The article proposes and substantiates the introduction of a tax on paper documents, determined the range of subjects of taxation, the procedure of calculation and analyzes the implications of such practice.

**Keywords:** taxes, tax paper, paper document turnover tax.

**Problem.** Modern electronic information processing and communications reached such high level of their development, when their reliability and availability become an indisputable fact. Computers, mobile devices, software, including free, and the Internet, make business processes more efficient. More efficient means the reduction of working operations, reducing time of information processing, reducing logistical costs compared to those that occur without an electronic component. A modern office can not process without the personal computer and the Internet. However, despite these obvious facts, the formal document turnover remains today mostly in paper.

Although the statistics on the use of electronic document by companies is not officially underway, the research of document workflow of 10 leading companies of Ukraine (each in its field) revealed that all of them use paper for the formal relationships with others enterprises.

According to our expert opinion, formal electronic document turnover between companies in Ukraine, excluding the document workflow of value added tax accounting, is less than 1%. However, it should be noted that the informal document, both within companies and between companies, in many cases, is in electronic form.

It is known that in 2015 in Ukraine, new legislation [1] obliged payers of value added tax to switch to electronic accounting, that certainly became a factor in the transition to electronic document circulation in accounting of value added tax.

The low level of use of the technology can be explained by the phenomenon of social inertia. The idea of social inertia can be traced back to French sociologist Pierre Bourdieu (1985). According to Bourdieu [2], each person occupies a position in a social space, which consists of his or her social class as well as social relationships and social networks. Through the individual's engagement in the social space, he or she develops a set of behaviors, lifestyle and habits (which Bourdieu referred to as habitus) which often serve to maintain the status quo. Sociologists have examined how economic and cultural heritage is transmitted across generations, which can lead to strong social inertia even during times of social progress.

The factor that deepens the inertia of these processes is the nature of these relations. As a formal document workflow is perceived by people as being more responsible sphere of relations where the violation of certain regulations may result in negative consequences, including legal liability. As a consequence, in these relationships people use "proven" stereotypical approaches, which in practice usually do not lead to negative consequences, and any changes are rejected as undesirable risk factor.

Therefore, today there is the problem of low level penetration of formal electronic turnover among companies.

**Analysis of recent research and publications.**

General questions on stimulating function of taxes are described by J. Keynes [3]. The problem of “social inertia” is investigated in the works of P. Bourdieu.

The issue of the introduction of the tax on paper document turnover in Ukraine has not been studied.

In Ukraine, stimulating function of taxes is described by O.D. Vasilik [4], as well as the authors of the textbook "The tax system of Ukraine" edited by V.M. Fedosov. [5]

**The presentation of the base material.** It is proposed to introduce a new tax. The tax should be levied for the use of paper documents in business operations of companies and individuals-entrepreneurs, public organizations and political parties, in particular, agreements or other documents that taxpayers provide to confirm conclusion (letters, fax etc.) and the executions of the agreements (reports, certificates etc.), that is, all the documents are so-called primary documents (invoices, reports, statements etc.), and internal administrative documents (orders, instructions etc.). In the first step, in our view, its inappropriate to introduce electronic document turnover of the companies with individuals (consumers) because the penetration of electronic means in the population according to a study of the Kiev International Institute of Sociology conducted in Ukraine in February of 2015 [6], is not very high compared, for example, the level of the European Union, and is 57 percent. Thus, the imposition of retailers issuing electronic receipts and fiscal receipts, may impair the protection of the rights of those consumers who do not have the necessary electronic mobile devices and skills to use them.

The calculation of the tax is proposed to perform in accordance with the number of sheets of A4 standard size, and fractions of multiple dimensions of this standard. Thus, the company which will maintain accounting records in paper will collect the paper mass, which is amenable to non complex calculations for tax accounting purposes. In addition, in order to simplify the tax accounting, it is proposed to introduce an alternative calculation of the tax burden - by paper weight. It will also promote the use of thinner paper and paper smaller formatted sizes, as well as simplify the taxing authority audit.

Reporting and accounting of the tax should be maintained and submitted in electronic format on a quarterly basis. The purpose of this tax to encourage taxpayers to use in the operation of electronic documents and refuse to use paper documents.

Thus, classifying the tax on the functional purpose, it should be attributed to the stimulating (unstimulating) taxes. Stimulating (unstimulating) function creates guidelines for the development or collapse of industrial activity. [4]

One of the functions of the state - is to promote the development of economic relations. The use of this tax is to increase the production efficiency and reduce operating costs of economic activity.

The following calculating example shows the savings which are reached by replacing paper data with the hard drive carrier.

