

## Role of accounting and control system in taxation of agricultural enterprises under martial law

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**Abstract.** Under martial law, Ukraine's agricultural sector faces significant challenges, including an unstable tax burden, changes in legislation and difficulties in accounting. The accounting and control system plays a key role in ensuring the transparency of the financial activities of agricultural enterprises, optimising tax liabilities and minimising fiscal control risks. The study aimed to determine the role of the accounting and control system in the taxation of agricultural enterprises during the war and to develop proposals for its improvement. Based on the results of the study, the study defined the role of the accounting and control system in the taxation of agricultural enterprises under martial law and developed practical recommendations for its optimisation. The study provided an analysis of legislative changes, a comparative analysis of tax mechanisms, and the results of a survey of enterprises participating

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in the Territory of High Tax Confidence project. The study established that under martial law, the efficiency of the accounting and control system directly affects the ability of enterprises to fulfil tax obligations, reduce risk of penalties and maintain financial stability. The author proposed approaches to adjusting the accounting and control system to minimise tax risks, reduce the financial burden and adapt to changes in tax regulation. The results of the study can be used by agricultural enterprises to improve the accounting and control system, as well as by government agencies in developing tax initiatives aimed at supporting businesses in crises. Recommendations are aimed at digitalising the accounting system to reduce administrative burden and increase the sustainability of the agricultural sector

**Keywords:** agricultural enterprises; accounting and control system; taxation; tax regulation; tax compliance manager

## INTRODUCTION

During the martial law in Ukraine, agricultural enterprises faced new restrictions as a result of military operations, as well as the need to adapt to new economic conditions, in particular in the field of taxation. There was a need to update the accounting and control system to ensure the effective operation of enterprises in the face of reduced production capacity, loss of property, disruption of supply chains and other difficulties associated with the war. The importance of improving the accounting and control system for tax purposes is of particular importance for agricultural enterprises operating in an environment of increased risk and instability. It is necessary to analyse the theoretical foundations of the accounting and control system, which cover such key aspects as tax planning, financial analysis, internal control and risk management, but are not limited to these elements. They can be used to assess the state of the business and the impact of external factors, including regulatory changes and military losses (Jensen, 2022). The concepts of the accounting and control system and its elements were analysed and numerous studies.

L.O. Marmul (2018) analysed the theoretical and practical foundations of modern transformations of the accounting and taxation system, the state and directions of improving the quality of control and analysed the applied aspects of regulating the socio-economic development of agricultural enterprises. The issue of tax reform under martial law was analysed by S. Oneshko *et al.* (2022). The authors analysed the changes in the tax legislation of Ukraine and their impact on the functioning of enterprises, in the agricultural sector, in the context of military operations. The researchers used a comparative analysis of legislative changes and practical cases to determine the effectiveness of adapting tax procedures to the new conditions. The conclusions highlighted the need for flexibility in the tax system to support businesses in times of instability.

The experience of foreign researchers is important for the adoption of effective accounting, control and financial practices in similar conditions, for adapting

to the challenges faced by agricultural enterprises in crisis circumstances (Okafor, 2022; Omodero, 2022). R. Singh (2016) and S. Silajdzic & E. Mehic (2022) assessed the effectiveness of tax policy in advanced economies and emerging markets in attracting foreign direct investment. The authors analysed the relationship between tax rates, investment attractiveness and economic stability, finding that harmonisation of tax mechanisms helps to improve the investment climate. However, to achieve maximum effectiveness, such harmonisation should address the specific conditions of development of individual countries, in the context of economic instability or martial law, which is relevant for Ukraine. The topic is related to the insufficiently studied aspects of the role of the accounting and control system for the purposes of taxation of agricultural enterprises in wartime, in particular, the impact of external tax factors on the organisation of accounting and control of taxation operations.

## MATERIALS AND METHODS

To study the peculiarities of the functioning of the accounting and control system for the taxation of agricultural enterprises under martial law, the author uses the method of analysis. The observation method was used to assess the real changes in the organisation of accounting and control and the corresponding changes in the taxation of agricultural enterprises in response to the wartime crisis factors. The methods of specification, grouping, and generalisation were used to achieve the goal and determine the results of the study. An institutional approach was also used to study the legislative and regulatory support for accounting and control of taxation operations of agricultural enterprises, in particular, the legislation of Ukraine regulating the taxation of farmers was analysed. In particular, changes in Tax Code of Ukraine (2010), Law of Ukraine No. 2120-IX "On Amendments to the Tax Code of Ukraine and Other Legislative Acts of Ukraine Regarding the Validity of Provisions for

