CURRENT STATE OF SMALL AND MEDIUM-SIZED BUSINESS IN THE CONDITIONS OF CORONOVIRUS LIMITATIONS

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Abstract: The article considers the state of small and medium business in Ukraine and foreign countries in the context of the COVID-19 pandemic. It has been determined that SMEs are negatively affected by quarantine restrictions. It was found that most countries have reduced tax payments, introduced "credit vacations" for companies that are unable to pay, paid benefits to companies to pay employees, and so on. Ways to overcome the current economic crisis of business and economy are proposed.

Keywords: economy, crisis, small business, medium business, taxes, interest rates, pandemic, quarantine, COVID-19.

The article considers the state of small and medium-sized businesses in Ukraine and abroad in the pandemic COVID-19. In the context of the crisis of economic development, it is state aid to small businesses that can lead to an improvement in the economic situation in the regions and across the country. The main goal of our study is to identify direct and indirect factors of the COVID-19 pandemic's impact on the functioning of small and medium-sized businesses, to develop possible ways to overcome its consequences or minimize its. It was found that today there are almost 1.8 million small and medium enterprises in Ukraine (16.5 thousand medium, 339 thousand small, 1.48 million individual entrepreneurs (IE) and only 446 large enterprises). Only 19.8% of SMEs operate as legal entities, the rest of the enterprises operate as sole proprietors (IE). It was determined that quarantine restrictions have a negative impact on SMEs, furthermore the most negative impact was on catering, service and trading enterprises. The experience of the world's leading countries was considered to develop effective measures to stabilize the economic situation and overcome the negative consequences for SMEs. It was found that most countries reduced tax payments, introduced "credit vacations" for businesses that could not pay credit interest on the loan and the body of the loan itself, paid benefits to companies to pay employees, and paid benefits to those who lost their jobs and self-employment. Following the announcement of quarantine restrictions, the Government of Ukraine has also developed and implemented a number of measures to mitigate the impact on business, including SMEs. Ways have been
proposed to overcome the current economic crisis in country, including a 50% reduction or abolition of united social contribution for at least 6 months while preserving all jobs for the employer, extension of "credit and tax holidays", etc.

References


