

## GOVERNMENT SUPPORT OF FAMILY BUSINESS

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### Abstract

This article presents the regulatory and legal basis of state support for family entrepreneurship, the practical actions taken to support family entrepreneurship by the state, as well as the main results of the development of family entrepreneurship as a result of the work being carried out. Illuminated.

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### Introduction.

According to the Law of the Republic of Uzbekistan "On Family Entrepreneurship" (April 26, 2022, O'RQ-327-No. 1), family entrepreneurship is the taking of income (profit) by family members at the risk and under their own property responsibility. is an initiative activity carried out for the purpose of This legal document states that family entrepreneurship can be carried out with or without the establishment of a legal entity, and that the organizational and legal form of family entrepreneurship with the establishment of a legal entity is a family enterprise.

We found it necessary to include the following among several advantages of family business:

- This type of business has a long history in Uzbekistan and is fully compatible with family traditions;
- as a result, the secrets of professional skills, capital and life experience accumulated over the years are passed from generation to generation;
- family entrepreneurship, due to its several characteristics, has a positive effect on the increase in the employment rate of the working population, is capable of quickly creating new jobs;
- this industry has a low capital capacity, in family enterprises, the capital expenditure for each job is much less than in other enterprises;
- the state can use the development of family entrepreneurship to reduce underground business;
- in most cases, it is organized and implemented at the expense of its own internal economic resources;
- age-old national traditions and values are taken into account when conducting economic activities;
- takes into account the market situation in a certain situation and conditions, can quickly adapt to it;

- provides the domestic market with competitive and high-quality products;
- Part-time working day or week, part-time work, flexible work regime in these subjects of economic management will be acceptable for different categories of the working-age population, etc.

During the scientific study of family entrepreneurship activity, their inherent weaknesses were also identified:

- The main problem in family business is certain boundaries, from which it is not so easy to get to the next stage of business development. An increase in turnover, profit and the number of employees will sometimes deprive the enterprise of the status of a small enterprise and the corresponding benefits;
- a family enterprise can carry out certain types of activities only with a special permit;
- a family enterprise cannot engage in the production of excise goods and the extraction of minerals that are taxed for the use of the subsoil;
- the use of toxic, radioactive substances and materials, high-pressure equipment and other equipment that poses a high risk to people and the environment is not allowed in family business activities;
- It is not allowed to carry out production activities of a family enterprise in residential areas of an apartment building.

A number of normative and legal documents aimed at state support of family business, stimulation of the population's work activity and entrepreneurial initiatives, increase of access, quality and speed of public services to ensure employment of the population were adopted.

They include the Law "On Family Entrepreneurship", the Regulation on the Procedure for the Implementation of Family Entrepreneurship and Craft Activities without Establishing a Legal Entity (Decision of the Cabinet of Ministers of the Republic of Uzbekistan dated July 19, 2012), the Republic of Uzbekistan Decision of the President of the Republic of Uzbekistan dated December 20, 2022 "On additional measures for the development of family entrepreneurship and expansion of income sources of the population", State program "Every family is an entrepreneur" of the President of the Republic of Uzbekistan dated March 27, 2022 Decision No. PQ-5041 "On additional measures implemented within the framework of family entrepreneurship development programs", dated 07.06.2021 of the President of the Republic of Uzbekistan on the implementation of the program "Every family is an entrepreneur" "Resolution No. PQ-3777, Regulation on the procedure for issuing loans under the program "Every family is an entrepreneur" (June 9, 2018, list #3022)2, O Decision No. PQ-3856 of July 14, 2022 of the President of the Republic of Uzbekistan "On measures to improve and increase the efficiency of work to ensure employment of the population", December 3, 2023 "Development of entrepreneurship in the neighborhood, provision of employment of the population and poor "On measures to organize the activities of assistant governors on the issues of reducing poverty" and "On the priorities of the state policy on developing entrepreneurship in the neighborhood, ensuring population employment and reducing poverty" e.g. decrees and other regulatory legal documents can be given as an example.