the Period of Martial Law" (2022), Law of Ukraine No. 3219-IX "On Amendments to the Tax Code of Ukraine and Other Laws of Ukraine on Peculiarities of Taxation During the Period of Martial Law" (2023), Order of the State Tax Service of Ukraine No. 444 "On Approval of the Methodology for Conducting Inspections of General Provisions of Tax and Other Legislation of Ukraine, Control over Compliance with Which is Entrusted to Tax Authorities" (2023), Order of the State Tax Service of Ukraine No. 445 "On Approval of the Methodology for Conducting an Audit of the Accuracy, Completeness of Accrual and Payment of Income Tax" (2023), Order of the State Tax Service of Ukraine No. 446 "On Approval of the Methodology for Conducting an Audit of the Accuracy, Completeness of the Accrual and Payment of Value Added Tax" (2023), Order of the State Tax Service of Ukraine No. 322 "On Approval of the Methodology for Verification of the Accuracy, Completeness of Calculation and Payment of Personal Income Tax, Single Contribution to the Compulsory State Social Insurance and Military Tax" (2023), Order of the State Tax Service of Ukraine No. 831 "On Approval of the Methodology for Verification of the Accuracy, Completeness of Accrual and Payment of Excise Tax" (2023).

The areas of support and the main conditions for participation in the Tax Trust Territory project were determined based on information from the official website of the State Tax Service of Ukraine. A group of enterprises in the Mykolaiv Region that were included in the category of taxpayers with a high level of voluntary compliance with tax legislation and included in the project "Territory of high level of tax confidence" was selected for the study to conduct a survey and determine the feasibility and results of implementing such a project. The conclusions obtained became the basis for the development of practical recommendations for improving the accounting and control system for the purposes of taxation of agricultural enterprises under martial law.