The average retail price of hard disk capacity of 2 Tb now stands at about $ 100 US dollars or 2150 Ukrainian Hryvnias.

The value of information which can be placed on a pack of A4 paper (500 sheets) in the form of standard printed text in digital form is about 2.5 MB of disk space. So, there are 2 000 000 Tb / 2.5 Mb = 80000 packs of printed paper text on a such disc. If we translate this into the market value, that is, the average retail price of paper $ 3 US Dollars or 65 Ukrainian Hryvnias per pack, the total cost of storage of this information, considering only the cost of the paper, excluding space occupied by a mass of papers, cost 2400000 US Dollars. So, we have 24 000 times more costs on papers then on electronic storage. Even if we assume that to ensure greater data integrity, all information will be duplicated (without archiving) on the second disk, it is still the costs will exceed 12 000 times.

Analysis of other costs shows that they can be neglected. For example, the use of personal computers is now widespread. Thus, the transfer to the electronic document in this sense does not increase costs. The need of staff to service computer systems and networks, the requirement of means of communication and access to the Internet, levels by the reducing of the costs on printing and logistics of paper document, and the cost of storage of documents (eg, rent or archive services).

In addition, further archiving and utilization of paper documents can also be less expensive because of the above reasons. If we assume that archival institutions will also store information in electronic form.

Considering the readiness of the society to the mass transfer to the electronic document turnover we should pay attention to the legal framework for the use of an official e-document. Thus, such a relationships are subject to the legal regulation:

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2 refers to the documents referred to in Part 1 of Article 178 of the Commercial Code of Ukraine, namely those used for the conclusion of commercial contracts in a simplified manner, ie, by exchange of letters, faksogramami, telegrams, telephone messages, etc., as well as by confirming decision to carry out orders,

3 the primary document According to Article 1 of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine - a document that contains information on business operations, and confirms its implementation;

4 ‘Standard text’ means Times New Roman, 14 size with 1.5 line spacing, on one side.
Let's consider each group of these relationships.

The purpose of legal norms in the sphere of digital signature is to determine the validity of such a signature formally equating it to the handwritten signature analogue (and seal, as well, if necessary). At the same time, cryptographic standards must be approved and the operational infrastructure that enables the creation and management of key certificates (Digital Signature Certification Authorities) must also be established.

The problem of legal regulation of electronic documents is to provide formal recognition of electronic documents on a par with paper, define the basic principles of the e-document workflow.

Finally, formal instructions that will determine registration of electronic documents, the procedure for audit by the fiscal authorities, as well as the settle of rules of tax accounting are also required.

The specified requirements of relevant existing Ukrainian legislation and infrastructure. In particular, the Law of Ukraine "On electronic digital signature" (2003) [7], the Law of Ukraine "On electronic documents and electronic document turnover" (2003) [8], the procedure for certification of having an electronic document (electronic data) at a particular time, approved by Decision Cabinet of Ministers of Ukraine from May 26, 2004, # 680 [9], provides the general requirements for a formal electronic document.

In accordance with paragraph 2 of Article 9 of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" [10], the primary and summary records can be drawn up on paper or computer media.

The provisions of paragraph 2.3 of the documentary records provide an accounting of the approved by the Order of the Ministry of Finance of Ukraine of 24.05.95, # 88 [11], set that the primary documents created in electronic form apply in the accounting according with the legislation on electronic documents and electronic document turnover.

Thus, there are necessary rules governing the circulation of primary documents in electronic form in Ukraine, as well as their use for accounting and tax accounting of the company.

In order to implement the new tax the existing tax legislation norms should be changed. Along with these changes, new calculation methods are required to charge taxes, as well as instructions for audit procedures for tax authorities. It should be noted that the verification of the correctness of the tax calculation can be naturally performed with a full tax audit of the company, since during such audits primary economic documents are checked. Consequently, the list tasks of such audits are added by the task of counting (weighting) of sheets of paper.

Among the obvious advantages for each company in the use of electronic documents instead of paper, and it should be noted the positive role of the trend to reduce the negative impact of human activity on the environment. So obvious is the reduction of deforestation and reduce emissions in the manufacture of paper.

Conclusion. Taking into account the advantages of electronic document management, the inertial nature of ‘paper’ relations, and non-essential administrative costs of the paper documents turnover tax, this tax should be introduced. The size of the tax rate is a discursive matter, but almost any size of this tax will somehow encourage businesses to move to this approach of the workflow. The government on the one hand, being the initiator of these changes must also ensure the reduction of paper handling between business entities and government bodies. After all, these relations have a mandatory character, and the lack of direct reference to the use of electronic documents, will be a deterrent.

So, the ‘paper’ tax is a progressive step in the development of economy and society in general.

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