

# Research on Fiscal, Tax and Financial Policy to Regional Economic Development

Yuan Liu

Hunan Institute of Traffic Engineering, Heng Yang, Hunan, 421009, China

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**Abstract:** with the rapid development of social economy, coupled with industrial optimization and upgrading, it has become the key point for the healthy development of chinese enterprises. It is in line with the objective requirements of current economic development to transform the pattern of economic growth to be capital - and technology-intensive and to promote the development of high-tech industries and tertiary industries. However, due to the continuous improvement of market development and the macro view of regional economic development, the government's guidance, supervision and management are indispensable in its development process. The state mainly carries out economic regulation through fiscal management and financial policies to control the development and operation of the economic field. In view of this, the paper analyzes the impact of fiscal and tax policies on regional economic development, analyzes the effect of policy adjustment, finds out the deficiencies of fiscal and tax policies, and continuously adjusts fiscal and tax policies according to the actual situation of the region to promote the healthy and sustainable development of regional economy.

## 1. Introduction

The important index of regional economic development is the optimization and upgrading of industrial structure, and the essence of the optimization and upgrading of industrial structure is to enhance the strength and competitiveness of enterprises and develop to a higher level. Upgrading industrial structure is a strategic issue for a region, which requires the government to be forward-looking and rationally use fiscal, tax and financial policies as a policy tool to optimize regional resources and achieve rapid economic development. To upgrade and optimize the industrial structure, on the premise of laying the financing foundation, to optimize the tax source structure, to help the government improve the fiscal tax source and total amount, and to promote financial development. By analyzing the influence of fiscal and taxation policies on regional economy, this paper discusses how to use fiscal and taxation policies to promote the development of regional economy.

## 2. Regional Economy Connotation and Our Country Regional Economy Present Situation Analysis

### 2.1 Regional Economic Connotation

The so-called region is a limited spatial scope divided in a certain period according to certain standards, but different disciplines such as politics, geography, economy, etc., have different understandings of "region". From the perspective of economics, a region is a relatively independent economic unit. In the traditional sense, region is a kind of space. Some economists think that region, as an economic organization, is closely related to the space scope of economy, which is the "regional economy" described in this paper.

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as an economic organization, is closely related to the space scope of economy, which is the “regional economy” described in this paper.

Regional economy is simply understood as the spatial distribution law of economic activities in a certain space within a certain period of time. Based on the analysis from the overall perspective, the common attributes of regional economy show the characteristics of spatial continuity, temporal variability and layout levels. (1) The basic basis of regional economic division is regional economic level, economic structure, geographical environment, etc., so the regional economy shows obvious geographical and geographical continuity; (2) With the rapid development of China's economy, the division of regional economy has changed to a certain extent, and this division model will also change. The division model is not unchanged, and shows variability in time; (3) Economic regions have different emphases, regional economies can be large or small, economic regions have different levels and categories, and the characteristics of local upper levels. But based on the analysis of the whole point of view, the main component of national regional system is regional economy.

## **2.2 Current Situation of Regional Economy**

China's economic regions can be divided into three parts, specifically the eastern, central and western regions. Under the influence of geographical, social conditions and relevant historical factors, the economic development of the three economic regions is extremely uneven. It is rare to see such a large economic difference within a country in the world. If we analyze the economic aggregate, public basic services, per capita GDP and other indicators, there is a significant weakening trend from east to central to west, showing a very obvious “Matthew effect”.

As a whole, the eastern region has sufficient financial resources and a good external environment to promote regional economic development, while the central and western regions have long-term economic underdevelopment and obvious financial shortage, which directly affects the investment in infrastructure and public services in these two regions, directly affects the economic development, and then a vicious cycle occurs. With the rapid economic development of China, the economic development imbalance and gap between different regions are gradually widening, which is manifested in the rapid economic development of the eastern region, while the economy of the central and western regions is more backward, which is not conducive to the comprehensive and rapid economic development of China.

## **3. Analysis of Regional Economic Distribution and Effect of Fiscal, Taxation and Financial Policies in China**

### **3.1 Regional Economic Strategic Layout Analysis**

The overall development strategy of China's regional economy is diversified, and the government has played an effective role in guiding it. The government has issued a series of fiscal, tax and financial policies based on the actual situation to promote the coordinated economic development of different regions in China. Such as, the government stressed: “11th five-year plan” to consider environmental carrying capacity of regional resources and development situation, development situation and other comprehensive factors, and according to the principle of regional division of labor and coordinated development of space unit division, according to the corresponding function orientation of development, and to carry out the classified management measures, formulates the system of regional economic development policy. In addition, it is necessary to formulate and implement regional policies according to the situation, take effective measures to improve the effectiveness of policies, and refine the overall strategic requirements of national regional economic development to further clarify regional economic development and positioning.