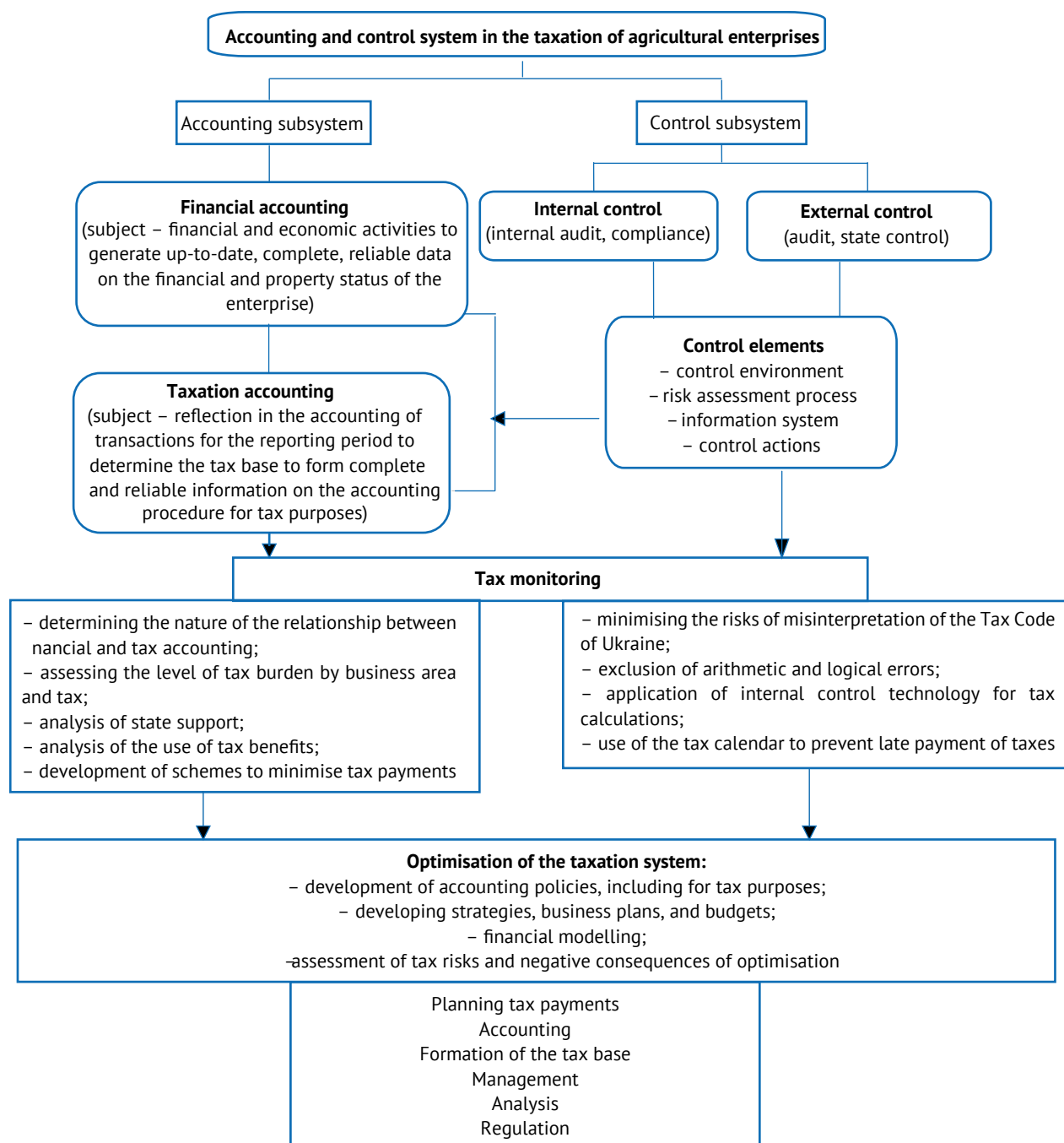
## RESULTS

The accounting and control system of an agricultural enterprise is an interconnection of successive business operations and actions performed to ensure the completeness and accuracy of information to prepare financial and other forms of reporting and make effective management decisions. These transactions and actions are performed within the framework of accounting and tax accounting. The role of the accounting and control system was of particular importance in recent years, during the martial law period, as a significant number of agricultural enterprises have lost not only the opportunity to harvest in 2022 and further use the available

land for their intended purpose but also lost some accounting and reporting information, including without the possibility of its recovery (Sus *et al.*, 2023). This has a direct impact on the fulfilment of tax obligations of agricultural enterprises to timely accrue and fully pay taxes and mandatory payments.

Given the peculiarities of agricultural production, the accounting and control system of agricultural enterprises acquires characteristics and functions that are specific to the agricultural sector (Khadka *et al.*, 2024). For effective decision-making at all levels of enterprise management, the accounting and control system should perform the following functions: 1) information (accounting) – a collection of necessary data according to certain rules and programmes of the accounting and control system, their documentary reflection, processing and transmission of the obtained indicators and data for further use by different user groups; 2) controlling – with the help of which the management personnel checks the received deviations, determines their causes and makes appropriate management decisions to correct the received deviations; 3) analytical – its essence is that it is necessary to process accounting data, process deviations from the planned indicators and necessarily substantiate the cause and effect of economic phenomena. The main task of this function is to ensure an increase in production efficiency and, as a result, to eliminate factors that hinder the development of the enterprise; 4) regulatory – is expressed in the direct impact of the accounting and control system on production, i.e. in its regulation; 5) incentive, the essence of which is that well-established accounting and control not only record the degree of rationality in the use of the enterprise's resources but also encourage their economical and careful use (Dyrenge *et al.*, 2019).

Thus, the authors believe that, in addition to these functions, the accounting and control system of an agricultural enterprise during martial law also performs a regenerative and stabilising function. Its essence is to ensure the resumption and/or continuation of the company's activities under martial law, to ensure the fulfilment of all obligations of the company, including tax obligations, as well as all other functions in the face of risks and uncertainty. The purpose of the accounting and control system in taxation is to ensure the accuracy of tax liabilities, control the timeliness and completeness of tax payments, minimise tax risks for enterprises, and promote transparency of financial activities following applicable law. Thus, based on the purpose and functions of the accounting and control system, a model of information support of this system for the taxation of agricultural enterprises has been formed (Fig. 1).



