

Acceptance Associated With Formal And Substantial Burdens Raised To Join The Simple Taxation Regime

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Abstract

Determine the magnitude of the decisions of how people perceive a possible impact or feel benefited at a general level, and in many cases only in particular benefits. Trying to visualize the knowledge that people of the footwear sector in the city of Cúcuta have about this specific norm, where they had to make a previous analysis of themselves and then how it would affect whether or not to accept this new mechanism, gives life to this research in a particular way that analyzes the perception of acceptance of the RST (simple taxation regime) trying to measure tax and economic factors that are the most influential at the time of decision making.

Keywords: Financing Law, 1943 Law, taxation.

Introduction

Equality is an important part of any theory and a basic constitutional principle of all modern legal systems. It is therefore alarming that so much legal inequality exists in a legal system that should provide security for all who live under it, and what is even more astonishing is that it is increasing. This insidious situation is due to the astounding inequality and the disregard for the law, which shifts the principle of analysis towards a simple prohibition of favoritism, which does not allow it to be combined with other theories (Pitten, 2010). 29 In our opinion, we believe that the problem is not tax equality but the application of tax law due to its constant changes in tax matters, which generates fear and uncertainty when talking about a concept of tax equality for all. Therefore, the theories must allow to exercise all their legal force must confront and transcend these fears in order to provide the necessary tools to effectively defend tax equity.

Control is a procedure that ensures the optimal development of a process, being this a general concept

used to evaluate and measure performance indexes and strategic planning within any organization. This is a procedure that links all the members of an organization, which ensures the progress of the links of the ladder to organizational success as the goals planned by the company are met, since during its application it is the people who identify and highlight the gaps that occur in the development of an activity. Control refers to the mechanisms, procedures and interventions that are used to ensure that what has been developed has been done in accordance with the established laws and procedures (Hurtado & Álvarez, 2016).

The principle of contributive capacity responds to Aristotle's thought on distributive justice, because by establishing the fact that the tax is generated as a manifestation of wealth, legislators must take into account the different conditions of the taxable capacity of each citizen, adopting what the geometric Greek philosophers call as a criterion to determine the fair distribution of tax burdens. In the same sense Micheli defines the contributive capacity as "the economic potentiality of the subject to be subjected to a tax", as long as there is a fact or situation (budget) of economic value for compulsory taxation, the economic potential of that coercive exaction is realized to the passive subject.

This principle was called "capacity to pay" by Adam Smith in 1776. This is a principle synonymous with fairness, which is realized through contributive capacity. In general terms, equity in contributive capacity has two meanings: horizontal and vertical. According to Costa (2017). The "horizontal" concept assumes that people in the same situation should pay the same amount of taxes in terms of contributive capacity. Therefore, in the sense of considering the aforementioned capacities of every taxpayer, hence the importance of taxation being "personal" in the sense of taking into account the referred capacity of the taxpayer as a whole, and not globally. Likewise, the author defines the term "vertical" to mean that people with different levels of taxpaying capacity must pay different amounts. For this purpose, progressive tax rates should be used, where the increase in tax rates increases in proportion to the increase in the tax base. This is the opposite of regressive taxation, where the revenue portion of the tax decreases as it increases. Progressivity can be achieved not only through the structure of the rate schedule, but also through the non-taxable minimum (the taxpayer's minimum living allowance).

Method

According to Landeau's research (2007) "the type of research is defined in terms of aspects that represent a specific search method, such as: purpose, specific moment, source of information, historical moment, observation, breadth and chaotic method". The essence of categorizing research is to determine its strategy, because its components will vary according to the type of research.

Similarly, Chavez (2015) stated that descriptive research is any research that aims to collect information about the current state of a subject, thing, situation, etc., because they are proposed at the instant of collection and specifically detail the elements to be measured without extrapolation. In the development of the research, considering the citations of the authors, it is proposed to use for the realization of the research, the methodology will be of quantitative approach, descriptive method and a documentary technique will be used, given that the problem posed is different from the analytical methods, it is very important to conduct a descriptive research, which differs to analyze the perception of acceptance of the RST applicable to the natural persons of the footwear sector in the city of Cúcuta, by means of instruments or methods such as the survey to obtain primary data, that is to say, to obtain the information from the direct research with the target public, the information will be presented in documentary form where the statistical research process will be carried out to collect the required data.

According to the approaches of the author Chávez (2015) the population of a study is defined as the field of research that aims to generalize it. It consists of elements or magnitudes that allow differentiating the

population from each other. In the present research, a population of 720 companies of natural persons belonging to the footwear sector registered in the Chamber of Commerce of Cúcuta was taken into account, which belong to a fraction equivalent to 61.89% of the active footwear companies in the Department of Norte de Santander, 39.88% correspond to the footwear companies of the Municipality of Cúcuta, which are divided into 6.42% belong to the manufacturing industries sector and 1.45% belong to the sub-sector of tanning and retanning of footwear. According to the commercial registry of the Cúcuta Chamber of Commerce, 764 footwear companies are registered, of which 94.2% are equivalent to 720 companies of natural persons and 5.8% are equivalent to 44 companies of legal entities engaged in the commercial activity of production and marketing of footwear in the city.

