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# ASSESSING THE IMPACT OF TAXATION AND SOCIAL EXPENDITURE ON INCOME DISTRIBUTION: EVIDENCE FROM AZERBAIJAN

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# ASSESSING THE IMPACT OF TAXATION AND SOCIAL EXPENDITURE ON INCOME DISTRIBUTION: EVIDENCE FROM AZERBAIJAN

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## ABSTRACT

This research paper evaluates the impact of tax and social expenditure policies across different income groups in Azerbaijan. Using household-level income data from 2024, the analysis examines how fiscal measures affect income distribution by employing Lorenz curves and Gini coefficients. The assessments conducted through quintile and decile distributions allow for a comprehensive evaluation of the current situation. According to our calculations, the Gini coefficient based on quintile distribution is 0.202, while the Gini coefficient based on decile distribution is 0.215. Compared to the global average Gini coefficient of 0.65, these figures suggest that income inequality in Azerbaijan is up to three times lower. Furthermore, the findings indicate that there is still significant potential for fiscal policy to enhance its redistributive function in order to further reduce disparities among income groups. The high proportion of indirect taxes may, in some cases, place a relatively greater burden on lower-income groups. Additionally, the coverage and targeting of social transfers are crucial in promoting equity. Ultimately, the inclusiveness and effectiveness of fiscal policy can significantly contribute to achieving more balanced socio-economic development in the future.

**Keywords:** fiscal incidence, income inequality, social transfers, Gini coefficient, Lorenz curve

**JEL code:** H23, D31, I38

## INTRODUCTION

The analysis of fiscal incidence is a crucial scientific and methodological approach that explores how government tax and expenditure policies affect income distribution among different socio-economic groups. This analysis allows us to identify which segments of the population carry a heavier fiscal burden and which groups benefit more from government social transfers and public services. As a result, we can objectively assess the redistributive function of fiscal policy and its alignment with the principles of social justice.

Azerbaijan has undergone a significant economic transformation since gaining independence, making the analysis of fiscal incidence particularly relevant in an academic context. The country is strategically moving away from an oil-dependent economic model toward the development of non-oil sectors and broader economic diversification. Alongside this shift, socio-economic reforms aimed at improving public welfare have been implemented. This situation highlights the importance of thoroughly evaluating the effectiveness and fairness of fiscal policy.

In recent years, efforts to broaden the tax base, optimize the social protection system, and improve the efficiency of public services have highlighted the need to examine the effects of fiscal policies on different population groups. Thus, the primary goal of this study is to conduct a thorough analysis of fiscal incidence in Azerbaijan. By evaluating the distribution of direct and indirect taxes, social transfers, and public services among various socio-economic groups, the study aims to determine how effectively fiscal policy promotes equity and supports inclusive development.

The results of this study aim to aid in developing more effective and socially oriented fiscal policy strategies in the country.

## LITERATURE REVIEW

The concept of fiscal incidence analysis was first introduced in the mid-20th century and has since become widely used, especially in developing countries, as a means to promote social justice.

In recent decades, various methodological frameworks have been developed for the empirical analysis of fiscal incidence. Among these, the Commitment to Equity (CEQ) methodology, which was pioneered by Argentine economist Nora Lustig, has gained significant traction. The CEQ assessment seeks to answer crucial questions based on modern fiscal incidence analysis in order to examine the socio-economic impacts of fiscal policy (Lustig, 2018).

1. To what extent does fiscal policy achieve income redistribution and poverty reduction?
2. How effectively do specific types of taxes and government expenditures promote equity and benefit socially vulnerable groups?
3. How efficient are tax policy and public spending in reducing income inequality and poverty?
4. What are the socio-economic effects of fiscal reforms implemented through changes in the scale or progressivity of particular taxes or social protection instruments?

The CEQ approach evaluates how direct and indirect taxes, social transfers, and public services affect income distribution among various income groups. This assessment clarifies how fiscal policy contributes to reducing poverty and mitigating inequality. This methodology has been widely utilized in countries at different stages of development, particularly in Latin America, Africa, and Asia.

Social protection systems embody society's collective efforts to alleviate poverty and inequality while also promoting individual well-being. By addressing market failures, these systems foster social justice and inclusive development through risk management, intertemporal transfers, and the redistribution of resources (Carraro & Marzi, 2021).

