



# Research On Problems and Countermeasures of Social Basic Endowment Insurance Collection of Small, Medium and Micro Enterprises

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## ABSTRACT

*With the continuous deepening of China's reform and opening up and the continuous development of socialist market economy, the private economy, especially small, medium and micro enterprises, plays an increasingly important role in social and economic life and has gradually developed into a new force of the national economy. By the end of 2018, the number of small, medium and micro enterprises in China had exceeded 100 million, accounting for 99.7% of the total number of enterprises in China. The status of small, medium-sized and micro enterprises in China's economic development is becoming more and more prominent. However, what is extremely disproportionate is that the current situation of social security in small, medium-sized and micro enterprises is not optimistic. The vast majority of bosses and employees of small, medium-sized and micro enterprises are actively or passively outside the scope of social security, so that the employees of small, medium-sized and micro enterprises can not get basic living security, It limits the orderly development of small, medium-sized and micro enterprises. Therefore, it is imperative to reasonably solve the social insurance problem of small, medium-sized and micro enterprises.*

**Keywords:** *Basic Endowment Insurance, Collection and Payment, Government Responsibility*

## I. INTRODUCTION

Small, medium-sized and micro enterprises are analyzed as the main body. From the micro aspect, considering that small, medium-sized and micro enterprises play an increasingly important role in the national economy, but the contradiction of paying social insurance premiums is becoming increasingly prominent and has a wide impact. How to reduce taxes and fees and improve the insurance level of small, medium-sized and micro enterprises has become an important topic to improve the overall insurance level of society. Macroscopically, in China's economic and social life, there are a large number of small, medium-sized and micro enterprises. Employees of small, medium-sized and micro enterprises actively participate in social insurance, which plays a very important role in the development of small, medium-sized and micro enterprises and the protection of employees' personal interests. Therefore, we should not simply regard promoting the expansion of insurance coverage of enterprises as a passive response under the pressure of policies, but should recognize that the key to the problem is how the government formulates efficient and sustainable policies and improves the willingness of enterprises to actively participate in social insurance.

## II. RESEARCH METHOD

This is a qualitative study. Based on the analysis of the payment rate and coverage rate and the average replacement rate of pension, this paper explores the causes of social insurance participation behavior and fee evasion behavior of small, medium-sized and micro enterprises at the present stage, as well as the loopholes and deficiencies in government policies. From the perspective of government responsibility, putting forward countermeasures and suggestions will help the government to improve the collection level and strengthen supervision. It is of great practical significance for small, medium-sized and micro enterprises to pay social security fees and government management.

### III. DISCUSSION

#### 3.1 Basic endowment insurance collection of small and medium-sized enterprises

##### 3.1.1 The overall level of basic endowment insurance for enterprise employees is low

At present, the state requires that the basic pension of enterprise employees be unified by the provincial overall planning method, and the transfer payment fund budget and provincial adjustment subsidy are adopted. The management of the management subject of the provincial pension insurance policy is not the vertical management of the whole province, but the hierarchical management mode, and the higher authorities have a business guiding relationship with the lower agencies. Although the local government has established a unified endowment insurance overall planning system throughout the province, the core support of the system is that the endowment insurance funds are still collected and managed by cities and counties. Therefore, the provincial budget has no effective binding force on all localities, the scale of provincial pension fund adjustment is too small, and the provincial government has no ability to regulate the human, financial and material resources of city and county policy implementation agencies.

##### 3.1.2 There is a serious problem of arrears and evasion of basic endowment insurance for enterprise employees

Compared with large-scale enterprises, small, medium-sized and micro enterprises have small scale and weak funds, but the social security payment rate is the same, which virtually imposes a burden on small, medium-sized and micro enterprises. With the increasing proportion of social insurance premiums in enterprise operating costs, the arrears of social insurance premiums are increasing, the arrears rate is increasing, and the collection rate is decreasing. With reference to the payment rate and payment level of enterprise social insurance in relevant foreign countries, study and evaluate the payment burden and payment ability of domestic enterprises, so as to reduce the payment burden of enterprises, especially small, medium-sized and micro enterprises, improve the competitiveness of enterprises and promote the sustainable and stable development of enterprises.

##### 3.1.3 The collection process is complex and cumbersome

In the collection and payment of basic endowment insurance for small, medium-sized and micro enterprises, the social security agency department is responsible for the insurance registration and transmits the registration change information to the tax department, records the payment records according to the collection and payment data fed back by the tax department, and the tax authority is responsible for the collection, verifies the payment amount and collects the payment according to the insurance registration change information sent by the social security department, and feeds back the collection and payment information to the social security department; For the collection and payment business with complex verification rules such as supplementary payment, according to the special payment process, the social security department will verify the payment amount and send it to the tax department for collection and payment. The business and data process is "social security institution - financial insurance system - sharing platform - Golden Tax System - tax bank platform - tax bank Cooperative Bank - tax bank platform - Golden Tax System - sharing platform - financial insurance system". The subjects of the two are not clear, and the collection process is complex and cumbersome.

