

Research on China's Fiscal and Taxation Reform System under the New Normal Economic Situation

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Keywords: new normal economic; reform; path of fiscal reform

Abstract: With the deepening of globalization, China's economic development mode has also undergone major changes. China's regional economic development has entered a new normal. Finance plays a vital role in China's economic development and people's life. Based on the background of China's economic development entering the new normal, this paper analyzes the relationship between the new normal and China's fiscal and taxation reform, explores the focus of China's fiscal and taxation reform under the new normal, and then puts forward the path of China's fiscal and taxation policy reform.

1. The negative impact caused by the outbreak of the international financial crisis to this day, and the unstable world economic development

All countries in the world have adopted a comprehensive adjustment of economic structure to promote their own economic development. China's economy is the main force driving the development of the global economy, and it is facing severe challenges under such a situation. When President Xi Jinping visited Henan in May 2014, he pointed out that China is still in an important period of strategic opportunities. Economic development must conform to the temporary characteristics of China's economic development and adapt to the background of the new normal. We must clearly realize that the new normal is accompanied by new problems and contradictions. Whether we can adapt to the new normal depends on the overall deepening of reform. As an important part of deepening the reform in an all-round way, fiscal and taxation reform has far-reaching influence on other reforms. Therefore, under the new normal of economy, fiscal and taxation reform in China must be rigorous, scientific and reasonable.

2. The relationship between the new normal and fiscal reform

2.1 Fiscal and taxation policies to provide protection for economic growth

China is currently a developing country, and many economic and social problems need to be solved by rapid economic growth. In essence, the key to the new normal of economic development is to change the mode of economic growth, i.e. from the traditional extensive high-growth stage to the high-efficiency medium-high-growth stage, so that it can better develop in the direction of benign growth and realize synchronous growth with the potential growth rate. The potential economic growth rate is mainly affected by the following factors, such as labor and capital input

and total factor productivity. At present, scientific and technological innovation plays a more and more important role in economic development. In 2014, under the situation that the development of traditional industries in our country has encountered a bottleneck period, the emerging industries dominated by the Internet are increasingly prominent and the economic momentum is fierce. Therefore, through the reform and adjustment of fiscal and taxation policies to better function in scientific and technological innovation and research, it can not only devote itself to the new

2.2 Fiscal and tax reform to adapt to the new normal of economic development and reform

Fiscal and taxation reforms in various periods need to be coordinated with the current economic and social development. As far as our country is concerned, the fiscal and taxation reform has gone through many stages, and all of them are reforms adapted to our national conditions. During the period of planned economy in China, finance plays an important role in promoting and coordinating economic development. During this period, the main policy was to expand the local fiscal revenue and expenditure rights and implement a graded contract system. From 1994 to 1999, due to the rapid economic and social development, the current fiscal and taxation system has not adapted to the current economic development. To adapt to the current economic development, the central government should reform fiscal and taxation policies as the reform of tax distribution system doesn't work well in China. Under the high development trend of our country's economy, the budget reform of various departments was gradually realized. China has also implemented a government procurement system to strengthen the management of fiscal expenditure. Gradually, a system of separating revenue from expenditure has been formed. Since 2012, China's economic development has entered a new normal of regional development. At the beginning of the new year in the same year, the pilot project of replacing business tax with increase was officially started. In the past, China's fiscal and taxation reforms were adapted to the rapid economic growth, with incremental adjustments to meet the needs of economic and social development. Under the new normal, the economic development slows down, and some enterprises gradually withdraw from the historical stage, such as enterprises with excess production capacity, etc. Then the remaining negative effects must be compensated by reforming fiscal and taxation policies. On the whole, fiscal and taxation reform must still be advanced to adapt to the changing social and economic requirements.