**Figure 1.** Accounting and control system in the taxation of agricultural enterprises

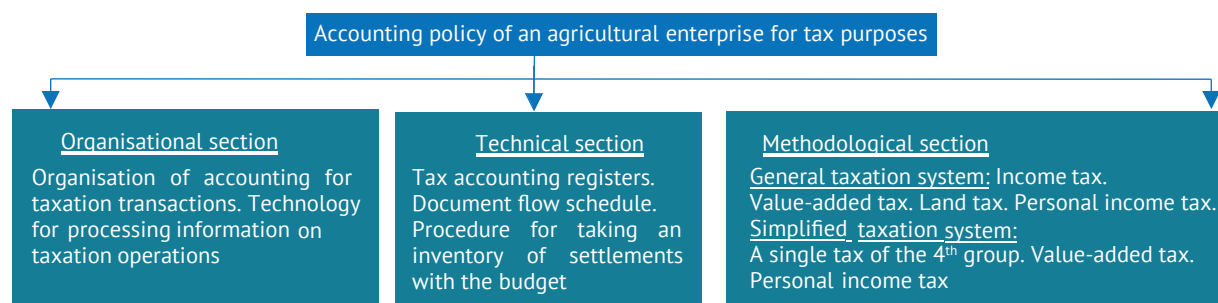
**Source:** compiled by the authors

The authors believe that one of the most important methods for optimising the taxation system is a properly formed accounting policy of an enterprise, which reduces the tax burden based on legitimate grounds provided for by tax legislation. Accounting policy for taxation purposes is a set of methods and approaches adopted in accordance with the Tax Code of Ukraine (2010) and chosen by the taxpayer to determine taxable items, allocate and record them in the accounts, as

well as to record other indicators required for taxation purposes of the company's financial and economic activities. The sectoral characteristics of the agricultural sector directly affect the tax burden of agricultural enterprises (Tkalič *et al.*, 2019). The choice of certain variants of accounting elements in taxation depends on a combination of natural and climatic, biological, technical and technological, organisational and economic factors, the organisational model of management

and the presence of structural units, sales volumes, branches, subsidiaries, taxation system, forms of settlements with counterparties, and interaction with financial institutions (Shevchuk & Zaitseva, 2018; Butkevich, 2021). The accounting policy for tax purposes is intended to ensure the integrity of the tax accounting system, therefore it should cover all aspects of the

process of accounting for settlements with the enterprise's budget. The authors consider it appropriate for agricultural enterprises to form a separate section to the Order on Accounting Policy "Organisation of Accounting for Taxation Purposes". The proposed structure of the section on accounting policy for taxation purposes of agricultural enterprises is shown in Figure 2.



**Figure 2.** The proposed structure of accounting policy for taxation purposes of an agricultural enterprise

**Source:** compiled by the authors

The organisational component of the accounting policy for tax purposes should disclose the methods of accounting for taxation transactions, namely: organising accounting department in terms of taxation operations; composition, forms and methods of forming registers for recording taxation transactions; organisation of document flow. The technical aspect must be ensured: the procedure for settlements with the budget; the procedure for an inventory of budget calculations; regulation of material liability at the enterprise; the procedure for storing tax returns and accounting registers. The methodological aspect of the accounting policy of an agricultural enterprise for tax purposes should be reflected: the taxation system chosen by the company; disclosure of the methodology for accrual, withholding and reporting of tax liabilities in the tax statements following the tax legislation.

The main purpose of establishing a control system as a component of the accounting and control mechanism for tax purposes at an enterprise is to assist management in the effective implementation of its functions. This is achieved by providing recommendations and other information obtained in the course of audits by the controlling officers. Therefore, a clear definition of tax audit methodologies that regulate the procedures for controlling and assessing the accuracy and completeness of tax payments is required. The relevance of such documents is determined by the need to minimise tax risks, optimise the tax burden and ensure legal certainty in relations with tax authorities (McKeehan & Zodrow, 2017). The use of structured methodologies allows companies to plan their activities more efficiently, address the possible tax consequences of

financial transactions and fulfil their tax obligations in a timely manner. The application of tax methodologies at the enterprise level includes tax compliance audits, preparation for audits, analysis of the correctness of tax accrual and payment, and implementation of internal control systems (Hou *et al.*, 2024). Such documents help increase the transparency of financial activities, reduce the risk of penalties and facilitate the building of long-term partnerships with government authorities. The methodologies approved by the State Tax Service of Ukraine are an important tool to support tax compliance and ensure fair and efficient tax collection. They provide clear guidelines and instructions for the controlling authorities and contribute to a high level of trust between business and government agencies (Kovalchuk *et al.*, 2021). Their main goal is to establish the correctness and timeliness of the accrual and payment (transfer) of taxes and fees, as well as their reflection in accounting and reporting. Thus, the use of tax control methods is an integral part of the financial management of enterprises, which not only ensures compliance with the requirements of the law but also increases the efficiency of economic activity and provides financial stability. Notably, tax accounting for any business entity, including agricultural ones, has faced many obstacles and difficulties since the first days of the full-scale invasion to ensure the fulfilment of its functions and tasks – from the registration of tax invoices to changes in taxation forms. The external influence of tax factors cannot be levelled by the enterprise but minimising it with the use of an efficiently organised accounting and control system is the real and only way out (Table 1).

