

Tax Risk Analysis of Teachers' Individual Income Tax in Private Colleges and Universities

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Abstract: With the continuous improvement of the national economy level, the income of teachers in private colleges and universities in China is also gradually increasing, and the income of teachers presents the characteristics of diversification. This paper mainly makes a brief analysis on the current tax situation of teachers in private colleges and universities, and puts forward some planning suggestions from the aspects of salary welfare, salary, salary income balance, utilizing the characteristics of salary, salary income tax rate and excessive progressive tax rate. In view of the comprehensive analysis on the tax risks of the taxation of teachers in our own colleges and universities, it is proposed to strengthen the legal publicity and education, increase the law enforcement inspection and punishment, strictly abide by the individual tax regulations, and reasonably carry out tax planning and other measures, and strive to strictly abide by the tax laws. Tax avoidance is not illegal, and tax savings are maximized.

1. Introduction

Compared with public private colleges, private colleges and universities have a lower degree of protection of teachers' rights and interests. Compared with enterprises, private colleges and universities are essentially educational institutions, and their salary growth rate is far less than that of enterprises [1]. Teachers in private colleges and universities are more and more respected and concerned by the society. They not only take on more and more teaching tasks, but also take on more and more scientific research topics such as high-tech and advanced technology by virtue of their abundant knowledge advantages and resources and environment advantages. Accordingly, their personal income has been steadily improved [2]. There are two main types of teacher compensation systems: basic income plus course compensation and performance allowance system. The basic income plus tuition system divides the teacher's salary into two parts—the basic income and the remuneration. The human resources department determines the amount of the monthly remuneration according to the actual number of teachers per month, and distributes it together with the basic income. As the executor of the private colleges withholding personal income tax, how to manage the personal income tax of private colleges and universities, it is necessary to do serious research and find practical management plans to guide practice.

2. Current Situation of Personal Income Tax Planning for Teachers in Private Colleges and Universities

Financial accountants in private colleges and universities do not know enough about tax planning. They simply believe that there are risks in tax planning and simply do not plan. Because there is no stable and continuous labor-personnel relationship and no labor contract relationship with the private colleges and universities served, the remuneration obtained by the private colleges and universities served part-time is withheld and withheld personal income tax by the private colleges and universities served [3]. The wage structure is essentially a functional system, taking into account contributions, incentives and other factors, but less considering the personal tax burden of teachers and staff. At present, due to the lack of awareness of individual tax planning, teachers in private colleges and universities may pay more personal income tax. The tax-sharing system adopts different tax rates and deductions for different income items. It is easy for high-income people with

more income sources to decompose income and deduct expenses more. There are more loopholes in tax evasion and tax avoidance, which cannot fully reflect the principle of fair tax burden and reasonable burden [4]. In fact, tax planning is a taxpayer's compliance with the current tax laws, when there are a variety of tax options available, taxpayers can choose, and ultimately choose the lightest tax plan. Under the itemized tax system, calculating the taxable amount of tax in accordance with individual tax regulations is a highly technical job, which is directly related to the immediate interests of teachers. According to the relevant provisions of the Individual Income Tax Law of China, all individuals who are paid to individual employees, whether in the form of money or non-monetary, must be included in the scope of taxation of personal income tax.

Private colleges and external teachers have clearly agreed in the labor agreement that they can reimburse reasonable and necessary teaching expenses on the basis of real tax invoices. The main body of tax planning is not just the finance department, but also a whole of the academic department, the personnel department, the scientific research department and the secondary unit. The income distribution and performance appraisal are all personnel departments, secondary units and other departments. The result of the joint action [5]. From the taxpayer's point of view, tax planning can reduce the taxpayer's tax revenue, which is conducive to the taxpayer's financial interests. Therefore, in order to enjoy the tax incentives, all private colleges and universities are required to separately list tax-free allowances and subsidies in the wages of employees. The completion of scientific research tasks requires a lot of manpower. If all the funds are distributed to the individual teachers who undertake scientific research tasks, the personal income tax paid by them will be large. This part of the fee should be separated from the total amount of the remuneration for services, and be converted into the daily teaching cost of private colleges and universities according to the agreement of the labor service agreement, not including the taxable income from the remuneration for services. As a financial department that carries out wage payment, it is impossible to complete tax planning by relying solely on the financial department because it cannot decide the total amount of income distribution and the standard of income distribution. The perfection of China's market economy is also the process of the continuous improvement of the tax law system. The perfection of tax law is accompanied by the increasing complexity of tax law. If the study of tax law is not thorough, it will be possible to both miss taxes and pay more taxes.

