

Influence of Local Budget Revenues on Social and Economic Development of Regions

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Abstract

The article describes the scientific and practical aspects of the formation of the revenue base of local budgets, ensuring the effectiveness of local budget revenues and expenses. Reasonable use of the economic potential of the regions, as well as the reasonable and effective use of local budget expenses, the possibilities of ensuring the stability of local budgets' incomes are substantiated. Based on the research, practical recommendations were developed.

Keywords: local budget; local budget revenues; local budget expenditures; local authorities; local taxes and fees; territories; regional economy.

INTRODUCTION

Local budgets are a part of the state budget that makes up the funds of the relevant region, district, city. Local budgets provide sources of income and the amount of receipts from them, as well as directions and amounts of funds allocated for specific purposes during the financial year. Revenues of local budgets consist of local taxes and fees and fees. Funds from local budgets are one of the financial sources of regional development. Local budgets are an integral part of the state budget of every country.

The first local budgets in the territory of Uzbekistan began to be formed in the 70s of the 19th century as city and regional budgets after the establishment of Russian colonial rule in Central Asia. Later, county budgets were drawn up. The size of these budgets was determined by the officials of the central apparatus of the Turkestan General Governorate of Tsarist Russia, regardless of the population and needs, and the largest part was spent on administrative, police, and judicial bodies.

For the first time in Uzbekistan, local budgets in a modern form were created in 1924-25. Among the sources of income of local budgets in the Republic of Uzbekistan, allocations from value added tax and excise tax according to regulations take the leading place. In addition, resource taxes and other taxes (water resource use tax, environmental tax, infrastructure development tax, etc.) also participate in the formation of local budgets.

Science, education, culture, health care, physical education and sports, social welfare, ensuring the activities of local state authorities, maintenance of budget organizations, implementation of targeted programs and activities for the development of economic sectors, etc.



Issues of local budget creation, formation, financing of expenses are carried out in accordance with the Law of the Republic of Uzbekistan "On the Budget System" adopted on December 14, 2000.

Today, the implementation of reforms aimed at socio-economic development and liberalization of our country, sustainable development of the economy using effective tax-budget policy, macroeconomic stability and competitiveness of the national economy is gaining importance. To continue the process of decentralization of state administration, to increase the responsibility of local and regional authorities in the implementation of state policy, to gradually transfer the powers of republican state authorities to local state authorities, as well as the powers of regional state authorities to district and city authorities.

As the President of the Republic of Uzbekistan noted: "In the field of finance, it is necessary to expand the revenue base of the local budget due to the proportional development of sectors and regions. Most importantly, the expansion of local budgets in districts and cities should serve to improve the standard of living and living conditions of the population, stability and peace in general."

From the point of view of ensuring the financial stability of the regions, strengthening the financial base of the regions, launching the reserves and opportunities of the regions to expand the revenue part of the local budgets, work in this regard is one of the priority tasks, as well as reducing such areas due to the rapid development of industry and services in the subsidized regions and cities. .

In the Strategy of Actions on five priority areas of development of the Republic of Uzbekistan, the task of developing regions, districts and cities based on international standards is defined, and the following issues are resolved in the implementation of this task:

— Reduction of the differences in the level of socio-economic development of the regions, first of all, by expanding the modernization and diversification of the regional economy by increasing the industrial and export potential, as well as through the rapid development of districts and cities with a relatively low level of development.

— Reducing dependence of districts and cities on subsidies, expanding the revenue base of local budgets, etc. due to the rapid development of the industry and service sector. Full implementation of these tasks makes it possible to increase the income of local budgets due to the sustainable development of the regions of our country.

The budget reflects the Form of formation and spending of funds intended for the financial provision of the state's goals and objectives. The state of management in the financial system of the country belongs to the budget. It means a part of distribution relations between the state, on the one hand, and a part of distribution relations between enterprises and the population, on the one hand, related to the formation and use of the state financial resource fund.

The state budget, its income and expenses are closely related to the economic categories of the society. Because the state budget acquires its material form in the process of distribution of the value of the social product created in the society.



"Budget relations" is an integral part of the economic structure of society; its implementation is objectively determined by the formation of the necessary material and financial base for the state to perform its functions".