Ensuring the sustainability of social protection systems within institutions is closely tied not only to financial resources but also to human capital, stable governance, and transparency. While having long-term financing strategies is seen as beneficial, challenges such as workforce shortages, high employee turnover, and corruption can impede the institutionalization process. Therefore, a comprehensive and coordinated approach is essential for the effective functioning of social protection systems (Schüring, 2021).

The study conducted by Martinez-Vazquez et al. (2012) highlights the significant role that progressive personal income taxes and corporate income taxes play in reducing income inequality. However, the redistributive impact of corporate income tax tends to diminish in open and highly globalized economies. Furthermore, the study identifies that indirect taxes such as general consumption taxes, excise duties, and customs tariffs negatively influence income distribution and increase the risk of worsening inequality (Martinez-Vazquez et al., 2012).

The results of the study conducted by Juelsrud (2012) demonstrate that taking into account the tax burden and public services on a broader scale leads to significant changes in poverty measurement. Calculations based on various poverty thresholds reveal a reduction in poverty levels by 11 to 13 percentage points. These findings are important for more accurately assessing the impact of fiscal policy particularly indirect taxes and government transfers on social welfare and income distribution. Additionally, the study scientifically confirms the necessity of applying an extended income concept for measuring income inequality and poverty (Juelsrud, 2012).

According to Cancho and Bondarenko's (2017) research, Georgia's social expenditure policy is generally progressive, but the country's tax structure is regressive. Even though transfer mechanisms are very effective at lowering poverty and income inequality, indirect taxes somewhat counteract this effect. Different government initiatives have different effects on income inequality and poverty. Furthermore, pensions contribute significantly to poverty alleviation, making up roughly two-thirds of the poverty alleviation accomplished through direct transfers, despite not being the most effective tool.

Despite Armenia's relatively effective social transfer programs, the impact of indirect taxes on low-income households diminishes the poverty-reduction benefits of public spending. This is highlighted in the book “The Distributional Impact of Taxes and Transfers: Evidence from Eight Developing Countries”, edited by Inchauste and Lustig (2017). The discussion around tax reform has largely focused on Value-Added Tax (VAT) and other indirect taxes. The analysis indicates that indirect taxes negatively affect poverty reduction and are less progressive compared to direct taxes. Specifically, VAT, import duties, and excise taxes on tobacco products are disproportionately burdening the lowest income households in Armenia, which typically do not pay direct taxes.

The research findings by Bornukova et al. (2017) indicate that fiscal policy plays a significant role in reducing poverty levels in Belarus and is essential for redistributing income to lower-income groups. The pension system is primarily responsible for this effect. While direct taxes do not significantly reduce inequality, indirect taxes contribute to increasing poverty due to their regressive nature. Social transfers, such as pensions, unemployment insurance, and childcare allowances, are effective tools for promoting social justice and reducing inequality, although fiscal interventions can sometimes exacerbate poverty.

The analysis conducted by Ciminelli et al. (2019) shows that tax-based fiscal consolidations have a positive effect on reducing income inequality. However, these measures often come at the cost of weakened economic activity, highlighting a trade-off between macroeconomic stability and social equity. The findings also indicate that the type of tax structure affects the effectiveness of these measures, with indirect taxes being more effective at reducing income inequality compared to direct taxes (Ciminelli et al., 2019).

The paper conducted by Cojocaru et al. (2019) reveals that the tax and social assistance system primarily benefits the poor. Approximately 60% of the population are net recipients of these benefits, while 40% serve as net contributors. Households in the lower-income brackets heavily rely on transfers, with net benefits accounting for 96% of their incomes. In contrast, families in higher income deciles contribute about 20% to 34% of their final incomes to the system. The main beneficiary groups identified include families with three or more children, single-parent households, and pensioner-only households. Furthermore, the system provides moderate relief from interregional inequality; residents of rural areas and small towns are the primary beneficiaries, while those living in large cities typically act as net contributors (Cojocaru et al., 2019).