In the tax preferences, the welfare fees are exempted from personal income tax. Welfare refers to the welfare allowance paid to individuals from enterprises, institutions, state organs and social organizations or from union funds in accordance with the relevant provisions of the state. The more income in a certain period, the greater the proportion of personal income tax. Therefore, in the tax planning of salary and salary income, the most economical tax-saving points should be used to maximize the income of employees. Because private colleges and universities have the attributes of private colleges and universities, enterprises and non-profit organizations, the regulations for the implementation of private education promotion law have vague provisions on the use of accounting system in private schools, and the objectivity and accuracy of financial information need to be improved. But if the school transforms part of teachers' salary income into necessary welfare facilities, it can also meet their consumption needs, which will reduce the tax base of teachers' personal income and reduce their personal income tax burden. In accounting treatment, it is not included in the salary accounting of employees payable, so it is not included in the scope of personal income tax withholding and withholding. According to the provisions of the Tax Law, the housing provident fund, medical insurance premium, basic old-age insurance and unemployment insurance premium paid by employees can be deducted from their income. At the same time, the accounting system of private colleges and universities has little guidance on tax law, and the competence of accounting specialty of private colleges and universities is not enough, which leads to the weak ability to grasp tax policy in depth.

3. Basic Thoughts on Teachers' Personal Tax Planning in Private Colleges and Universities

Personnel departments should rationally design labor contracts, distribute teachers' basic salaries and class hours in a balanced manner, and should not distribute them all at once at the end of the

year. For example, to improve teachers' housing provident fund, most teachers in private colleges are young teachers. They all have the pressure to buy houses and transfer part of their income to housing provident fund, which can reduce personal income tax without reducing teachers' actual income. In the actual operation process, if the part of salary and salary income exceeding the exemption of personal income tax is used for employee welfare expenditure, it will reduce the personal expenditure of teachers, at the same time reduce the tax revenue of teachers and reduce their personal income tax burden. According to the regulations for the implementation of the Individual Income Tax Law, the income from remuneration for service belongs to one-time income, and the income from the same project is one-time income; the income from the same project is one-time income within a month. Let the faculty and staff understand that the school's various funds, including their own wages, come from the tax paid by the taxpayer. Whether to consciously pay taxes is an important indicator of promotion and evaluation. Therefore, we can consider reducing the amount of income to ensure tax planning while ensuring the improvement of consumption levels. In the case of a constant tax rate, the expansion of the tax base will increase the tax amount, and the reduction of the tax base will reduce the tax amount. The tax base also limits the specific form and standard of use of the tax rate. Based on a number of variables such as regular salary adjustments, rewards, and one-time bonuses throughout the year, we will provide as many salary estimates as possible.

Balance of wages and salary income Due to the influence of holidays, uneven class hours, and relatively concentrated guidance on graduation thesis, the salary level of private college teachers will be larger and higher in each month. According to the teacher's housing policy set by the State Education Commission, we will try our best to solve the problem of teachers' housing. A faculty member is required to purchase a house for a certain period of time, and then a portion of the salary is deducted from the monthly salary for the return of the loan. At the time of tax planning, an income can be apportioned for a certain period of time to reduce the tax burden. If the same work is serialized in the newspapers, all incomes obtained after the serialization is completed shall be combined into one tax. Private colleges and universities should take information management as the main means, take the taxation information construction as the entry point of standardized management, improve the tax collection management information system, and improve the tax service level. The financial department summarizes and checks these data to form the expected annual income of each teacher. On the basis of budgetary figures, planning should be carried out reasonably and legally according to the provisions of the Tax Law, so as to minimize the personal income tax burden. Therefore, in the tax planning of salary and salary income, the most economical tax-saving points should be used to maximize the income of employees. Improve staff's working conditions and equip them with office facilities and supplies, such as notebook computers and computer consumables. Relevant responsible persons and business agents of private colleges and universities are responsible for the payment of salaries and the reimbursement of bills, and are responsible for the authenticity, legitimacy and rationality of the occurrence of economic business.

Private colleges and universities can directly distribute to teachers the expenditure that the staff and workers must pay with wages in the form of welfare. To realize the transformation from single natural income to declaration based on single household income, and strive to achieve the same income families to pay the same tax, so as to realize the tax collection according to the comprehensive tax capacity. Private colleges and universities can equip teachers with office equipment such as notebook computers and printers, optimize teachers' teaching and scientific research conditions, equip teachers with commuting buses and provide transportation facilities; therefore, financial and accounting personnel should actively contact software companies to develop a withholding system suitable for the actual situation of the school, so as to make the withholding work efficient, convenient and orderly. For example, to increase the proportion of teachers' five insurances and one gold, companies can make full use of the housing accumulation fund deposit limit, and pay housing subsidies for employees, as benefits are enjoyed when employees buy houses or renovations. This means that employees are taxed at a higher rate of personal income tax in high-income months. For a one-time higher income, companies can allocate

them to a number of months in a planned manner so that employees do not pay higher personal income taxes because of a one-time income. The former issuance method is changed to the latter one, and the prize for the leader of the project can be split and awarded to the multi-digits who participate in the research project. It is not only reasonable, but also plays a role in saving taxes.