For example, in order to promote the economic development of northeast China, the Party and the state have issued a series of fiscal, tax and financial policies in combination with the actual situation, and adopted measures such as capital injection, construction of national projects, and improvement of enterprise competitiveness to optimize the local employment situation and promote

the local economy. At the same time, the National Development and Reform Commission to the Treasury funds, high-tech industries, etc., as the content of economic development. In terms of the actual situation of the economic development in northeast China, it mainly includes energy and important raw materials such as coal and petrochemicals, major equipment products such as machine tools and rail vehicles, and deeply processed agricultural products, etc., all of which are the key points of future economic development. In view of this situation, northeast China needs to vigorously develop related industries, build corresponding industrial bases, and drive the development of related industry chains. In addition, it has issued financial policies to support the economic development of northeast China, increased support and support for projects in line with economic restructuring, such as high-tech industries, and provided loans in accordance with the principle of low energy consumption, high science and technology content and good product sales, so as to promote the rapid economic development of northeast China. At the same time, we should learn from foreign experience, change our ideas and inject vitality into our development. In addition, classified management of different types of economic regions, to achieve coordinated development between regional economies.

### **3.2 Effects of Fiscal, Taxation and Financial Policies**

Driven by regional development strategies, plans, and fiscal, tax and financial policies, China's regional development has become more coordinated. The economic development of central and western regions has accelerated significantly, with a big leap in economic aggregate and a significant increase in per capita level. Taking 2018 data as an example, the eastern region accounts for 54.3 percent of the country's total economic output, making it an important engine of national economic development. In contrast, the central and western regions have further enhanced their enthusiasm and initiative for development. Their economic growth is robust and fast, accounting for 19.3 percent and 17.8 percent of the national total respectively, significantly narrowing the gap with the eastern regions. In 2019, blue Book of the Western Region: Economic Development Report of China's Western Region showed that the GDP of the western region was 1.464738 billion yuan in 1998 and increased to 5.825.658 billion yuan in 2018, with an average annual growth rate significantly higher than the national average.

## **4. Analysis of Regional Economic Development Strategy under Fiscal, Taxation and Financial Policy**

### **4.1 We Will Promote Region-Wide Tourism Development in Light of Local Conditions**

We should give full play to our own advantages, promote the development of rural tourism with various favorable policies, innovate leisure agriculture with local unique agricultural resources and rich agricultural products, and provide characteristic catering and accommodation. Do a good job in market analysis, understand the consumption needs of all kinds of tourists, and do a good job in infrastructure construction, promote the improvement of their own service level. The tourism routes and scenic spots with various characteristics are constantly developed, and the construction of ecological hotels in rural areas is emphasized, so as to improve the sense of participation of tourists and the construction of characteristic experience activities, so that tourists can get extraordinary experience in the process of playing. In addition, modern agriculture can also be used to develop new functions, such as leisure tourism, culture and education, etc., to enrich tourism forms and build characteristic tourism villages and tourist style towns. At the same time, attention should be paid to the integration of tourism industry and related industries, such as transportation, Internet and industry, to seek new breakthroughs. Change the traditional tourism development thinking, pay attention to the development of rural tourism, create a unique and perfect rural tourism format, according to aviation, high-speed rail and other transportation advantages, innovative tourism marketing and industrial design, to achieve a win-win situation; Vigorously promote the development of tourism e-commerce, encourage the diversification of travel agencies; To build cultural and creative industries and gradually form a tourism commodity system with local

characteristics; Make use of the existing industrial advantages, promote the integration of tourism and industry, create a characteristic industrial tourism system, attract more tourists to come to travel.

#### **4.2 Targeted Poverty Alleviation Will Drive Rural Economic Development in the Central and Western Regions**

“People” is a key factor of production. Farmers belong to the master of rural construction, but also the main body of rural industrial development, in the key period of rural revitalization and poverty alleviation, we must fully mobilize the enthusiasm of farmers for production. Because this is to ensure the smooth development of rural industrial poverty alleviation work, and in the process of industrial poverty alleviation to mobilize the enthusiasm of farmers for production, the first must do a good job in the relevant mobilization work, in the loudspeaker broadcast on the basis of door-to-door explanation, propaganda, is strictly prohibited in the form of going through the motions. Policy on farmers preaching is the first step to help farmers to understand the industry content for poverty alleviation, broadcast alone to preach up less than the desired effect, the relevant person in charge of need door to door, or will the villagers together, with simple and clear, easy to understand the local words to explain of farmers, ensuring that all farmers for poverty alleviation policy and fully understand the content.