**Table 1.** Adjustment of the accounting and control system of agricultural enterprises under the influence of tax factors in the conditions of martial law

Impact of martial law	Changes in taxation	Adjustment of the accounting and control system
Partial restriction or complete impossibility of continuing business activities	Change or termination of tax liability following the Tax Code of Ukraine. If force majeure is confirmed, a company can avoid tax liability	Violation of the going concern principle. Ensuring that the fact of forced mothballing of assets is reflected in the primary, synthetic and analytical accounting; controlling contractual relations; ensuring warranty obligations
Full or partial relocation of the company's activities to safer areas (relocation of the company)*	Changes in the taxation system	Reflecting changes in the management and production structure; accounting and control of expenses for supporting operations in another city
Full or partial change in the direction of business as a result of the relocation of the enterprise	Changes in the taxation system	Adjustment of the classification of economic activities
Full or partial inability to complete (conduct) settlements with counterparties	Adjustment of tax liabilities. Stopping the registration of tax invoices	Consideration of the appropriateness of calculating the allowance for doubtful debts
Total or partial loss of assets	An entity may recognise the loss of assets as an expense. Discontinuation of depreciation. Adjustment of the tax credit with value-added tax (no adjustment is required if it is proved that the asset was lost due to force majeure). Temporary exemption from property tax and land tax	Conducting an inventory with its documentary registration and reflecting its results in accounting
Assistance to the Armed Forces of Ukraine	Reduction of taxable profit in the full amount of transferred property and funds	Accounting and control of products works, and services aimed at assisting the Armed Forces of Ukraine; part of the sales revenue aimed at assisting the Armed Forces of Ukraine
Labour relations and employee settlements	A mobilised employee is not paid a salary, as no work duties are performed	Accounting and control of hiring, dismissal, and leave, including paid leave, remote work, labour guarantees for mobilised employees, etc

**Notes:** \*including the peculiarities of agricultural production, it concerns offices, documentation, employees, equipment, etc

**Source:** compiled by the authors

Even though martial law significantly affects many agricultural businesses, but not a reason to stop operating, they continue to operate, providing consumers with agricultural products and replenishing the budget by paying taxes and mandatory payments (Kostornoi et al., 2021). One of the areas of support is participation in the project of the State Tax Service of Ukraine called the Territory of High Tax Confidence. The authors emphasise that the project operates during martial law and until the end of the year when martial law is lifted. It is designed for honest taxpayers. A company that does not have an organised and effective accounting and control system cannot be an honest taxpayer a priori. For such honest taxpayers, the specifics of administering taxes, fees and payments were introduced as a new step towards partnership between the state and business. In this context, the state receives tax

revenues in full promptly, and business structures have an appropriate reputational status, professional “first aid” and other benefits. These other benefits include: a partial moratorium on documentary unscheduled, scheduled and actual inspections; a significant reduction in the timeframe for conducting desk and documentary checks to obtain a budgetary refund; reducing the timeframe for providing individual tax advice; the possibility of using the services of a personal tax compliance manager to make management decisions on optimising the tax burden, organising internal control to mitigate the risks of tax law violations, etc. Support for taxpayers with a high level of voluntary tax compliance is characterised by targeted, accurate, fast, responsive, relevant, time-sensitive and long-term cooperation. Agricultural enterprises can join the High-Tax Trust Territory project under the conditions set out in Table 2.



**Table 2.** Terms of participation of agricultural enterprises in the project "Territory of high level of tax confidence"

Terms of participation of agricultural enterprises in the project	For legal entities on the general taxation system	For legal entities of group IV single taxpayers (agricultural producers)
Level of income tax payments	Must be equal to or higher than the industry average for the last 4 quarters	X
Level of value-added tax payment	Must be equal to or higher than the industry average for the last 12 reporting periods	Must be equal to or higher than the industry average for the last 12 reporting periods
Average wage	Must be not less than the average salary in the industry in the region multiplied by a coefficient of 1.1 for the last 4 quarters, provided that there are at least five employees	
Difference between the amount of minimum tax liability and taxes paid and land lease expenses	X	Negative value
Land area	X	Owned (under ownership/use), leased land plots – not less than 200 ha
Payment for land and single tax	X	Full compliance with tax obligations
Common requirements	No violations of reporting deadlines; no decision on inclusion in the list of risky VAT payers; no tax and unified social tax arrears; no violations of the deadlines for settlements for export and import transactions in the last 12 months; no sanctions against the taxpayer and/or its founders (participants), ultimate beneficial owners; no bankruptcy or winding-up procedures; the taxpayer and/or its founders (participants), ultimate beneficial owners do not have the citizenship of the state that carries out armed aggression against Ukraine; no changes in the main economic activity over the past 12 months; compliance with the criteria depends on the chosen taxation system; being registered with the State Tax Service for more than 1 year	