4. Risk Analysis of Individual Taxation and Taxation of Teachers in Private Colleges and Universities

The subjects of tax-related legal risks in the process of tax withholding, withholding or levying and paying in private colleges and universities include financial personnel of private colleges and universities, relevant responsible persons and business operators of private colleges and universities, and staff of tax authorities. Financial personnel should consciously separate salary income from service remuneration income. Now the private colleges and universities have changed the way of granting research funds. Instead, they are assessed annually by expert groups on the scientific research projects declared by their teachers. They are equipped with scientific research funds according to the situation of evaluation and project establishment. Teachers who do not undertake scientific research projects can not obtain scientific research funds. Financial personnel shall be responsible for the examination and verification of the legality and compliance of the issuance of bills or remuneration and the corresponding accounting treatment, and for the withholding and withholding work in strict accordance with individual tax provisions. Because of the increase in wages and other reasons, the school will reissue wages in individual months. If it meets the requirements of local taxation, it can calculate the withholding personal income tax by apportioning the reissued wages to the corresponding period after being approved by the local tax bureau. Internal supervision should focus on efficiency and effectiveness. Through the feedback and interaction, difference analysis, and industry comparison, the performance potential is found in the budget formulation process. When teachers receive such bonuses as stipulated in the document, they should pay full attention to the preferential policies granted by the tax law. Strengthen communication with the competent tax authorities. Only by fully understanding various preferential policies such as tax reductions and exemptions can we make a contribution to the planning of individual income tax for private college teachers, avoid taxation reasonably, and increase actual income.

Private colleges and universities can make tax planning for the remuneration of part-time teachers. They can consider converting labor remuneration into salary income when signing contracts, so as to reduce tax burden. If the school pays for the individual teacher, the individual can reduce the tax that should be borne by the individual without decreasing the actual wage level. This method can not only arouse the enthusiasm of teachers to engage in scientific research work, but also reduce the tax burden of taxpayers because private universities have expended scientific research funds. Relevant staff members of the competent tax authorities are responsible for accepting the tax declaration and collection of personal income tax in private colleges and universities. They are obligated not only to verify personal income tax, but also to publicize and educate relevant laws and regulations on personal income tax. In addition, all kinds of subsidies, bonuses and in-kind items obtained from the original units shall be subject to personal income tax in accordance with the “wage, salary income” taxable items after deducting the fee deduction standard. Then determine the final budget indicator based on the opinions, so that the problems caused by information asymmetry can be solved. If the monthly salary is insufficient, the first point should be added to the tax threshold, and then calculated according to the above method. At the same time, it is also possible to use the method of increasing expenses or delaying income, balancing the income distribution, etc., and distributing the income of each labor service within a lower tax rate.

At present, our country has put the reform of personal income tax system on the agenda. The taxation mode can not adapt to the current national income situation. In the long run, the tax reform should be divided into the following steps: merging the relevant tax items, improving the deduction mechanism, introducing the family expenditure declaration system in time and optimizing the tax

rate structure. The direct reason for the legal risk of individual tax in private colleges and universities is that the individual tax withholding behavior of private colleges and universities is inconsistent with the relevant legal provisions of individual tax. In the actual implementation of individual tax regulations, due to misunderstanding, carelessness or subjective intent, private colleges and universities have not strictly withheld personal tax. Therefore, when the year-end award exceeds the critical point, the portion beyond the critical point should be allocated to the monthly salary or otherwise distributed. At the same time, the law-abiding taxpayers are encouraged by justice, so that the teachers can receive profound education from them, realize the goal of "investigating and handling one case, educating all" and ensuring strict implementation of tax laws and regulations. To this end, we advocate that the financial departments of colleges and universities should focus on the interests of the majority of faculty and staff, make full use of the relevant provisions of the existing taxation legal system on classified taxation and sub-item levy, correctly define the income categories of faculty and staff, and strictly distinguish wages and salaries. The income, the faculty and staff should not be taxed, the tax must not be arbitrarily deducted, and efforts to avoid falling into the tax deduction of all faculty and staff from the school is "salary."

5. Conclusion

In summary, we can see that private colleges and universities personal income tax involves a complex source of personal income, a wide range of types, private colleges and universities to their own actual situation, formulate a suitable tax program for their own conditions, reasonable and lawful tax management. On the basis of combining factors such as school salary system, value concept and faculty preference, the tax factor design scheme is considered. Tax planning is always guided by legal provisions. The thinking of tax planning should change with the change of tax law. It should not follow the rules in order to avoid being recognized as tax evasion by tax authorities and imposed heavy penalties. In addition, private colleges and universities should improve the quality of financial personnel, master the tax laws and national policies, rationally design planning plans, and make full use of preferential policies for personal income tax. Through the planning of individual taxes, private college teachers not only fulfill their tax obligations, but also fully realize the benefits. This also fully reflects the economic leverage of taxation and is conducive to improving the distribution pattern of national income.

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