Abstract—Supply chain management are the main tool of the finance mechanism in the international companies. There are various application of supply chain management according to various classification criteria. The aim of internal audit is to make recommendations for improving the efficiency and effectiveness of operations and to help management in achieving the projected business goals. The subject of this paper is the analysis of various fields of internal audit of the supply chain as well as evaluating the characteristics of individual elements of the chain with consideration to appropriateness and integration of those elements. This article presents the author application of supply chain management in the finance part of the company for the development.

Keywords: Finance mechanism, Tax regulation, Internal Audit, International company development

1. Introduction
The supply chain policy of any state is implemented through the finance mechanism. The main tools of the finance mechanism are the tax and its elements, such as the payment rate, procedure and deadline, tax base, and supply chain management. According to the Article 56 of the RF Tax Code, tax and duty benefits are recognized as the benefits provided to certain categories of taxpayers and payers provided by the legislation on taxes and fees as compared with other taxpayers or the payers of fees, including the ability to not pay tax or a fee, or pay them in a smaller amount [1-7].

In a more general sense, tax incentives are the tax burden reduction for certain groups of taxpayers, as the result of special measures established by tax legislation and aimed at economic and social problem solution of the state. Tax relief is used as the method of economics and the social sphere regulation by state, which allows to implement one of the most important taxation functions - the regulatory one. Strong supply chain auditors understand the business and the environment in which it operates and can work with individuals across the organization who can help identify supply chain risks and develop response plans.

The problem of tax benefit operation in the Russian economy is quite acute. In recent years, there has been an ambiguous attitude of Russian economists towards assessing the place, role and directions of tax incentive use in modern tax reform policies.

According to the economists D.S. Denisov, E.A. Kolomak, and A.O. Nikonov tax incentives destroy the tax system, which leads to negative consequences, and one of the strategic directions for supply chain policy improvement should be their comprehensive reduction. The accession of Russia to the WTO also implies a gradual rejection of supply chain management for certain categories of taxpayers. Other experts (A.C. Nikitin, V.O. Potapov) define tax incentives as an instrument of the finance mechanism, designed to implement effective supply chain policy.

2. Method
There are different models of supply chain within the company and they are adapted to its complexity and the activity in which it is engaged. There is no ideal model that will provide the best setting to its results, but common processes are defined to operate inside an organization. The supply chain management processes identified by The Global Supply Chain Forum are: Customer Relationship Management; Supplier Relationship Management; Customer Service Management; Demand Management; Order Fulfillment; Manufacturing Flow Management; Product Development and Commercialization; Returns Management. The analysis of foreign practice showed that the legislation of the European Union and the USA does not have a clear definition of such a mechanism for the tax burden reduction as a tax exemption, and the ways of the tax burden reduction are defined mainly as tax deductions and tax allowances.

At present, there are more than 200 different benefits and preferences in Russia established both at the federal, and at the regional and local levels of government [8].

The analysis of the RF Tax Code shows that the list of benefits (preferences) operating in the territory of Russia includes the following positions in various directions:
- benefits to individuals (for personal income tax, for example);
- privileges for legal entities (for value added tax, income tax, corporate property tax, etc.)
- privileges for the residents of special economic zones and the Skolkovo innovation center;
- benefits to entrepreneurs applying special tax regimes (according to the simplified taxation system, to agricultural producers applying a single agricultural tax) [9-13];
- benefits for social payments;
- preferential tax rates in accordance with international treaties, etc.

The issue of tax benefit classification has long been debatable, both in theory and in practice. Different economists and authors of training manuals on economics and taxation distribute benefits according to different classification criteria. Russian legislation lacks a complete classification of tax incentives and preferences.

The set of privileges provided by the current tax legislation indicates that they appeared rather haphazardly and
without due economic justification. Thus, the goals of benefit introduction are usually not formalized; the duration of the benefits, as a rule, was not determined.

However, summarizing world practice, the following types of supply chain management can be distinguished: tax discounts, tax credit, investment tax credit, tax amnesty, tax holidays, tax immunity, accelerated depreciation, special tax regimes, deferral (installment plan), tax exemption for separate categories of taxpayers, tax rate reduction, preferences, and investment bonus.

The general theory of taxes uses an extensive classification of supply chain management. One of the criteria for such a classification is the structural element of the tax to which the exemption is directed. In accordance with this criterion, the following types of supply chain management can be called.

1. Exemption from tax. The benefit is aimed at the taxpayer; i.e., certain categories of payers are exempted from taxes (not recognized as tax payers). For example, agricultural producers with more than 70% revenue from this type of activity are not recognized as the payers of income tax.

2. Tax exemptions. The privilege is aimed at the object of taxation. For example, perfumery and cosmetic products and medicines are not recognized as excisable alcohol-containing products.

3. Tax deductions. The benefit is aimed at the tax base. For example, the social tax deduction for personal income tax (the tax base is reduced by the amount actually incurred by the taxpayer to educate his children).