##### 3.1.4. The law enforcement of the government supervision department is not strict, and the punishment is not strong

Due to the lack of supervision over the social insurance agencies, the social insurance agencies are often unable to take the necessary measures to expand the social insurance premiums. Therefore, the local insurance agencies are often unable to take the necessary measures to levy the social insurance premiums. In addition, the administrative department and the specific handling department have multiple management, lack of coordination, and it is difficult to form a joint management force. The tax authorities lack the endogenous power of law enforcement for enterprises that owe and evade fees. Since most of the unpaid or unpaid are small, medium-sized and micro enterprises and low-income workers with operating difficulties, local social insurance agencies often feel inadequate in the process of law enforcement in the face of this group, because law enforcement may cause enterprises to suffer more serious business crisis, which will cause more unemployed people. Secondly, for enterprises that have not paid social insurance premiums and overdue payment of social insurance premiums due to arrears, the relevant institutions have no other way to deal with enterprises that still refuse to pay after being fined. Therefore, in order to stabilize the local economy and reduce unemployment, many local governments are not firm in expanding social insurance coverage.

#### 3.2 In view of the above problems, I think we should solve the dilemma of the current problem from the following three aspects.

##### 3.2.1 Gradually implement the "six unification" policy of basic old-age insurance for employees

We will comprehensively deepen the overall reform of social security, implement the provincial overall planning system for basic old-age insurance for enterprise employees, standardize the handling management and services of basic old-age insurance for enterprise employees, study and formulate unified handling procedures for the whole province, and implement unified standards and process specifications for old-age insurance participation registration, rights and interests recording, transfer and continuation, treatment receiving and other businesses. We will make good preparations for the national overall planning of the basic old-age insurance for enterprise employees. Standardize the provincial overall operation mechanism and realize the unified management of fund revenue and expenditure. We should clarify the overall plan of social insurance funds, unify the national social insurance premium rates, and ensure the fairness of the social insurance system from the legal level. According to the provincial overall planning model and on the premise of common regional economic development, take the lead in planning the pilot of overall planning of social endowment insurance in the "urban circle", speed up the implementation of overall planning at the municipal level, and formulate a practical implementation plan in accordance with the principle of "overall planning at the municipal level, hierarchical

management and gradual transition". In practice, we should promote the coordination and cooperation of various departments and jointly deal with and solve the problem of fund payment. We should further increase cooperation and exchanges with enterprises to make the corresponding tasks of insurance funds timely and effective.

### **3.2.2. Strengthen the budget management and supervision mechanism of social security fund**

Strengthen fund budget management and operation monitoring. Do a good job in the preparation of fund budget and final accounts, and improve the scientific of budget and final accounts management. We will strengthen fund budget constraints, strictly standardize the content, standards and scope of revenue and expenditure, implement the supervision of the whole process of budget, and ensure that provincial funds are allocated in full and on time. Do a good job in fund operation and management, strengthen fund operation risk analysis, assessment and early warning, and prevent and resolve social security handling and management risks.

### **3.2.3. Strengthen economic development and stimulate entrepreneurial motivation**

Small, medium-sized and micro enterprises are characterized by a large number of enterprises, flexible production methods and wide business scope. In order to expand employment and improve quality, we should deepen supply side structural reform, accelerate the elimination of backward production capacity, and promote the construction of major projects and key projects. Implement the employment impact assessment system for key industries and clarify the goal of promoting employment through key industry planning. Accelerate the horizontal "building, strengthening, supplementing and extending" of 5g industry, and promote the implementation of industrial applications. Strengthen the construction of basic platforms such as urban brain and intelligent perception of urban big data. Develop new technologies, new industries, new business forms and new economic models, and promote the deep integration of producer services and advanced manufacturing. Expand the supply of services such as cultural tourism, sports and health care, housekeeping and elderly care, education and training, and innovate and develop new consumption patterns and formats. For enterprises, its essence is the subject of paying social insurance premiums, and its main function is to be responsible for employees' social insurance contributions. Employees' social insurance contributions are generally deducted from their basic wages. In China, small and medium-sized enterprises are in a disadvantageous position of paying too much insurance for employees, which will lead to insufficient cooperation with small and medium-sized enterprises in the society. However, through the survey, we found that most of China's small, medium-sized and micro enterprises have developed for a short time, and their living institutional environment is relatively special, resulting in the lack of funds. Therefore, if we want to improve the coverage of social insurance, we must encourage small, medium-sized and micro enterprises. We should take the economy as the starting point and formulate corresponding countermeasures to ensure the advantages of small, medium-sized and micro enterprises in the market, so as to be able to pay corresponding social insurance expenses for employees. In essence, it is to weaken the social responsibility of enterprises, effectively solve economic problems, ensure the healthy and stable development of enterprises, raise funds for the development of small, medium-sized and micro enterprises, and implement incentive policies such as tax reduction and exemption for enterprises that pay social security fees in time.

## **IV. CONCLUSION**

Small, medium-sized and micro enterprises are the largest and most innovative enterprise group in developed and developing countries. They are also the enterprise group that creates the most social employment. It is of great significance to expand employment and avoid "jobless growth". Countries should strive to solve the financing difficulties faced by small, medium-sized and micro enterprises, strengthen financial and tax support, promote international exchanges and cooperation, and create a good environment for the healthy development of small, medium-sized and micro enterprises. \*\*\* "Small, medium-sized and micro enterprises can do great things", which highly overlaps with the private economy, is the main object of ensuring the main body of the market, an important force for ensuring employment, and a strong support for building a new development pattern. This paper deeply studies the problems existing in the collection and payment of basic endowment insurance for employees of small, medium-sized and micro enterprises. To solve these problems, we should fundamentally put forward targeted and feasible measures, not only to reduce the payment rate and improve the coverage rate, but to make the social insurance system more conducive to the development of small, medium-sized and micro enterprises, The government is required to pay more attention to the interests of small, medium-sized and micro enterprises in the ruling concept and solve the difficulties of small and micro enterprises from the practical level. Provide some references for follow-up research.

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