The research findings from Fuchs et al. (2021) suggest several strategies that post-Soviet nations can implement to enhance the redistributive effects of tax and social support policies. These strategies include: improving direct social transfers, raising the retirement age, increasing access to higher education for low-income individuals, making personal income tax more progressive, reducing regressive tax exemptions, and improving the enforcement of property taxes. However, it is essential to ensure that the level of redistribution is aligned with the country's fiscal sustainability.

Nguyen and Rubil (2021) find that although direct social transfers significantly contribute to poverty reduction in Croatia, indirect taxes exacerbate poverty and intensify income inequality. Accordingly, prioritizing the more effective targeting of social protection programs and the reduction of indirect tax burdens emerges as essential for advancing poverty eradication and social justice. Additionally, thorough evaluation of fiscal policy’s distributive effects and early identification of potential negative consequences are critical for designing focused reforms that improve the socio-economic well-being of low-income groups.

Granger et al. (2022) found that fiscal policy can potentially reduce income inequality by up to 40% within countries. High-income countries have more fiscal capacity for redistribution, while low-income countries encounter significant challenges in this area. As a result, fiscal policies enacted in low-income countries typically lead to only a modest reduction of about 3% in income inequality on average.

Gupta and Jalles (2022), in their study encompassing 45 developing and low-income countries, demonstrate that tax reforms implemented during periods of relatively weak economic growth tend to be more effective in reducing income inequality. Additionally, when the scale of government expenditures and the tax system is relatively small, the positive impact of tax reforms on income distribution is more pronounced. These findings offer valuable guidance for designing more targeted and timely fiscal policies in developing countries (Gupta & Jalles, 2022).

The current scientific literature examining the relationship between fiscal policy and socio-economic outcomes in Azerbaijan has primarily concentrated on aggregate fiscal indicators and the effects of social policy. While some studies conducted in the country explore the social aspects of fiscal policy, there is a notable lack of comprehensive empirical research focused on the micro-level analysis of fiscal incidence.

The review of existing literature highlights a significant gap in empirical, micro-level research on fiscal incidence in Azerbaijan. There is an urgent need to apply the Commitment to Equity (CEQ) framework or similar methodologies to analyze the redistributive effects of fiscal

policies across different population groups. Additionally, this research should evaluate the effectiveness of social policies and assess their impact on income inequality. Such studies could offer valuable, evidence-based insights for policymakers in their decision-making processes.

## METHODOLOGY

The aim of this study is to examine how government tax and social expenditure policies impact different income groups in Azerbaijan. Specifically, it seeks to determine the extent of inequality between low and high-income groups and to empirically analyze how public policies influence this disparity.

The analysis of income distribution among the population is based on income shares derived from quintile and decile groupings, and a Lorenz curve will be constructed accordingly. The Gini coefficient is calculated as the primary indicator of income inequality. This coefficient ranges from 0 to 1, where 0 represents perfect equality and 1 indicates complete inequality.

Calculating the Gini coefficient based on the population's income distribution is essential not only for evaluating social policies but also for monitoring overall welfare indicators. The Gini coefficient is determined using the following formula:

$$G = 1 - \sum_{i=1}^{n} (Y_i + Y_{i-1})(X_i - X_{i-1})$$

Here:

- Yi – cumulative income share,
- Xi – cumulative population share,
- n – number of quintiles or deciles.

The empirical analysis conducted in this study is based on official statistical data on income distribution for the year 2024, as published by the State Statistical Committee of the Republic of Azerbaijan. These data provide the foundational basis for examining the distributional effects of fiscal policy across different income groups within the country.

## RESULT AND DISCUSSION

The table below outlines the composition of tax revenues in Azerbaijan for the year 2024. It details the shares of these revenues in the state budget and Gross Domestic Product (GDP), as well as indicators of fiscal incidence specifically, the tax burden as a percentage of GDP. Taxes are categorized into two main groups: indirect taxes and direct taxes. For each tax type, the fiscal incidence rate is provided, which represents its economic impact. This information is crucial for evaluating the structure of fiscal policy, the makeup of the tax system, and the overall tax burden on citizens. The table clearly demonstrates which types of taxes generate the most revenue within Azerbaijan's tax system, as well as the relative impact of these revenues on the economy and their contributions to the state budget. Furthermore, the fiscal

incidence indicators allow for a more precise assessment of the burden that various taxes impose on individuals and economic activity.

