

Research on Tax Policies to Promote Agricultural Modernization Development

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Abstract

Agriculture constitutes a fundamental sector of national economic development, and the steady growth of agriculture-related industries has contributed significantly to job creation and increased value output in the Chinese economy. The central government has consistently prioritized the healthy and sustainable development of agriculture, implementing various policies to support agricultural enterprises in enhancing their market competitiveness. This includes a wide range of tax support measures. On the other hand, the effectiveness of policy incentives in encouraging enterprises to improve their operations is unclear, given that most agricultural enterprises in the country face challenges such as small size, outdated information, weak management capabilities and poor resistance to market risks and uncertainties. This paper aims to examine the role of tax policy in the industrialised management of the agricultural sector. This paper seeks to provide new insights into governance in this area by exploring the moderating role of tax policies on the relationship between Chinese agribusinesses and their management. The findings will provide policy makers with responsible recommendations for enhancing the effectiveness of tax policies and other agriculture-related policies.

Keywords

Agricultural taxation, tax policy, agricultural modernisation, industrialisation.

1. Introduction

This paper is based on an in-depth study of tax policies in the development of agricultural industrialization in China, and aims to explore and analyze how tax policies can promote the development of modern agriculture. The main focus is on how to adjust and optimize tax policies to support agricultural enterprises in enhancing their market competitiveness and achieving healthy and sustainable development of the agricultural industry.

As the foundation of the national economy, agriculture plays a crucial role in advancing agricultural modernization and realizing rural revitalization. Agricultural industrialization encompasses an integrated business model from cultivation and breeding to processing and sales, characterized by market orientation, economic efficiency at its core, and a focus on leading industries and products. The article elaborates on the concept and characteristics of agricultural industrialization and highlights the key role of tax policies in guiding and optimizing the development of agricultural industrialization.

The tax policy, by establishing favorable conditions, can reduce the burden on enterprises engaged in agricultural industrialization, stimulate the enthusiasm of farmers to participate in industrialization, and promote the transformation and upgrading of agricultural enterprises into high-value-added fields, according to the study. However, there are some issues in the implementation of current agricultural tax policies, including challenges in tax standardization,

imperfections in tax incentives, tax difficulties arising from the diversification of the agricultural industry, local tax revenue distribution issues, and problems related to farmers' income, which to some extent limit the effectiveness of tax policies in the development of agricultural industrialization.

To address these issues, the article makes a series of recommendations to improve tax policies for modern agriculture in China. First, it suggests optimizing tax policies to make them more flexible and adaptable, enhancing policy transparency and fairness. Second, the establishment of monitoring and evaluation mechanisms to ensure the effective implementation of tax policies and timely assessment of their effects is recommended. In addition, the article advocates strengthening information dissemination and training to improve farmers' understanding and application of tax policies, building information platforms, sharing success stories, and inspiring farmers to innovate.

The research not only provides valuable suggestions for policymakers to enhance the effectiveness of tax policies and other agricultural-related policies, but also provides new development ideas for enterprises and farmers engaged in agricultural industrialization. It promotes the healthy development of the agricultural industry, advances the process of agricultural modernization and contributes to the realization of Chinese-style modernization by focusing on practical solutions and innovative approaches to policy enhancement, catering to the speaking habits of an American audience. The concept and characteristics of agricultural industrialization.

1.1. The concept of agricultural industrialization

Agricultural industrialization is a modern approach to farming operations and industrial organization that aims to optimise the combination of various production factors. It seeks to achieve regional layout, specialised production, large-scale construction, systematic processing, socialized services and corporate management, forming an integrated operating system encompassing cultivation, breeding, processing, production, supply, sales and the integration of trade, industry and agriculture.

1.2. Characteristics of agricultural industrialization

It features market orientation, focus on economic efficiency, emphasis on leading industries and products, and a virtuous trajectory of self-development, self-accumulation, self-restraint and self-regulation. Agricultural industrialization can promote the modern development of agriculture, comprehensively advance rural revitalization and realize modernization with Chinese characteristics.