As stated by the author Chávez (2015), a sample is defined as a representative selection of the population, which can be summarized as the result of a survey, whose objective is to integrate the observations in a part of the population to extract information corresponding to the study. To obtain the sample taken into account in the research, the probabilistic method was used, since it allows to reduce the volume of the population and thus the margin of error of the sample. When we talk about a limited population as it is for this research, the way to delimit the sample and determine the target population is to apply a formula for finite populations. Applying the statistical formula this allowed us to determine that out of a population of 720 natural persons in the footwear sector, a sample of 182 natural persons working in the footwear sector in the city of Cúcuta should be used. (Source: COMPITE 360 Chamber of Commerce of Cúcuta Portal Database) Execution of the formula

$$n = \frac{Z^2 p \cdot N}{N \cdot e^2 + Z^2 p \cdot q}$$

Where n = sample size p = probability of occurrence of the event q = probability of nonoccurrence e = maximum error rate N = population size Z = confidence level

Sample size

$$n = \frac{(1,95)^2(0,8 \times 0,2) (720)}{720 (0,05)^2 + (1,95)^2 (0,8 \times 0,2)} = 181,88 \approx 182 \text{ aprox.}$$

Results

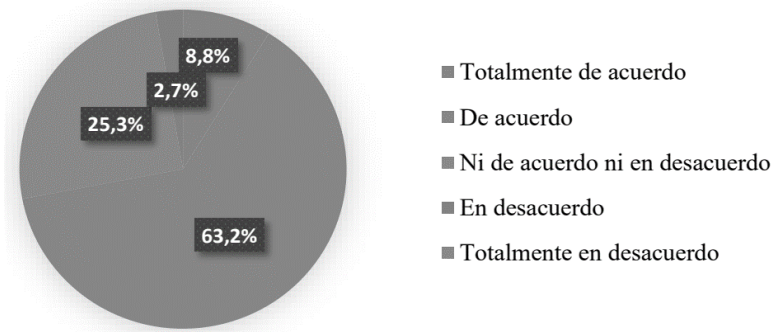
Do you consider that the RST tax rate should be calculated from the total income of the immediately preceding year?

Frequency Table 1. Taxation rate in the RST

| Data | Absolute frequency | Cumulative absolute frequency | Relative frequency | Cumulative relative frequency | Percentage frequency | Cumulative percentage frequency |
|----------------------|--------------------|-------------------------------|--------------------|-------------------------------|----------------------|---------------------------------|
| Totally in agreement | | | 0,088 | 0,088 | 8,8% | 8,8% |
| Agreed | 115 | | 0,632 | 0,72 | 63,2% | 72% |

| | | | | | | |
|----------------------------|-----|-----|-------|-------|-------|-------|
| Neither agree nor disagree | 46 | | 0,253 | 0,973 | 25,3% | 97,3% |
| At disagreement | 5 | 182 | 0,027 | 1 | 2,7% | 100% |
| Totally at odds | 0 | / | / | / | / | / |
| Total | 182 | / | 1 | / | 100% | / |

Figure 1. Taxation rate



Analyzing the information, it is observed that the data obtained in that, if it is considered that from the total income of the immediately preceding year the RST tax rate is calculated, it is concluded that more than half of the individuals in the footwear sector in the city of Cúcuta, give a positive response in agreeing and totally agreeing that the RST rate should be applied on the total income of the immediately preceding year. Do you consider it appropriate for the RST to make advance payments of the tax? Because this reduces the burden of the total payment at the end of the year, since a single payment at the end of the year generates a less formal and substantial burden.

Frequency Table 2. Tax prepayments through the RST

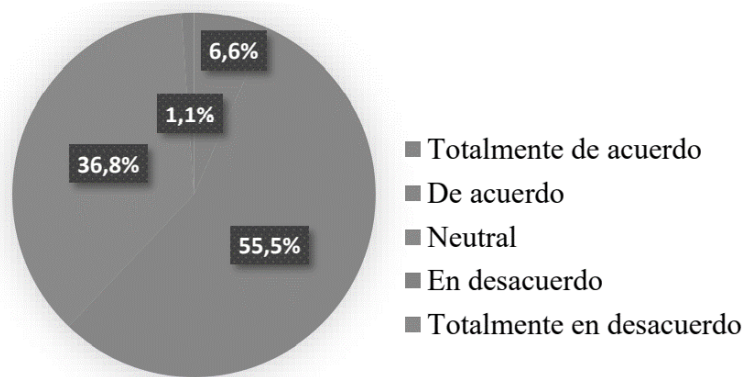
| Data | Absolute frequency | Cumulative absolute frequency | Relative frequency | Cumulative relative frequency | Percentage frequency | Cumulative percentage frequency |
|-----------------------|--------------------|-------------------------------|--------------------|-------------------------------|----------------------|---------------------------------|
| Totally agree | | | 0,093 | 0,093 | 9,3% | 9,3% |
| Agreed | | | 0,764 | 0,857 | 76,4% | 85,7% |
| Neutral | | | 0,132 | 0,989 | 13,2% | 98,9% |
| Disagree | | 182 | 0,011 | 1 | 1,1% | 100% |
| Fully in disagreement | 0 | / | / | / | / | / |
| Total | 182 | / | 1 | / | 100% | / |

According to the data shown in the graph, more than half of the selected sample, 76.4% of the respondents, which corresponds to 139 individuals in the footwear sector, agree that it is appropriate for the RST to make advance payments of the tax because this reduces the burden of the total payment and also because a single payment at the end of the year reduces the formal and substantial burden of the tax

in the RST.