**Table 1**. Tax Revenues in Azerbaijan by Type (2024)

| Types of taxes | Percentage share in government budget revenues | Percentage share in GDP |
|---|---|---|
| **1. Total Taxes** | **59.4%** | **17.5%** |
| **1.1. Indirect Income Taxes** | **33.2%** | **9.8%** |
| ***1.1.1. Value Added Tax (VAT)*** | 23.9% | 7.0% |
| ***1.1.2. Excise Tax*** | 4.2% | 1.2% |
| ***1.1.3. Taxes Related to Foreign Economic Activity*** | 5.1% | 1.5% |
| **2.1. Direct Income Taxes** | **26.1%** | **7.7%** |
| ***2.1.1. Personal Income Tax*** | 4.9% | 1.5% |
| ***2.1.2. Corporate Profit Tax*** | 18.3% | 5.4% |
| ***2.1.3. Land Tax*** | 0.1% | 0.04% |
| ***2.1.4. Property Tax*** | 0.9% | 0.3% |
| ***2.1.5. Simplified Tax*** | 1.0% | 0.3% |
| ***2.1.5. Road Tax*** | 0.4% | 0.1% |
| ***2.1.6. Mineral Tax*** | 0.5% | 0.1% |

Source: Prepared by the author based on data from the State Statistical Committee of the Republic of Azerbaijan

Tax revenues play a pivotal role in shaping the revenue side of the state budget of the Republic of Azerbaijan. Analysis reveals that in 2024, total tax revenues accounted for 59.4% of state budget revenues and 17.5% of GDP, underscoring the significance of tax instruments in ensuring fiscal sustainability and regulating economic activity. From a structural perspective, notable differences exist between the shares of indirect and direct taxes. Indirect taxes constituted 33.2% of total tax revenues and 9.8% of GDP. Among them, Value-Added Tax (VAT) held a leading position, accounting for 23.9% of budget revenues and 7.0% of GDP, reflecting not only its fiscal weight but also its sensitivity to consumption and overall economic activity. Other key indirect taxes include excise duties (4.2%) and taxes on foreign economic activity (5.1%), which together reinforce the role of indirect taxation as a stable source of budget revenues, largely derived from consumption and turnover. In contrast, direct taxes made up 26.1% of total tax revenues and 7.7% of GDP. Within this category, corporate income tax was the dominant component, contributing 18.3% of total budget revenues, highlighting the importance of corporate profits as a tax base. Other direct taxes, such as personal income tax (4.9%), simplified tax (1.0%), land tax (0.1%), property tax (0.9%), road tax (0.4%), and mineral resource tax (0.5%), had relatively modest shares, indicating the need for further expansion of the tax base particularly in the non-oil sector to unlock untapped fiscal potential.

As the analysis indicates, indirect taxes dominate the revenue structure of the Azerbaijani state budget. While this approach may be administratively efficient, a more balanced distribution especially an increased share of direct taxes could better uphold the principle of social equity and support the long-term sustainability of fiscal policy. Future efforts aimed at improving economic transparency and broadening the tax base could foster the development of a more efficient and equitable tax system.

An analysis of the tax revenue structure in the Republic of Azerbaijan shows that the national tax system primarily relies on a consumption-based model, with a significant dependence on indirect taxes. While this approach can provide certain advantages for maintaining short-term fiscal stability, it may create challenges related to economic equity and long-term sustainability. Therefore, to achieve a more balanced and efficient distribution of the tax burden, structural reforms in fiscal policy may be necessary. These adjustments could improve the system's ability to promote fairness, inclusivity, and resilience within the broader socio-economic framework.

The analysis of income distribution is essential for evaluating the socio-economic well-being of the population. To illustrate this, Table 2 displays the distribution of income sources across population quintiles for the year 2024. This table provides insights into how various income groups generate their earnings and highlights the degree of disparity within the income distribution.