**Source:** compiled by the authors based on data of Order of the Ministry of Finance of Ukraine No. 495 "On Approval of the Procedure for the Formation and Publication of the List of Taxpayers with a High Level of Voluntary Compliance with Tax Legislation" (2024)

Business entities in the type of economic activity "Agriculture, forestry and fisheries", which are subject to the general taxation system, practically do not use the opportunities of this tax project. Thus, the List of Taxpayers with a high level of voluntary compliance with tax legislation does not include these business entities in the Mykolaiv Region. As of 1 January 2025, 38 business entities in the Mykolaiv Region were included in this list among those legal entities in the region that are subject to the simplified taxation system of the 4<sup>th</sup> group for the above type of economic activity. 14 farms, 10 limited liability companies, 5 private agricultural enterprises, 3 agricultural limited liability companies, 2 additional liability companies, 2 subsidiaries, 1 private enterprise and 1 agricultural share company. 92% are engaged in the cultivation of cereals (except rice), legumes and oilseeds. One enterprise each is engaged in growing other annual and biennial crops; growing vegetables and melons, roots and tubers; and breeding dairy cattle.

The authors surveyed the peculiarities of taxation of agricultural enterprises in the Mykolaiv Region under martial law at 30 of the 38 business entities included in the List of Taxpayers with a high level of voluntary compliance with tax legislation. During the project's existence, the surveyed agricultural enterprises used only the service of consulting a personal compliance manager.

Thus, 8 respondents contacted the compliance manager with questions about the specifics of taxation and the impact of martial law on the company's taxation system. The authors summarised these issues that were the subject of such consultations. The main ones are: searching for state support instruments that can be used by taxpayers affected by the hostilities (mining of territories, destruction of property, part of the land plots in the occupation zone, etc); on the details and possibility of using the online services offered by the project; adjustments to tax liabilities and financial results resulting from the loss of the ability to complete settlements under signed contracts; on documentation and confirmation of the provision of assistance to the Armed Forces of Ukraine; on the impact on the fulfilment of tax obligations of the fact of partial restriction of business activities.

The authors noted that the respondents who used the above-mentioned service noted the prompt provision of full and detailed consultations in oral and written form. The consultations were substantiated, regarding the current legal and regulatory framework and addressing the specific individual situation and circumstances of a particular company, including its existing accounting and control system. Given the rather significant positive results of the implementation of the Territory

of High Tax Confidence project in Mykolaiv Region in terms of the participation of agricultural enterprises, the authors consider it appropriate: to actively disseminate information about the benefits of participation in the High-Tax Trust Territory project among business entities, in particular through professional social groups, newspapers, magazines, webinars, seminars, etc; to consider increasing the level of accessibility of the project for taxpayers; to consider the feasibility of introducing such an advantage for project participants as the possibility of obtaining advice on the preparation of tax reports in the presence of a non-standard situation in financial and economic activities and the professional judgement of managers and accountants within the functioning accounting and control system of the enterprise.

## DISCUSSION

The results of the study show a significant impact of the accounting and control system on the taxation of agricultural enterprises under martial law in Ukraine. The study established that in the conditions of war, agrarian enterprises face significant difficulties, to overcome which the author considers the mechanisms of adaptation of the accounting and control system of enterprises, which will allow them to minimise tax risks, optimise and ensure fulfilment of tax obligations. Such measures allow enterprises to maintain financial stability, redirect resources to restore production and adapt to new economic conditions (Verbivska *et al.*, 2023). In the international context, similar support measures have been introduced in other countries during crises. Therefore, to discuss the results of the study, it is worth considering the example of international experience from Germany, where during the COVID-19 pandemic the government introduced a set of tax measures to support the agricultural sector and small businesses in general (Hörner, 2020; Lomachynska *et al.*, 2023). The German Federal Ministry of Finance allowed businesses to defer taxes and reduce advance payments. This was done to reduce the financial pressure on companies that suffered significant losses due to the pandemic. The main condition for receiving such benefits was to prove that the company was directly and significantly affected by COVID-19, without the need to provide a detailed assessment of losses.

