ТЕМАТИЧНИЙ НАПРЯМОК ІІ

СТАТИСТИЧНЕ ЗАБЕЗПЕЧЕННЯ РЕГУЛЮВАННЯ СОЦІАЛЬНО-ЕКОНОМІЧІНИХ ПРОЦЕСІВ В УМОВАХ ВІЙНИ ТА ПОВОЄННИЙ ПЕРІОД

TAX INCENTIVES IN WARTIME

Momotiuk Liudmyla,
Doctor of Science in Economics, Professor,
Professor of Department of Finance, Banking and Insurance;
National Academy of Statistics, Accounting and Audit

During wartime, tax incentives can play a crucial role in stabilizing the economy and providing necessary support to affected populations. These incentives can encourage businesses to continue operations, support employment, and fund essential services that maintain public welfare.

Considering the ongoing war in Ukraine, tax incentives have become a pivotal tool in bolstering the economy and extending vital assistance to those impacted by the war. These measures can help ensure that businesses remain operational, sustain employment levels, and finance critical services essential to public well-being.

During the war in Ukraine, the primary instruments of tax incentives include tax relief measures, accelerated depreciation, and tax credits. Tax relief measures such as deferrals and reductions help ease the financial burden on businesses and individuals. Accelerated depreciation allows companies to quickly write off the cost of investments in infrastructure and equipment, fostering reconstruction efforts. Tax credits incentivize specific activities like hiring displaced workers, investing in local development projects, and supporting humanitarian initiatives, thereby contributing to the overall stability and recovery of the economy.

During war various tax support measures are provided to enterprises to alleviate financial pressure and maintain economic activity. This table format provides a clear and concise overview of the tax support measures, their descriptions, and their purposes.

Table 1

Tax Support Measure	Description	Purpose
Tax Payment Deferral	Enterprises are given the opportunity to defer tax payments for a certain period without incurring penalties or fines.	Helps businesses manage their cash flows under conditions of temporary liquidity.
Reduction of Tax Rates	Introduction of reduced tax rates on profits, property, VAT, and	Reduces the tax burden and allows funds to be freed up to

Continuation of table 1

	other types of taxes for enterprises located in conflict zones.	support operational activities.
Exemption from Certain Taxes	Full or partial exemption from the payment of certain taxes, such as income tax or property tax, for enterprises affected by military actions.	Encourages businesses to continue their operations and restore production.
Tax Holidays	Implementation of temporary tax holidays, during which enterprises are exempt from paying taxes for a certain period.	Helps businesses recover and adapt to new conditions.
Tax Debt Amnesty	Conducting a tax amnesty that allows enterprises to write off accumulated tax debt or restructure it on favourable terms.	Eases the financial situation of companies and encourages them to legalise and pay current taxes.
Compensatory Payments and Subsidies	Provision of compensatory payments and subsidies by the state to cover tax expenses or partially compensate for losses related to military actions.	Supports enterprises and contributes to their recovery.
Investment Incentives	Introduction of tax benefits for investors who invest in the restoration and development of enterprises in conflict zones. This may include tax credits, accelerated depreciation, and other measures that stimulate investment.	Stimulates investment in the restoration and development of enterprises in conflict zones.
Support for SMEs	Special tax benefits and support programs for SMEs, such as reduced tax rates, exemption from tax payments at the initial stage of recovery, and grant programs.	Provides targeted support to small and medium-sized enterprises to aid in their recovery and growth.
Exemption from Import Duties	Exemption from import duties on equipment, raw materials, and materials necessary for the restoration of production.	Reduces the costs of restoring production capacities and stimulates the import of necessary resources.

These measures are aimed at supporting enterprises in the context of a military conflict, promoting their survival, recovery, and further development. It is important to note that the effectiveness of these measures largely depends on their timely and proper application, as well as the coordination of actions by the state, businesses, and international organisations.