**Table 2.** Income by Quintiles in 2024

| | **Income Quintiles** | | | | |
|---|---|---|---|---|---|
| | **1** | **2** | **3** | **4** | **5** |
| Wage income | 67.3 | 94.4 | 123.1 | 170.7 | 262.7 |
| Income from self-employment | 89.3 | 102.6 | 112.9 | 122.1 | 175.4 |
| Income from property | 0.2 | 0.3 | 1.0 | 1.9 | 4.6 |
| Received current transfers | 48.3 | 66.6 | 72.4 | 81.9 | 108.4 |
| Other income | 14.1 | 21.7 | 29.5 | 41.8 | 76.6 |
| **Total income** | **219.2** | **285.6** | **338.9** | **418.4** | **627.7** |

*Source: Prepared by the author based on data from the State Statistical Committee of the Republic of Azerbaijan*

The analysis reveals significant disparities in total income across different population quintiles. The lowest income group (first quintile) has a total income of 219.2 AZN, while the highest income group (fifth quintile) earns 627.7 AZN. This results in a quintile income ratio of approximately 2.86, indicating that the top 20% of the population earns nearly 2.86 times more than the bottom 20%, reflecting a moderate level of income inequality. When examining earnings from wages, there is a clear difference across quintiles: the first quintile earns 67.3 AZN, whereas the fifth quintile earns 262.7 AZN. Income from self-employment tends to be higher in the upper quintiles, although the disparity is less pronounced compared to wage income. This suggests that self-employment income has a relatively equalizing effect on income levels. Income derived from property remains minimal across all quintiles but is comparatively higher in the fifth quintile. Current transfers—such as pensions and social benefits—are present

across all quintiles, with a greater concentration in the second to fourth quintiles. Furthermore, income from other sources increases significantly in higher quintiles, rising from 14.1 AZN in the first quintile to 76.6 AZN in the fifth quintile.

**Table 3.** Income by Deciles in 2024

| | **Income deciles** | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** |
| Wage income | 57.0 | 82.9 | 89.0 | 99.9 | 115.2 | 131.4 | 162.1 | 188.1 | 235.0 | 313.3 |
| Income from self-employment | 88.0 | 97.4 | 99.1 | 106.2 | 115.4 | 120.5 | 122.3 | 135.0 | 156.1 | 200.0 |
| Income from property | 0.2 | 0.2 | 0.2 | 0.4 | 0.8 | 1.3 | 1.9 | 1.9 | 2.3 | 7.5 |
| Received current transfers | 44.0 | 56.4 | 63.9 | 69.3 | 70.7 | 74.2 | 77.0 | 87.4 | 92.4 | 139.0 |
| Other income | 12.0 | 17.3 | 20.3 | 23.3 | 25.8 | 33.4 | 38.2 | 45.7 | 57.8 | 100.7 |
| **Total income** | **201.2** | **254.2** | **272.5** | **299.1** | **327.9** | **360.8** | **401.5** | **458.1** | **543.6** | **760.5** |

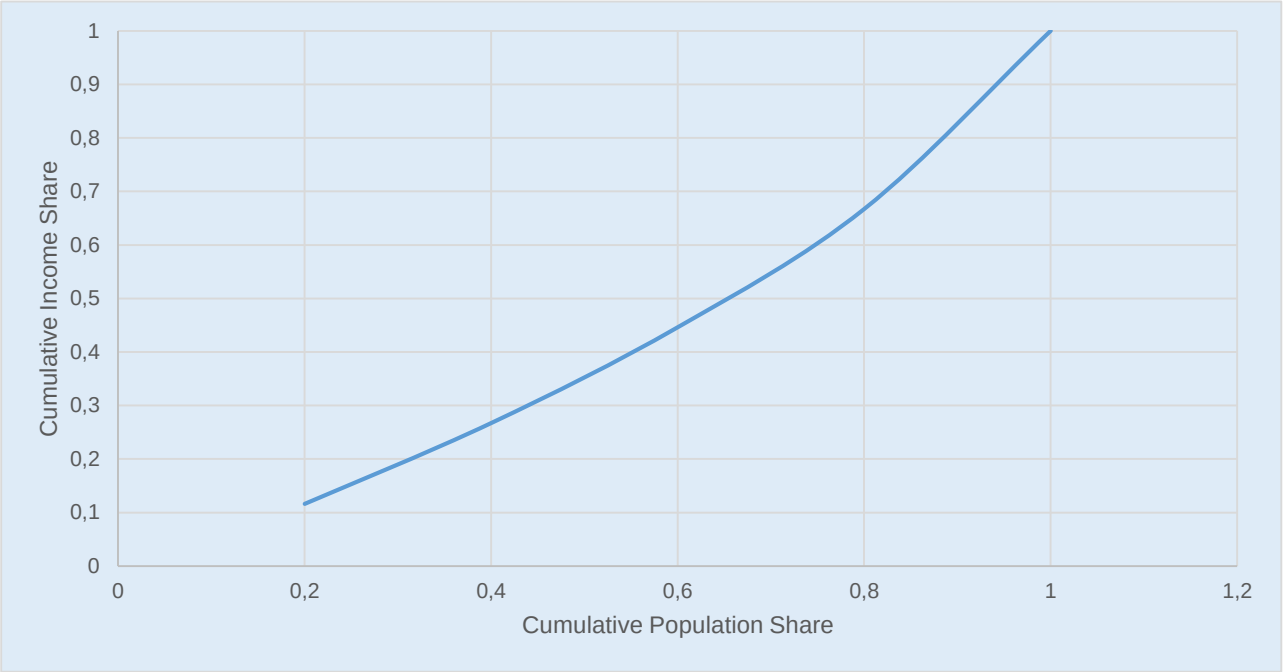
Source: Prepared by the author based on data from the State Statistical Committee of the Republic of Azerbaijan