This approach of Germany is notable in the context of the current study, as it demonstrates how government tax initiatives can help agricultural enterprises recover faster in times of crisis. Compared to the results obtained in this study, it is possible to conclude that Ukraine also needs more flexible tax support mechanisms, especially under martial law. In particular, the identified recommendations for improving the

accounting and control system and introducing automated systems for accounting for damaged assets can provide more prompt information for assessing losses and preparing documents for compensation, which is relevant for Ukrainian enterprises in the context of military operations. Germany has also simplified the procedure for reducing advance tax payments for companies that expected lower revenues in the current year. This differs from the Ukrainian system, which does not have such mechanisms for prompt reduction of tax liabilities, which requires a faster response to economic challenges arising from military operations and other crises. This comparison shows that while both countries have implemented tax support measures in times of crisis, Germany focuses on simplifying administrative procedures and flexibility of the tax system, which allows businesses to receive financial assistance more quickly. In Ukraine, on the other hand, it is necessary to modernise accounting and control processes, which can significantly improve interaction with tax authorities and contribute to a faster recovery of the agricultural sector.

An example of foreign experience is the study by M.A. Arbeláez *et al.* (2019) on the political economy of protecting “sensitive” agricultural products in Colombia. The study analysed mechanisms to support the agricultural sector in the face of economic instability, through the introduction of tariffs and subsidies for key products considered important for national food security. The authors discussed the impact of such measures on the economy, farmers’ incomes and the overall sustainability of the agricultural sector. In the current study, parallels can be seen in the context of supporting agricultural enterprises during crisis conditions, such as martial law, through the introduction of fiscal incentives. The difference lies in the emphasis on the role of the accounting and control system, which ensures tax efficiency and transparency of accounting, which is important for Ukraine. An important aspect in the context of the current study is to consider the experience of Israel as a state that has historically faced constant security challenges and economic instability. For decades, Israel has been able to create a unique model of economic development based on flexibility, innovation and efficient use of resources. According to A. Amelin (2022), after numerous conflicts, the country has focused on rebuilding its economy by attracting foreign investment, developing technology, and supporting small and medium-sized businesses. At the same time, J. Zeira (2021) emphasises that Israel’s success is largely due to the integration of state policy with market mechanisms that ensure sustainable development even in times of exacerbation. Analysing the similarities with this study, it can be noted that in



both cases, the emphasis is on adapting public policy to the conditions of crises, using economic levers such as tax incentives and institutional support for enterprises. Similar to Israel, Ukraine can use innovative approaches to improve the tax system to ensure transparency and efficiency of tax compliance by business entities under martial law. However, a significant difference is that the Israeli economy has a long experience of operating in a conflict environment, while for Ukraine this is a new challenge that requires immediate solutions. In addition, the Israeli focus on the high-tech sector and exports is more pronounced, while Ukraine is aimed at restoring the agricultural sector and ensuring domestic food security. Thus, Israel's experience is a valuable example for understanding possible ways of economic recovery, although approaches should consider the unique features of the Ukrainian context. M. Dubinina *et al.* (2022) addressed the issue of accounting in the European Union (EU). The authors emphasise the relevance of unifying accounting standards through International Financial Reporting Standards. At the same time, the authors determined that the different legal systems of EU countries create difficulties in harmonising accounting approaches. The study also highlights the growing role of digitalisation in accounting processes, which reduces administrative barriers and improves the quality of financial reporting. In contrast to the pan-European context, the current study focuses on the role of the accounting and control system in the taxation of Ukrainian agricultural enterprises during martial law.

G. Kartiko *et al.* (2023) analysed the implementation of the law on the harmonisation of tax legislation in Indonesia, aimed at overcoming the budget deficit and increasing the tax ratio in the context of the COVID-19 pandemic. The researchers applied statutory, conceptual and comparative approaches to assess the effectiveness of the new legislation. They determined that crises cause a significant decline in tax revenues. However, due to the reforms, there was a positive growth of tax revenues by 4.9%, which proved the effectiveness of government measures. The authors emphasised that the harmonisation of tax legislation contributed to a comprehensive and consolidated improvement of tax policy mechanisms. In the context of the current study, this work is relevant, since in both cases the adaptability of the tax system to crisis conditions is assessed: the pandemic in Indonesia and martial law in Ukraine. At the same time, the key differences are determined by the specifics of the crisis phenomena: the current study analysed the impact of military challenges on the agricultural sector, while the study by G. Kartiko *et al.* (2023) addressed pandemic restrictions. In addition,

the current study focuses on agricultural enterprises, while in Indonesia the analysis is on the general tax policy. This demonstrates the broader context of tax reforms and emphasises the importance of adapting taxation mechanisms to the unique challenges of each region. Summing up the analysis, it is possible to state that the results of the study demonstrate the significant role of the accounting and control system in optimising the taxation of agricultural enterprises, especially under martial law. Comparison with other studies indicates the interconnectedness of approaches to addressing the negative consequences in the financial and economic activities of enterprises arising from crises, which is especially relevant for business entities in the agricultural sector of Ukraine in the context of the current situation. The study focuses on the peculiarities of accounting and control support of taxation of agricultural enterprises and implementation of mechanisms for its optimisation, including tax monitoring, internal control and adjustment of tax liabilities.

