



that can ensure transparency of public financial flows movement and assess the effectiveness and efficiency of use of budgetary funds. The following factors indicate a need for this assessment software: reorientation of public expenditures in terms of economy and efficiency; limited budget resources; reform of the budget system in order to induce socio-economic development of the state [1].

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CRYPTO-ASSETS AS A NEW FRONTIER OF TAXATION

The recent years have been marked by the appearance and development of “virtual currencies”, meaning digital units of exchange that are not backed by government-issued legal tender [4, p.15]. There has been registered increasing interest in cryptocurrencies, such as Bitcoin, ICO tokens and different technologies behind such currencies and tokens resulted in fact that crypto-assets became the subject of intense policy debate. Particularly, crypto-assets have raised concerns with regard to money laundering, market integrity, consumer protection, as well as possible implications for financial stability. Financial sector authorities in Europe Union and worldwide undertake various activities on crypto-assets within their mandates. International organization such as the G20, OECD, ESMA, EBA, BCBS, CPMI-IOSCO, FATF, FSB etc. conduct work on crypto-assets aimed at monitoring crypto-assets’ implications for global financial stability and coordinating policy responses [1]. Besides above mentioned problems, digital currencies have tax compliance concerns associated with them. Currently, there is a lack of common taxonomy of crypto-assets and a shared understanding of how crypto-assets should be treated from a regulatory standpoint, in almost all jurisdictions there are no specific tax laws on the taxation of cryptocurrencies. The tax treatment is based on general principles and any guidance issued by domestic Tax Authorities. Even now a range of cryptocurrency exchanges regularly send



reports to domestic regulator, containing data of their users. The tax is calculated according to the capital increase, taking into account the real market value of the cryptocurrency at the time of its receipt. Some countries, following the example of the United States, do not reveal revenues while the funds are in cryptocurrency, and tax obligations arise at the time when the cryptocurrency is withdrawn into fiat funds. In Russian Federation, the Ministry of Finance expressed the requirement to independently fill out declarations regarding the income from cryptocurrency and pay 13% of the personal income tax. The amount of profit is calculated from the income received from the sale of a cryptocurrency, except the crypt value at the moment of procurement [5]. In Ukraine, was drafted the Bill No. 9083 “On Amendments to the Tax Code of Ukraine regarding the taxation of transactions with virtual assets in Ukraine”, it frames the inclusion of key terms related to the market of virtual assets (virtual assets, token, asset-token, cryptocurrency, virtual asset issuer, mining, operations with virtual assets, profits from operations with virtual assets) into the Tax Code, as well as, modification of certain items from the legal regulation of corporate income tax, personal income tax and value added tax [7].

According to the European Commission research, the main factors influencing the inadequate tax rules for the digital economy are the following: difficulty to tax/ opportunities for tax avoidance; lack of a level playing field and distortion of competition; less revenue for public budgets/negative impact on social fairness; risk of internal market fragmentation; current tax rules are based on physical presence; profit attribution based on analysis of traditional factors; increased user contribution to value creation; increased use of knowledge, data, intangible assets; more complex and global value chains; using data as new source of revenue etc. [2, p.2].

Nevertheless, one of the most important problems in EU cryptocurrencies regulation and taxation is the fact that crypto-assets do not completely fit under any of the relevant EU legal acts. Where crypto-assets qualify as transferable securities or other types of MiFID financial instruments, a full set of EU financial rules, including the Prospectus Directive, the Transparency Directive, MiFID II, the Market Abuse Directive, the Central Securities Depositories Regulation and the Settlement Finality Directive, may be applied to their issuer and/or firms providing investment services to those instruments. However, there are a number of gaps and issues within the existing regulatory framework when applied to crypto-assets. In particular, some of the risks that are specific to their underlying technology may be left unaddressed and where crypto-assets do not qualify as financial instruments (or where they do not fall within the scope of other EU rules applicable to non-financial instruments such as the e-money Directive as identified in the EBA’s report and advice on crypto-assets), the absence of applicable financial rules leaves consumers exposed to substantial risks [3].

During the last 3 years, the National Bank of Moldova (NBM) warned the buyers, on the potential risk of losing the amounts invested in “virtual money”, given the fact that exchange operations with such money are not regulated in the Republic of Moldova, and cryptocurrency does not possess a regulatory status in Moldova. According to the NBM, the “virtual money”, are virtual assets without real coverage, have a high volatility and a low degree of security, compared to money issued by central banks and regulated electronic currencies [6]. At the same time, a number of crypto-assets services are going to start in Moldova. Thus, there are two projects in cryptocurrencies mining, are going to appear some Bitcoin ATMs etc. In the current situation, financial regulators began consultations regarding potential solutions and measures that need to be implemented to regulate the phenomenon of “cryptocurrency” to avoid the risks of tax evasion, money laundering and terrorist financing.

Conclusion. The crypto-assets constitute a fast-growing, but relatively new asset class, on which the process of legalization in most countries is ongoing, and already is partially fully functioning. In course of time, based on the experience of other countries, in the Republic of Moldova it will be possible to optimize questions regarding income taxes on cryptocurrencies transactions, to elaborate an appropriate legal and regulatory frameworks, but at the present stage it



is necessary to define crypto-assets legal status and introduce in legal framework notions “crypto-assets” or/and “cryptocurrency”.

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ACCOUNTING IN UKRAINE IN THE IMPLEMENTATION OF EUROPEAN LEGISLATION

Expansion of the international cooperation framework contributes development of the foreign economic operations, creation of the joint ventures, transnational corporations, etc. In the situation of the world economy globalization, the necessary condition is the unification of requirements and methodical approaches to conducting business accounting and financial reporting of different countries enterprises, which will allow investors and counterparties to compare information, determine the real situation of partner companies, and assess the attractiveness of an investment object. In Ukraine in recent decades the process of harmonizing accounting with international standards and EU directives is underway. In particular, the national accounting regulations are based on international accounting and financial reporting standards.

The amendments to the Law of Ukraine «On Accounting and Financial Reporting in Ukraine» will promote the harmonization of national legislation in the field of accounting and financial reporting with the legislation of the European Union countries and International Financial Reporting Standards. The introduced changes provide a basis for the introduction of accounting and financial reporting in Ukraine to a new level, which enable the effective adoption of management decisions by domestic business entities. The results obtained are the basis for accounting and financial reporting in Ukraine, taking into account the norms of the European Union Directives.

The IFRS are the methodological basis for ensuring clarity and comparability of financial statements for investors and counterparties from different countries. They contain general principles and approaches to reflecting economic activity in accounting and financial reporting. IFRS is the basis for the development of national accounting standards (regulations) of many countries, including Ukraine. Adaptation of the Ukrainian legislation in the area of accounting and reporting to IFRS and EU law is carried out by approving national standards of accounting and financial reporting, the Law of Ukraine «On Accounting and Financial Reporting», making corresponding