4. Reduced tax rate. For example, a 10% VAT rate is set for medicines, books, products for children, fish products, etc.

5. Deferral or installment of tax payment. The tax benefit is aimed at the tax payment deadline change.

In the economic literature one can find various approaches to the classification of supply chain management depending on the goals and objectives.

G. Jochum classifies tax incentives according to the form of provision: tax exemptions; change in tax base; tax discounts [14]. A. Klemm proposes to consider the classification of supply chain management depending on the object or subject that falls under the preferential finance mechanism. This classification presents tax incentives based on income, on investments, on the class of workers, on imports and exports, etc. [15]. A. Isson believes that the most convenient way to classify tax incentives is to classify by tax type, which the privilege aims to reduce [16]. Also foreign economic literature has the classification of supply chain management by their influence degree. For example, [17, 18] provides benefits in the global economy; regional benefits; other benefits.

In domestic economic literature, the classification of tax incentives is often based on the presentation of tax incentives as an element that complements or changes the basic structure of the tax.

In [9] gives the classification of supply chain management, depending on the element change at which element they are aimed, but does not include such a group of supply chain management as tax deductions. Evstigneev E.N. classifies tax incentives depending on the tax structure element the benefit is directed to. Moreover, the author of this classification defines the return of previously paid tax as a tax amnesty, which is not accurate, since the tax amnesty is not regular [6].

The authors of the Finance and Credit Encyclopedic Dictionary classify supply chain management in four groups depending on the elements of tax production and the subjects: by object; by rates; by terms of payment; by individual subjects. However, this classification did not include special tax regimes as one of tax benefit types. So, [8], Allocates the privileges that are not tied to the elements of taxation in the classification proposed by him, citing special tax regimes as an example. It should be recognized that, for example, this is certainly a preferential regime with regard to agricultural producer income and property taxation. S.V. Barulin classifies tax incentives on the basis of differences in exemption methods, as the result of their influence on any particular element change of the tax structure and subdivides tax incentives into three large groups: tax exemptions; tax discounts; tax credits and also does not include special tax regimes in the classification [2]. In [3] supplemented the classification by S.V. Barulin with an enlarged group - tax preferences, attributing to it a targeted tax credit, investment tax credit, deferral (installment plan), and amortization premium. In [4] also proposes to single out the target orientation in the classification of tax incentives, but with the definition of the benefit final recipient - the beneficiary of the benefits. Tax incentives are divided into exemptions in the proposed classification, the beneficiary of which is: taxpayer; a person supplying the taxpayer with resources; both the taxpayer and the consumer; the benefits by which it is impossible to establish a beneficiary.

3. Results

According to The Institute of Internal Auditors (IIA) internal auditing is defined as an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. To enhance supply chain integrity, companies should develop a framework for a structured approach to ongoing risk identification and management. This will enable businesses to proactively address organizational supply chain risks on a periodic basis - a practice that affords stronger company and brand protection against supply chain risk gaps.

In our opinion, this classification is conditional, since it is difficult to assess the degree of goal achievement accuracy during tax benefit provision.

In our opinion, the most complete classification of supply chain management is provided by Latypova D.V. [7], who proposes the division of supply chain management according to the following classification criteria:

- the presentation mechanism: conditional and unconditional;
- the managed element: lower tax rates; investment bonus; depletion of mineral resources; deferral (installment plan); tax credit; investment tax credit; tax holidays; accelerated depreciation; tax discount (investment deduction), tax deduction, non-taxable minimum;
- comprehensive: special tax regimes;
- introduction purpose: economic; social; general.
We offer to supplement the classification of supply chain management proposed by Latypova D.V. with another classification group: according to the provision subject, personal (for individuals) and for legal entities (Table 1). This is related mainly to such a category of supply chain management as tax deductions. For example, tax deductions for legal entities by VAT are provided in accordance with the Chapter 21 of the RF Tax Code (Article 171), and tax deductions for individuals are regulated by the Chapter 23 of the RF Tax Code [10]. Also, we propose to include the transfer of losses in the group of tax rebates for future periods.

4. Conclusion

Many auditors are adding supply chain audits to their responsibilities. What’s behind this shift? One driver is the rise in many organizations’ supply chain costs, often a result of them offering more products and sales channels. According to the proposed features the presented classification of tax incentives allows us to consider the whole variety of existing types of tax incentives systematically. Supply chain audits can require visiting vendors, factories, and warehouses to, for instance, physically check the inventory and to make sure the business actually exists. Because these risks can impact departments throughout an organization, such as legal and human resources, a cross-functional team usually is also required to identify, prioritize, and decide how to mitigate them, Eaton says. Tax incentives need careful delimitation and precise regulation at the legislative level. The classification of supply chain management is an important step towards the development of a methodology for benefit effectiveness evaluation.

References