Second, pay attention to in the process of policy about interactivity with farmers, using introduction extension or ask an answer, to communicate effectively with farmers in the form of helping farmers in-depth and comprehensive understanding of poverty alleviation policy advantage, and its inner doubt timely communication and solutions, providing effective consultancy, to help farmers enjoy subsidy policy at the same time, strengthen the cognitive ideas of poverty alleviation for the industry, Strengthen their determination and confidence to get rid of poverty. Secondly, it is not enough to rely only on the government and villagers to carry out industrial poverty alleviation. It is also necessary to increase publicity, mobilize social forces to provide support and help, make up for the shortcomings and limitations of government policies with the help of social forces, help and promote the development of rural poverty alleviation industries, and achieve real poverty alleviation. Finally, although the experts sent by the government have rich knowledge, they lack experience in practice and lack understanding of local conditions, so they are likely to make some decisions that do not meet the needs of local development. Therefore, in the process of the whole of poverty industry construction, must mobilize the farmers' power, widely listen to their Suggestions and demands, to the villagers autonomy and say enough, to let farmers, especially the needy to realize their own subjectivity and expert's emphasis on its fully inspire the enthusiasm of farmers to participate in industry construction for poverty alleviation and endless creativity.

Government departments need to pay more attention to leading enterprises and carry out strict examination of the access qualification of poverty alleviation enterprises. In order to further prevent lawbreakers from defrauding poverty alleviation funds, a scientific and strict review mechanism, evaluation mechanism and access mechanism should be set up to comprehensively consider enterprises' operating capacity, development goals, poverty alleviation driving force, corporate responsibility consciousness and credibility as the basic threshold for enterprises to enter the assistance team. In addition, for the enterprises that have entered the help team, it is necessary to conduct an irregular audit of their driving ability and helping effect. Once the enterprises are found to be insufficient, lax, and cope with the phenomenon, they should be eliminated in time, and seek more reputable and powerful enterprises to replace them through investment promotion and other ways. Finally, starting from the enterprise itself, as the leading enterprise of poverty alleviation, it should constantly introduce advanced technology, complete ideological innovation, improve the internal management of the enterprise, and improve its own economic strength and drive for poverty alleviation.

#### **4.3 The Belt and Road Initiative Will Help Transform and Upgrade Related Industries**

During the adjustment and optimization of industrial structure, it is necessary to comprehensively understand and master the changes of international market to realize the purpose of continuously expanding trade scale and market. Market rules are not invariable. By deepening

into the local market, enterprises can increase their competitiveness, accurately define the content of the international market, effectively control production costs, grasp the demand of the international market, and take effective measures to enhance the competitiveness of products in the international market, so as to realize the long-term development of products. This kind of problem should be fully considered when adjusting the international market trade rules to enhance the market competitiveness of products. During the adjustment of industrial structure, attention should be paid to improving the innovation capacity of related products, increasing the variety of foreign trade commodities, enhancing the technological content of products, and avoiding the problem of homogenization. By using core technologies to promote the optimized development of industrial structure, it can also drive more domestic employment.

#### **4.4 Industrial Reform, the Implementation of Small and Medium-Sized Enterprises Chain Development**

For small and medium-sized enterprises, it is necessary to eliminate the influence of redundant links in time and strengthen internal relationship management, so as to reduce unnecessary costs and expand economic benefits. First, do a good job in the relationship management between smes and manufacturers, timely communicate with manufacturers, on the basis of clear market demand, to achieve long-term cooperation. Timely and effective communication between market consumers on product feedback, product cost performance, quality and issues related to the interests of both parties, so as to improve the function of the supply chain. Maintain a stable and coordinated relationship through communication to provide a solid foundation for later production and sales. Second, smes need to do a good job in managing the relationship with customers in the daily management process. Information technology is used to analyze the data, improve the accuracy of the data, and dynamically adjust the market strategy according to the changing requirements of the market, so as to improve the accuracy and effectiveness of small and medium-sized enterprises and improve the economic benefits brought by the supply chain. Third, the chain development process of smes should integrate upstream and downstream resources to achieve the purpose of promoting industry transformation and upgrading.

#### **4.5 We Will Strengthen Economic, Fiscal and Tax Management**

Using artificial intelligence to carry out corporate fiscal and tax management can not only improve the efficiency of data utilization, speed up the use and processing of data, but also facilitate decision makers to obtain effective information in time and master the latest policies. At the same time, the ai system can also use the information sharing platform to strengthen the circulation and sharing of information among departments, improve the accuracy and objectivity of fiscal and tax accounting, and improve the relevant workflow. In addition, the application of ARTIFICIAL intelligence technology needs the government and enterprises to strengthen the introduction of high-end technology and talents, especially those professional talents with strong professional ability, solid foundation and high comprehensive ability. Through the introduction of information management mode, while simplifying the process of tax data processing, improve the management level.

### **5. Conclusion**

In short, regional economic development is obviously affected by fiscal, tax and financial policies. National policies differ in different regions and regional resources are limited, resulting in unbalanced economic development and different development rates. National and local governments carry out macro-economic regulation and control through fiscal, taxation and financial policies, promote the upgrading of regional industrial structure, and then realize the overall economic reform of China. This paper chooses the upgrading of industrial structure as the starting point, analyzes how to take effective measures to bring into play the role of national fiscal and tax financial policies and promote the rapid development of regional economy.

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