2. The role of tax policy in the development of agricultural industrialization

2.1. The guiding role of tax policy in the development of agricultural industrialization

Tax policies play a crucial role in driving the industrialization of agriculture. By enacting differentiated tax and favorable policies to ease the burden of agricultural industrialization, it has helped ignite the enthusiasm of countless farmers to actively participate in industrial transformation and upgrading. This policy arrangement contributes to enhancing the socio-economic benefits of agricultural industrialization. Flexible adjustments and exemptions in tax measures will not only strengthen the market competitiveness of agricultural products, but also further the process of agricultural industrialization. By optimizing the tax rate structure and establishing incentive mechanisms, it has effectively guided agricultural enterprises to transition to high-value-added sectors and promoted the upgrading and optimization of

agricultural industrialization. This approach aids in stimulating innovation in agricultural production and business models, improving product quality and value-added, and achieving sustainable growth and development in agriculture. To ensure the effective implementation of tax policies, it is essential to enhance relevant regulations and regulatory measures. In addition, there should be increased promotion and education on tax policies to enhance the awareness and understanding of farmers and agricultural enterprises about tax preferential policies, ensuring that the policies take root and yield results. In conclusion, the refinement and implementation of tax policies is of major importance in promoting the vigorous development of agricultural industrialization. By reducing burdens, enhancing market competitiveness and guiding transformation and upgrading, the tax policy provides strong support for the prosperity and modernization of the agricultural economy and helps agricultural industrialization achieve greater success.

2.2. The optimization effect of tax policy on the development of agricultural industrialization

Tax policies play a crucial role in the process of agricultural industrialization. By optimizing and adjusting tax policies, a more favorable tax environment can be created for agribusinesses, effectively reducing their tax burden and lowering their tax expenses, thereby significantly improving their profitability. This optimized tax policy not only plays a major role in economic aspects, but also has important significance in stimulating the development vitality of agricultural industrialization enterprises. The government's implementation of feasible tax preferential policies can actively encourage enterprises to increase investment and expand their scale, thus injecting strong momentum into the vigorous development of agricultural industrialization. Through clever measures such as tax cuts or differential tax rates, the government can steer enterprises toward high-value-added and high-tech sectors, significantly improving the overall competitiveness and sustainable development potential of agricultural industrialization. These measures are not only conducive to the long-term development of enterprises, but also inject new strength and vitality into the entire agricultural industry chain, pushing the industry toward higher levels. In implementing tax policies, it is necessary to take into account the peculiarities of agricultural industrialization and adopt differentiated and personalized tax incentives. For example, tax exemptions or deductions can be provided for investment and research and development spending by agricultural industrialization enterprises, encouraging them to increase their efforts in scientific and technological innovation and technological upgrading. In addition, appropriate tax incentives can be provided for investments related to ecological environmental protection and agricultural product safety to promote the sustainable development of agricultural industrialization. Optimizing tax policies plays an important role in agricultural industrialization. By creating a favorable tax environment for enterprises, reducing tax burdens and promoting structural adjustment and upgrading, tax policies can promote the development of agricultural industrialization, enhance its competitiveness and inject new vitality into the industry's sustainable development. The government should actively promote reasonable tax and favorable policies to provide solid support for the vigorous development of agricultural industrialization.

3. Problems existing in the operation of the current agricultural tax policy

3.1. Challenges of tax standardization

The standardization of taxation poses a major challenge in the development of agricultural industrialization. The uniqueness and complexity of the agricultural industry, combined with

the diversity of farming entities and operational models, make tax collection and administration complex and difficult. In the process of agricultural industrialization, the difficulty of tax standardization lies in ensuring the authenticity and accuracy of taxable entities, reasonably determining the basis of taxation for taxable entities, and improving the system of tax collection and administration. To effectively address these challenges, it is essential to strengthen the supervision and management of taxable entities within agricultural industrialisation. This requires the establishment of a comprehensive database of taxable entity information to ensure its authenticity and accuracy. At the same time, tax authorities need to work closely with other relevant departments to jointly refine tax collection and management systems, thus enhancing the overall level of tax standardization. In addition, given the relatively weak tax awareness and knowledge among farmers, tax authorities should step up efforts in publicity and provide more tax training and guidance to enhance farmers' tax awareness and ability to pay taxes. Moreover, the establishment of a more convenient and intelligent tax filing system is also a key measure to improve the standardization of tax collection.