Do you consider that the reduction and unification of procedures in the payment or advance payment of taxes through the RST is important to improve the hiring of skilled labor in your company? Unification of tax payment or advance payment procedures through the RST.

Figure 2. Unification of tax payment or advance payment procedures through the RST



The results obtained from the application of the instrument reflect that 55.5% of the respondents agree that the reduction and unification of the RST procedures allows them to improve the hiring of labor for the business, and also to generate employment, which will not only benefit their business but also the city by reducing unemployment and informality rates in the region.

Do you consider that the rates assigned in the RST generate a lower value to be paid for total taxes?

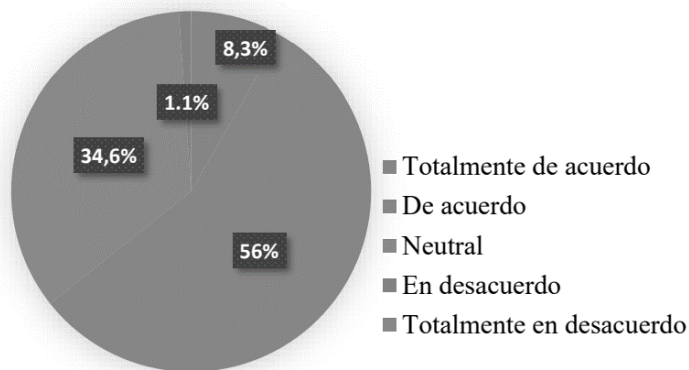
Frequency table 3. Rates assigned in the RST

| Data | Absolute frequency | Cumulative absolute frequency | Relative frequency | Cumulative relative frequency | Percentage frequency | Cumulative percentage frequency |
|----------------------|--------------------|-------------------------------|--------------------|-------------------------------|----------------------|---------------------------------|
| Totally in agreement | | | 0,083 | 0,083 | 8,3% | 8.3% |
| Agreed | 102 | | 0,56 | 0,643 | 56% | 64,3% |
| Neutral | | | 0,346 | 0,989 | 34,6% | 98,9% |
| Disagree | | 182 | 0,011 | 1 | 1.1% | 100% |
| Strongly disagree | / | / | / | / | / | / |
| Total | 182 | / | 1 | / | 100% | / |

The results obtained from the application of the instrument reflect that 55.5% of the respondents agree that the reduction and unification of the RST procedures allows them to improve the hiring of labor for the business, and also to generate employment, which will not only benefit their business but also the

city by reducing unemployment and informality rates in the region. And which of these are important to improve the recruitment of skilled labor in your company?. Analyzing the information, it is observed from the data obtained that more than 55% of the population of the footwear sector considers that the rates assigned in the RST are important to improve the hiring of skilled labor, it is concluded that more than half of the natural persons of the footwear sector in the city of Cúcuta, give a positive response in agreeing and totally agreeing that the RST rates generate a lower value to be paid, decreasing substantial charges that allow hiring skilled labor.

Figure 3. Unification of tax payment or advance payment procedures through the RST



Discussion y Conclusion

The interpretation of the level of acceptance associated with the formal and substantial burdens posed to join the RST, shows that at present natural persons to create, formalize and develop entrepreneurship in Colombia are linked to costs and procedures that are not commensurate with the business size. This same problem is reflected in the presentation, processing and payment of tax contributions that these companies must make in order to be up to date with their obligations, so this mechanism seeks mainly to reduce the formal and substantial burdens of microentrepreneurs in the footwear sector in the city of Cúcuta, where the vast majority of respondents are not responsible for VAT and joining the RST would increase their tax burdens instead of reducing them, 62% of the population agrees that the reduction and unification of the procedures would reduce the tax burden, which would improve the current economic situation of the region and therefore that of the sector, since the rates assigned to the RST generate a lower value to be paid for the total taxes, where 72% of the population agrees. And the case of those micro-entrepreneurs of the sector who decided to join because they had the necessary knowledge to understand this alternative, in addition to studying the structure of their business and having professional help, could show that the tax payment was lower compared to the taxes they had paid for being responsible for VAT with an acceptance of 64.3%, also 85.7% of the population accepts that if the proposal of the national government is fulfilled, there is a significant decrease in formal and substantial charges by joining the simple taxation regime (simple).

Graph 3: percentage of 62% positive
Graph 1: percentage of 72% positive
Graph 4: percentage of 64.3% positive
Graph 2: percentage of 85.7% positive

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