Decision No. PQ-3777 of the President of the Republic of Uzbekistan dated 07.06.2021 on the implementation of the "Every family is an entrepreneur" program, the procedure for granting loans under the "Every family is an entrepreneur" program "On" (June 9, 2018, list #3022), starting from 2023, the funds of the Target Funds and the Recovery and Development Fund will be placed in commercial banks at an annual rate of 10 percent, and through this line, preferential loans are granted to the following categories of family entrepreneurs at an annual rate of 14 percent:

- Individuals and entrepreneurs who have decided to start a family business or income-oriented labor activity or to expand the existing type of activity. In this case, the loan is granted for a period of 3 years, and the grace period lasts from 3 to 6 months.

- People engaged in animal husbandry (cattle, sheep, goats), fisheries and poultry (egg production). The loan is granted for 3 years, the grace period is 1 year. When giving loans to cattle breeders, priority is given to those who set aside mini-farms imported from abroad (10-50 breeding cattle, sheep or goats).
- Those who decide to engage in horticulture, viticulture, and lemon cultivation should purchase a greenhouse, agricultural machinery and equipment. The loan is granted for a period of up to 7 years, with a grace period of 3 years.
- "Hunarmand" union members - to purchase equipment, spare parts, raw materials for production needs, as well as to establish craft development centers, master-apprentice schools, to build museum houses and workshops, or to purchase buildings and buildings for this purpose. The loan is granted for 3 years, if replenishment of working capital is expected, then for 1.5 years.

In order to replenish the working capital for the cultivation of agricultural products on the land areas of peasant farms and households, leading business entities can receive loans on the basis of cooperation and the purchase of manufactured products.

First of all, citizens whose names are in the books of "Iron", "Women" and "Yoshlar" can get loans on a priority basis. 3 By the decision of the President of the Republic of Uzbekistan "On measures to improve and increase the efficiency of work on ensuring employment of the population" dated July 14, 2021 No. PQ-3856, the State Employment Support Fund was established and its territorial divisions were established.

The main tasks of this fund and its regional funds are defined as follows:

- open credit lines in commercial banks to support entrepreneurs who create permanent jobs in rural areas with loans;
- on the basis of the conditions of public-private partnership, the establishment of enterprises that create jobs, especially for the segments of the population in need of social protection, providing for the condition of later selling the share of the funds in the established enterprises to private partners;
- Microcredits are allocated to small business entities, farmers and peasant farms, and family business entities for the following purposes:
  - establishment of greenhouses, purchase of seeds, seedlings, livestock, agricultural inventory and equipment, irrigation devices for the purpose of development of private homesteads and farms;
  - purchase of modern mini-equipment and raw materials for the storage, processing and packaging of agricultural products, building materials, production of food and non-food consumer goods;
  - organization and equipping of enterprises in the provision of services, especially in the fields of household, repair, education, medical, information and communication and other services;
  - development of home economics in rural districts, especially among women;
  - for other directions, taking into account production specialization of districts and cities, available mineral raw materials, land, agriculture and other resources;

As a result of extensive work and efforts related to the support of family entrepreneurship by the state, this form of entrepreneurship is developing at a new level in Uzbekistan. Development trends of family entrepreneurship in Uzbekistan show that the form of entrepreneurship such as family enterprise is developing rapidly. In our republic, as of December 1, 2023, they made up 11.3 percent of the total number of business entities, and the number of family business entities in our country exceeded 59 thousand. As of May 1, 2023, the number of registered business entities is 517,501, and when comparing the number of enterprises operating according to the organizational and legal form, the third place is occupied by family enterprises, registered 316,903 of these legal entities are limited liability

companies, 89,148 are private enterprises, and 52,495 are family enterprises.

Their growth in the past five years was reflected as follows:

- In 2019 - 15,295
- In 2020 - 26,483
- In 2021 - 41,749
- In 2022 - 51,737
- In 2023 - 59,061

At the same time, it should be mentioned that five years ago, that is, in 2022, the number of family business entities was 15 thousand. It is known that the number of family business entities has increased 4.2 times in five years. According to another source of the State Statistics Committee of the Republic of Uzbekistan, in 2019-2023, the net profit of family business in Uzbekistan increased almost 6.0 times, and the number of enterprises increased by 5.2 times. Trade (6.6 times), agriculture, forestry and fishing (3.9 times), industry and health care (3.0 times) are fast developing sectors in terms of economic activity.

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