## CONCLUSIONS

The conducted research confirmed the critical importance of the accounting and control system for maintaining the tax stability and financial sustainability of agricultural enterprises under martial law. The study showed that wartime challenges, such as loss of assets, forced displacement, interruption of logistics, and rapid changes in legislation, require a flexible and adaptive strategy for organising accounting and control systems. It was determined that companies with an operational accounting and control system are more effective in achieving tax compliance, reducing penalties and maintaining economic sustainability. The research showed that the introduction of tax monitoring technologies, internal audit systems and formalised accounting practices designed for tax purposes significantly reduces fiscal risks. The empirical analysis, which included a survey of agricultural enterprises in Mykolaiv Region involved in the Territory of Tax Confidence project, showed that consulting support and access to personal compliance managers improves understanding of tax obligations and promotes responsible behaviour of taxpayers. The respondents emphasised the importance of individual consultations to solve tax problems related to the loss of property, business interruptions, and state aid.

The authors confirmed the need to make industry-specific changes to accounting procedures, in particular, regarding inventory adjustments, loss reporting, and force majeure document flow. The proposed structural model of martial law accounting and control, together with the clarified section of accounting policies for tax purposes, provides pragmatic

assistance to business entities and regulators. Further research directions include a comparative assessment of methods of digitalising accounting systems in times of crisis, with a focus on the use of blockchain technologies for verification and immutability of financial records. A viable area is the creation of predictive models for assessing tax risks with real-time data analytics. In addition, further research should examine the long-term impact of martial law on the establishment of trust-based tax compliance systems in the agricultural sector. Comparative studies with other

conflict-affected countries could provide insights into global best practices in taxation and business resilience.

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## CONFLICT OF INTEREST

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## **Роль обліково-контрольної системи в оподаткуванні аграрних підприємств в умовах воєнного стану**

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**Анотація.** В умовах воєнного стану аграрний сектор України стикається зі значними викликами, зокрема нестабільністю податкового навантаження, змінами в законодавчому регулюванні та складнощами у веденні бухгалтерського обліку. Обліково-контрольна система відіграє ключову роль у забезпеченні прозорості фінансової діяльності аграрних підприємств, оптимізації податкових зобов'язань і мінімізації ризиків фіскального контролю. Метою дослідження було визначення ролі обліково-контрольної системи в оподаткуванні аграрних підприємств під час війни та розробка пропозицій щодо її вдосконалення. За результатами проведеного дослідження визначено роль обліково-контрольної системи в оподаткуванні аграрних підприємств в умовах воєнного стану та розроблено практичні рекомендації щодо її оптимізації. Наведено аналіз законодавчих змін, порівняльний аналіз податкових механізмів та результати анкетування підприємств-учасників проєкту «Територія високого рівня податкової довіри». Встановлено, що в умовах воєнного стану ефективність функціонування обліково-контрольної системи безпосередньо впливає на можливості підприємств виконувати податкові зобов'язання, знижувати ризики штрафних санкцій і зберігати фінансову стабільність. Запропоновано підходи до коригування системи обліку та контролю, що дозволяють мінімізувати податкові ризики, зменшити фінансове навантаження та адаптуватися до змін у податковому регулюванні. Результати дослідження можуть бути використані аграрними підприємствами для удосконалення обліково-контрольної системи, а також державними органами при розробці податкових ініціатив, спрямованих на підтримку бізнесу в умовах кризових ситуацій. Запропоновано підходи до інтеграції цифрових інструментів у процеси управління фінансами підприємств, що дозволяє оперативно реагувати на виклики воєнного стану. Рекомендації спрямовано на діджиталізацію системи обліку для зниження адміністративного навантаження та підвищення стійкості аграрного сектору

**Ключові слова:** аграрні підприємства; обліково-контрольна система; оподаткування; податкове регулювання; податковий комплаєнс-менеджер