2.3 Fiscal reform and social reform under the new normal.

Fiscal and taxation reform is an important part of China's overall deepening reform at this stage. Whether the goals of fiscal and taxation reform are consistent with the goals of the overall social reform at this stage will directly affect the effectiveness of China's overall social reform. Under the background of the new normal, fiscal and taxation reform and economic reform are both part of China's overall reform, and both should go hand in hand. Reform in various fields such as economy, politics, culture, society, ecology and party building is the basic requirement for regional development under the new normal in China. Obviously, both the fiscal revenue and expenditure relationship and the basic tax system play a key role in the success or failure of various reforms. Therefore, the fiscal and taxation reform must be taken as an angle of comprehensive reform, and all parties should be coordinated to complement each other on the overall basis. The Third Plenary Session of the 18th CPC Central Committee positioned the function of fiscal and taxation reform: optimizing the allocation of resources, maintaining the unity of the market, promoting social fairness and achieving long-term stability of the country. This reflects that the objectives and tasks of China's fiscal and taxation reform include two important aspects: one is the task of economic development, and the other is the task of social development. The current economic development goal of our country is: fiscal and taxation reform should not only promote stable economic growth,

but also ensure the all-round advancement of social reform, political reform and environmental reform. Therefore, fiscal and taxation reform is a reform that serves the overall social reform. Fiscal and taxation reform has become a central point of economic system reform, political system reform, cultural system reform, ecological civilization reform and social system reform.

3. The path of fiscal and taxation reform under the new normal of China's economy

3.1 To focus on building a fiscal and taxation policy system to promote China's stable economic growth

According to China's development plan, fiscal policies must be linked with related industries, land, credit and other relevant macroeconomic policies, which requires giving full play of the combined effect of fiscal and taxation policies and vigorously enhancing their coordination. According to the new situation of China's and foreign countries' economic development, the new situation of development and changes and the major problems in the process of the new economic normal, we must change the policy direction in time, and determine the key issues, intensifying the reform to improve the flexibility, pertinence and effectiveness of fiscal and taxation policies. At the same time, we should pay more attention to the reform of key areas, important projects and key links, increase financial support, improve preferential tax policies, and build a set of fiscal and taxation policy system that is compatible with China's economic growth.

3.2 To improve the transparency of fiscal and taxation management

Fiscal and tax reform requires fiscal and tax revenues and expenditures to develop in a fair and just direction. Promoting the openness of fiscal and taxation revenues and expenditures and the openness and transparency of government affairs is conducive to improving the credibility of the government on the one hand, and on the other hand, it is conducive to enabling the public to have a more specific understanding of the effect and quality of government governance and to realize social supervision over the use of public funds in government departments. At the same time, the openness of government affairs is conducive to the public supervision of government departments to realize the rationalization and standardized management of budget revenues and expenditures. Only by implementing openness and transparency from budget to final accounts, from whole to part, from top to bottom, can the quality of fiscal and taxation reform be effectively monitored and controlled.

3.3 To refine fiscal and taxation policies to promote the upgrading of industrial structure

First, we should support the development of modern agriculture, encourage the development of agricultural innovation, develop new agriculture and formulate reasonable grain subsidy standards. Second, we should learn from international experience and give government subsidies, special government expenditures and other tax incentives to scientific research and innovation and research and development of new products. Third, it is necessary to increase financial investment in emerging service industries, improve infrastructure construction, vigorously implement the "business - to - increase" policy, expand the scope of value-added tax collection, and achieve the goal of reducing the burden on service industries.

3.4 To accelerate the improvement of the income distribution system and improve the income level of residents

Income distribution system is an important cornerstone of the socialist market economic system. Accelerating the pace of deepening the reform of the income distribution system, optimizing the income distribution structure and constructing a mechanism to expand consumer demand can meet the requirements of the new normal development of our economy. One is to continuously improve the reform of consumption tax and guide residents to establish correct and rational consumption concepts; The second is to actively expand the channels of raising social security funds to ensure the livelihood of residents and improve the level of social security in our country. Third, we will continue to improve the construction of various social security systems, increase investment in agriculture, and ensure that residents will have a sense of security when they get old. Fourth, we will continue to improve the minimum living security system to ensure the basic livelihood of needy children, people with disabilities and other people in need.

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