3.2. Imperfection of preferential tax policies Section Headings

During the development of agricultural industrialization, there were some imperfections in the tax incentive policies, especially in their coverage and strength. The current tax incentives do not fully extend to all enterprises involved in agricultural industrialization, leaving some unable to benefit from the tax reductions or preferences they deserve. This not only increases the economic burden on these enterprises, but may also dampen their development drive. Another issue is the lack of flexibility and specificity in existing tax incentive policies. Agriculture is diverse and complex, with different types of businesses with different needs for tax incentives. However, current policies often fail to adequately address these differentiated needs, lacking sufficient flexibility and specificity. To more effectively support the development of agricultural industrialization, it is necessary to further refine and detail tax incentive policies. This includes expanding the coverage of policies, increasing the strength of incentives and enhancing their flexibility and specificity.

3.3. Tax challenges brought about by the diversification of the agricultural industry

The diversification of the agricultural industry poses multiple challenges to taxation. As agribusiness ventures into multiple areas, tax collection and administration becomes more complex. This not only poses challenges for the tax authorities in terms of administration, but also increases the tax burden on taxpayers. To address these challenges, tax authorities need to thoroughly study the tax characteristics of diversified agricultural industries and take measures to streamline the tax collection process, effectively easing the burden on taxpayers. The diversified nature of the agricultural industry makes tax standardisation particularly difficult. Due to the involvement of various types of agricultural products and business entities, each entity and product has different standards for tax declaration and collection, undoubtedly increasing the complexity of tax administration. Tax authorities need to respond to this situation by developing clearer and more uniform tax regulations to ensure fairness and efficiency in tax collection and administration. In addition, the diversification of the agricultural industry has affected the implementation of tax incentive policies. Given the significant differences in development stages and needs of different agricultural industries, existing tax incentive policies often struggle to accurately meet the needs of all industries. This requires tax authorities to fully consider the characteristics of agricultural diversification in the formulation and implementation of tax policies, improve the specificity and flexibility of tax incentives, and ensure that policies truly promote the development of the agricultural sector.

3.4. Distribution of local tax benefits

The issue of the distribution of local tax revenue presents a major challenge in the industrialization of agriculture. Agricultural industrialization is closely linked to local taxation, and the way tax benefits are distributed directly affects the momentum of agricultural industrialization. In practice, local governments often pursue economic growth and fiscal revenue enhancement by redirecting tax funds to other industries, resulting in insufficient tax support for agricultural industrialization and thus hindering its further development. The development of industrialization in agriculture has shown differences in resources and development levels across regions, further exacerbating the imbalance in the distribution of local tax revenues. This imbalance not only affects the fiscal revenue of local governments, but may also upset the regional development balance of agricultural industrialization. To address these issues, it is crucial to prioritize and optimize the tax distribution mechanism, ensure that tax funds are truly allocated to the agricultural industrialization sector, and promote balanced development of agricultural industrialization across different regions.

The section headings are in boldface capital and lowercase letters. Second level headings are typed as part of the succeeding paragraph (like the subsection heading of this paragraph). All manuscripts must be in English, also the table and figure texts, otherwise we cannot publish your paper. Please keep a second copy of your manuscript in your office. When receiving the paper, we assume that the corresponding authors grant us the copyright to use the paper for the book or journal in question. When receiving the paper, we assume that the corresponding authors grant us the copyright to use the paper for the book or journal in question. When receiving the paper, we assume that the corresponding authors grant us the copyright to use.