For a more detailed assessment of income inequality, the decile distribution is an important statistical tool. By dividing the total income of the population into ten equal parts, the decile distribution clearly illustrates the income levels and structure of each 10-percentile group. Analysis of Table 3 reveals that the decile ratio of income differentiation in Azerbaijan for 2024 is 3.8. This means that the average monthly income of the top 10% of income earners is approximately 3.8 times higher than that of the bottom 10%. This disparity reflects the existence of income inequality and underscores the need for targeted socio-economic policies to address the issue. A regular increase in wage income is observed across the deciles, rising from 57.0 AZN in the 1st decile to 313.3 AZN in the 10th decile. Income from self-employment also increases across the deciles, ranging from 88.0 AZN to 200.0 AZN. However, this growth is more moderate, and self-employment income plays a more significant role in the lower and middle deciles. Income derived from property shows noticeable variation, starting at only 0.2 AZN in the lower deciles (1–3) and rising to 7.5 AZN in the 10th decile. Social transfers are primarily concentrated in the lower and middle deciles. Although the disparities in this category are relatively smaller compared to others, transfers amount to 44.0 AZN in the 1st decile and 139.0 AZN in the 10th decile. This highlights the importance of more focused social policies. Income from other sources shows a significant increase, rising from 12.0 AZN in the 1st decile to 100.7 AZN in the 10th decile.

Based on the data presented in Table 2, an analysis of the cumulative income shares was conducted. Initially, the average income levels of each quintile were aggregated to determine the total income amount. Specifically, the income amounts for the 1st through 5th quintiles were calculated as 219.2 AZN, 285.6 AZN, 338.9 AZN, 418.4 AZN, and 627.7 AZN, respectively. The total aggregated income amounted to 1,889.8 AZN. Subsequently, to determine each quintile’s share of the total income, the income of each quintile was divided by the total income. This calculation yielded the following proportions: 0.116 (11.6%) for the 1st quintile, 0.151

