privileges are granted to imported equipment
44.	For people with disabilities	Benefits are provided for education and work.

In addition, Article 400 of the Labor Code of the Republic of Uzbekistan is entitled "Privileges in determining the sequence of granting annual labor leaves to pregnant women and persons engaged in family responsibilities,"² and it provides for very significant benefits in order to provide social and economic support to these persons.

In addition, Article 425 of this Law is devoted to the "Labor rights of persons with disabilities", which stipulates that "Persons with disabilities have the same rights as other employees in individual legal relations related to labor, and in the field of labor protection, working hours, holidays and other working conditions, they enjoy additional benefits established for them by law, as well as other legal acts on labor."³

Article 67 of this Law is entitled "Content and Structure of a Collective Agreement" and states that "Taking into account the economic capabilities of the organization, a collective agreement may contain other conditions, including more favorable working conditions and socio-economic conditions than those established by labor legislation and other legal acts on labor (additional vacations, pension increases, early retirement, compensation for transportation and business trip expenses, free or partially paid meals for employees in production and their children in general secondary educational institutions and preschool educational institutions, payment for mobile communications, the Internet, loans for training in higher educational institutions and fees, other additional benefits and compensations)."

⁴Each clause of this Law serves the development of the State and the socio-economic support of the population. The purpose of the benefits is to stimulate economic activity, ensure social justice, and develop priority areas of the country's economy.

Conclusion .

Based on the above, it can be said that the system of privileges is an integral part of the state economic policy in a market economy and plays an important role in the sustainable development of the country's economy and social life. Through privileges, the state simultaneously stimulates economic growth, increases the well-being of the population, and implements the principles of social justice. They serve as an effective tool for creating new jobs, supporting entrepreneurship, introducing innovations, and improving the investment climate.

Also, when properly organized, the system of benefits leads to the expansion of the tax base, stabilization of budget revenues, and an increase in the income and consumption potential of the population. However, unjustified or long-term benefits can have a negative impact on the state budget and create imbalances in the competitive environment. Therefore, when determining benefits, it is necessary to strictly adhere to the principles of economic efficiency, social justice, and the rule of law.

Uzbekistan's experience shows that systematic improvement of the system of benefits, their targeted and temporary application, and maintaining a balance between economic incentives and social protection contribute to the sustainable development of the country. In this regard, benefits should be recognized as an important mechanism that not only ensures economic growth, but also forms a just and inclusive society.

²<https://lex.uz/ru/docs/-6257288>

³<https://lex.uz/ru/docs/-6257288>

⁴<https://lex.uz/ru/docs/-6257288>

In conclusion, it can be said that preferences are an effective tool for implementing the state's economic policy, and their proper use contributes to sustainable economic growth. However, any system of preferences should be introduced temporarily, purposefully, and based on effective monitoring .

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