3.5. The cooperation mechanism between agricultural enterprises and farmers is immature

The development of agricultural industrialization faces major challenges due to insufficient tax support. Existing tax policies have some clear shortcomings in aiding the process of industrialization of agriculture. These shortcomings are first and foremost in the lack of support for industrialization of agriculture, which directly limits its room for development. Although there are policies in place to support agricultural industrialization projects, support is still minimal, failing to provide adequate financial and tax incentives, thus affecting the development potential of agricultural industrialization. Moreover, the current tax support policies are somewhat imperfect and unreasonable, requiring further improvements and optimizations. To advance agricultural industrialization, it is essential to increase tax policy support and refine the related policy system. This includes providing more financial support and tax incentives to ensure that agricultural industrialization projects receive adequate resources and backing. Simultaneously, it is crucial to strengthen ties between enterprises and farmers by providing better technical support and cooperation mechanisms, promoting close collaboration between the two parties to achieve desired outcomes, and thus driving the overall development of agricultural industrialization.

3.6. The issue of farmers' income

Revenues for some farmers remain low. Reasons include low market prices for agricultural products, long crop growth cycles, agricultural enterprises pushing down prices, and limits on the size of cultivation, among others. These issues need to be addressed through effective tax policies and agricultural industrialization models to raise the economic income and living standards of farmers.

4. Suggestions on improving tax policies to promote agricultural modernization in China

4.1. Improve and optimize policies

To promote agricultural industrialization, it is crucial to refine and optimize tax policies. The government should design more flexible and adaptive tax policies to ensure that they can meet the specific needs of agricultural industrialization at different stages of development. Moreover, enhancing tax incentives for enterprises involved in agricultural industrialization is key, as this will help ease their burden, encourage increased investment and foster innovation. Beyond that, enhancing transparency and fairness in tax policy is equally important. This would ensure a rational distribution and use of the tax, and thus prevent the imbalances and injustices that might arise during the development of the industry. To achieve these goals, the government also needs to strengthen monitoring and evaluation of the development of agricultural industrialization, so as to promptly identify problems and make policy adjustments. This will ensure the effectiveness and sustainability of the tax policy in promoting the industrialization of agriculture.

4.2. Establish a monitoring and evaluation mechanism

Establishing mechanisms for monitoring and evaluation is crucial for the role of tax policies in supporting the development of agricultural industrialization. By establishing a monitoring system, we can effectively monitor tax activities in the process of agricultural industrialization, prevent and combat various forms of non-compliance, and thus ensure the effective implementation of tax policies. At the same time, the introduction of an assessment mechanism allows for a systematic and comprehensive assessment of the impact of tax policy implementation. This not only helps to identify existing problems and shortcomings in a timely manner, but also provides a solid basis for policy adjustment and optimization, thus ensuring the relevance and effectiveness of tax policies. It is important to note that the establishment of monitoring and evaluation mechanisms has also facilitated communication and interaction between the government and agricultural entities. This will help the government gain a deeper understanding of the actual development status of agricultural industrialization, enabling it to formulate more realistic tax policies that better support agricultural industrialization.

4.3. Strengthen information dissemination and training

Strengthening information dissemination and training is a central task in promoting agricultural industrialization. The government should actively carry out diverse promotional activities to widely spread knowledge about tax policies to farmers and deepen their understanding of the importance of tax policies in driving agricultural industrialization. At the same time, the government should organize a series of training classes and seminars, invite experts in taxation and agricultural industrialization, and provide farmers with professional training and guidance to help them accurately understand and effectively apply tax policies. Moreover, building an information platform is a crucial step. Through this platform, the government can release practical tax policy information and successful cases of agricultural industrialization, thereby inspiring farmers to be more enthusiastic and creative and injecting new vitality into the advancement of agricultural industrialization. With these measures, farmers will be better equipped to understand and apply tax policies, and their ability to take initiative and innovate in the industrialization of agriculture will be enhanced, thus giving a strong push to the sustainable development of agricultural industrialization.

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