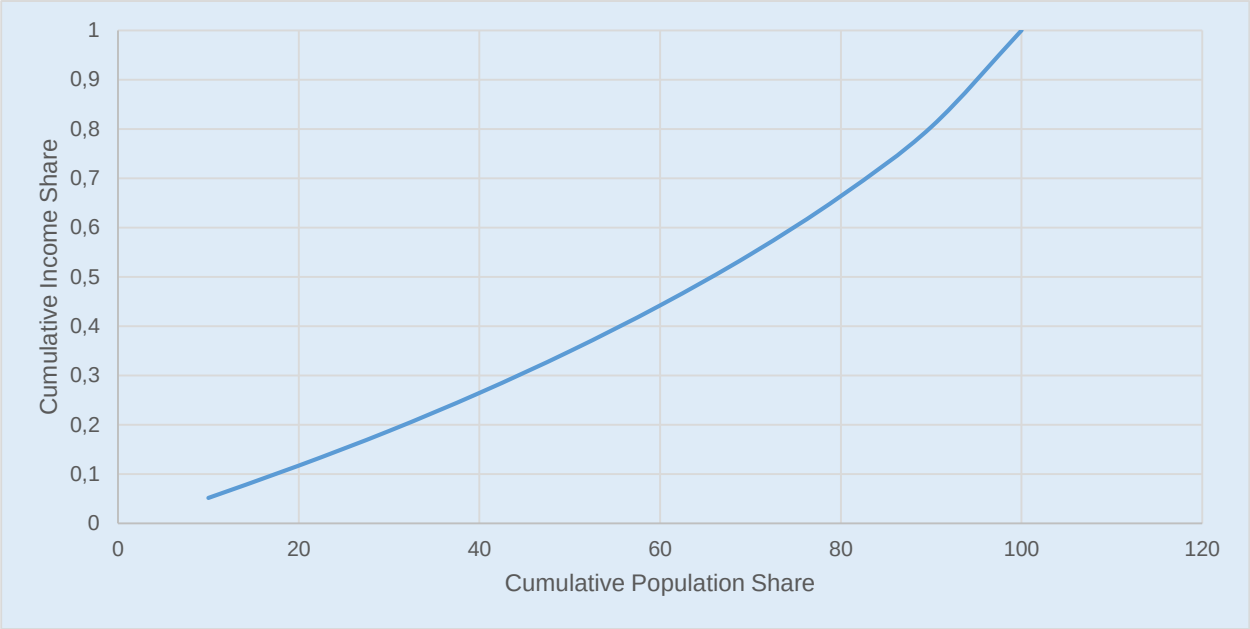
(15.1%) for the 2nd quintile, 0.179 (17.9%) for the 3rd quintile, 0.221 (22.1%) for the 4th quintile, and 0.332 (33.2%) for the 5th quintile. In addition to determining the income shares by quintiles, the cumulative income shares were also calculated. The cumulative income share for a given quintile represents the sum of income shares up to that quintile. Accordingly, the cumulative shares were established as follows: 0.116 for the 1st quintile, 0.267 for the 2nd quintile, 0.446 for the 3rd quintile, 0.667 for the 4th quintile, and 1.000 for the 5th quintile. These indicators provide a clearer depiction of the overall income distribution structure and serve as the foundation for constructing the Lorenz curve. Furthermore, assuming an equal population distribution across quintiles, the cumulative population shares are as follows: 0.2 (20%) for the 1st quintile, 0.4 (40%) for the 2nd quintile, 0.6 (60%) for the 3rd quintile, 0.8 (80%) for the 4th quintile, and 1.0 (100%) for the 5th quintile. The comparison of population shares with income shares plays a crucial role in assessing the level of income inequality. Based on these calculations, the Gini coefficient for income quintiles was determined to be 0.202, indicating a moderate level of income inequality in the country. For a more detailed analysis, calculations were also performed using income deciles, resulting in a slightly higher Gini coefficient of 0.215. The increase is expected, given that decile-based calculations provide a more granular representation of income distribution compared to quintiles. Overall, the analysis demonstrates the presence of certain disparities in income distribution in Azerbaijan, emphasizing the importance of considering this factor in socio-economic policy formulation. For comparative purposes, according to World Bank estimates for 2021–2023, the Gini coefficients were recorded as 0.351 for Russia, 0.229 for Kazakhstan, 0.415 for Turkey, 0.348 for Georgia, and 0.345 for Uzbekistan.

**Figure 1.** Lorenz curve based on income distribution by quintiles




Source: Prepared by the author based on data from the State Statistical Committee of the Republic of Azerbaijan

**Figure 2.** Lorenz curve based on income distribution by deciles




Source: Prepared by the author based on data from the State Statistical Committee of the Republic of Azerbaijan

Figures 1 and 2 display the Lorenz curves for income distribution in Azerbaijan for 2024, based on quintile and decile groupings, respectively. The analysis of these Lorenz curves, along with the Gini coefficient, reveals notable disparities in income distribution within the country. The significant differences between the lowest and highest income groups underscore the need for further examination of the effectiveness and fairness of tax policies and social transfers. In this context, it may be beneficial to improve state policies and implement targeted socio-economic measures to achieve a more inclusive and balanced income distribution in the future.

## CONCLUSION

Even in low-income nations with limited financial resources, it is essential to improve the framework and formulation of fiscal policy within existing budget constraints to reduce income inequality and poverty. In contexts where resources are tight and fiscal growth is slow, quantitatively evaluating policy options aimed at decreasing inequality is a critical step in the decision-making process. This approach enables decision-makers to choose options that are more informed and efficient. Establishing a unified, cross-sectoral, and comprehensive strategy at the government level, along with effectively utilizing current institutional and technological resources, lays the foundation for achieving sustainable and inclusive development strategies despite financial limitations.

This study evaluates the impact of Azerbaijan’s fiscal policy on income distribution, focusing on how effectively the current tax and social transfer systems promote social justice and inclusive development. The analysis indicates that, while fiscal policy does help reduce income inequality, the reliance on indirect taxes disproportionately affects lower-income groups. The Gini coefficients of 0.202 by quintile and 0.215 by decile reflect a moderate level of income inequality in the country. The findings underscore the need for better targeting of

social transfers. A more precise and focused approach to these instruments could significantly improve income distribution in the future. Moreover, disparities in access to property and high-income job opportunities highlight obstacles to achieving equitable access to social capital and economic resources among the population. In this context, a gradual increase in the share of direct taxes, reduction of the potentially regressive effects of indirect taxes, and enhancement of institutional efficiency in social transfer targeting appear to be appropriate measures for organizing a more equitable and effective fiscal policy. The localized adaptation and application of widely used methodological approaches such as the Commitment to Equity (CEQ) framework can facilitate the development of well-founded fiscal policy reforms and more informed decision-making. Further empirical research in this direction may contribute significantly to ensuring the inclusiveness and sustainability of economic recovery processes, thereby promoting social welfare and reducing income inequality.

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# VERGİ VƏ SOSİAL XƏRCLƏRİN GƏLİR BƏRABƏRSİZLİYİNƏ TƏSİRİNİN QİYMƏTLƏNDİRİLMƏSİ: AZƏRBAYCAN NÜMUNƏSİNDƏ EMPİRİK TƏHLİL

**i.ü.f.d., Lətif Zeynallı**

## XÜLASƏ

Bu tədqiqatda Azərbaycanda vergi və sosial xərclər siyasətinin müxtəlif gəlir qrupları üzrə təsiri qiymətləndirilmişdir. 2024-cü il üzrə ev təsərrüfatı səviyyəsində gəlir məlumatları əsasında aparılan təhlildə, fiskal tədbirlərin gəlir bölgüsünə təsiri Lorens əyriləri və Cini əmsalları vasitəsilə araşdırılmışdır. Kvintil və desil bölgüləri əsasında aparılan təhlillər mövcud vəziyyəti qiymətləndirməyə imkan vermişdir. Hesablamamıza əsasən, kvintil bölgüsünə görə Cini əmsalı 0.202, desil bölgüsünə görə isə 0.215 olmuşdur. Bu göstəricilər Cini əmsalının dünya orta göstərici (0.65) ilə müqayisə etdikdə Azərbaycanda vəziyyətinin 3 dəfəyə qədər yaxşı olduğu aşkara çıxarılmışdır. Eyni zamanda müəyyən olunmuşdur ki, gəlir qrupları arasında fərqliliyi daha da azaltmaq üçün fiskal siyasətin yenidən bölgü funksiyasının tam həyata keçirilməsi istiqamətində əlavə potensial mövcuddur. Dolayı vergilərin yüksək payı bəzi hallarda aşağı gəlir qrupları üçün nisbətən daha çox yük yarada bilər. Həmçinin, sosial transfertlərin əhatə dairəsi və hədəflənməsi bərabərliyin təşviqində mühüm rol oynayır. Nəticə etibarilə, fiskal siyasətin inklüzivliyi və effektivliyi gələcəkdə daha balanslı sosial-iqtisadi inkişafın təmin olunmasında önəmli əhəmiyyət kəsb edə bilər.

**Açar sözlər:** *fiskal insident, gəlir bərabərsizliyi, sosial transfertlər, Cini əmsalı, Lorens əyrisi*

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