Through the state budget, the gross domestic product created in society is redistributed. The redistribution of the gross domestic product is the general needs of the society: education, health, economic and political stability in the country, material support of the population in need of social protection, security, maintaining the integrity of the borders and the availability of state reserves for emergency situations. due to the necessity of Also, the state will have the financial leverage to influence the process of social reproduction of the society through the budget

The state budget, as the main financial plan of the state, creates the financial basis of the economic capabilities of the state government.

The budget is a complex economic category, because its material basis is the extended process of social reproduction.

Budget relations are financial relations that arise in the process of value distribution between the state and economic entities and the population. The peculiarity of such financial relations is that, firstly, as we mentioned above, they arise at the stage of distribution of social production, and secondly, they are directed to the formation of centralized financial resources and their use in the interests of the state. State interests are social interests. The budget, as the main centralized fund of financial resources of the state, has its own social significance.

Budget relations acquire an objective character, because the budget is an objective necessity for the formation of an important material and financial base in the implementation of the state and its related functions. At the same time, budget relations are the basic element. In the process of reproduction, budget relations take a corresponding material form.

As an economic category, budget relations are a component of financial relations. First of all, the characteristics of the budget specific to finance arise in the process of distribution of the value of the social product, more precisely, in the process of redistribution, and it is a unique form of monetary relations. Secondly, the budget is a fund focused on the formation, distribution and use of centralized financial resources. The state budget is a financial plan developed and approved by the state management body at the appropriate level (central or local), which reflects the main expenses of the state based on its functions and the income necessary to finance them.

The budget system is a set of mutual relations between budgets and recipients of budget funds, representing the sum of budgets and recipients of budget funds at different levels, the principles of budget organization and compilation, and between them during the budget process.

In most cases, in a simpler way, the budget system refers to the set of existing budgets in the country.

The budget system of this or that country can be two- or three-tiered. In countries governed as unitary states, the budget system may consist of two tiers (central and local budgets), and in countries governed as federal states, it may consist of three tiers (central budget, budgets of federation members, and local budgets). .



Reform of the economy and budget relations in the Republic of Uzbekistan is carried out in an evolutionary way, step by step, in interaction with other sectors and areas of social life.

Today, deep reforms are taking place in all spheres and sectors, as well as in various levels of state administration, in the budget and finance sector.

The process of carrying out financial and budget reforms is, first of all, to give more independence to local self-government bodies, to increase their role in solving social and economic problems, and at the same time to strengthen their financial resources, to create completely new financial includes creation of a budget and tax mechanism, regulation of inter-budgetary relations and determination of methodology and principles of ensuring effective implementation of budgets at all levels.

In this process, issues of creating and improving reasonable methods of managing local budgets, strengthening financial sources of local budgets take a special place.

Local budgets are the funds of the relevant region, district, city of the state budget and are an important link of the two-tier budget system. The socio-economic nature of local budgets is reflected in its functions. The following can be noted about them:

- formation of monetary funds that constitute the financial basis of the activities of local authorities;
- redistribution and use of these monetary funds between regional economic sectors and social sectors;
- control over the financial and economic activities of enterprises, organizations and institutions subordinate to the local government.

Local budgets include the following budgets:

- Budget of the Republic of Karakalpakstan - the republican budget of the Republic of Karakalpakstan and the budget of districts and cities subordinate to the republic;
- Provincial budget - the budget of the entire province and the budget of districts and cities subordinate to the province;
- The city budget divided into districts - the budget of the whole city and the budgets of the districts that are part of the city;
- The budget of the district, which includes cities - the budget of the whole district and the budgets of the cities subordinated to the district.

From the legal point of view, local budgets are financial documents that reflect the sources of income and the amount of receipts from them during the budget year, as well as the directions of expenditure intended for specific purposes.

The Council of People's Depots and the mayor for the region, district and city implementation of common socio-economic development tasks, implementation of local laws, decisions of chambers of the Oliy Majlis of the Republic of Uzbekistan, documents approved by the President of the Republic of Uzbekistan and the Cabinet of Ministers, decisions of the Councils of high-ranking people's deputations and governors, The Republic of Uzbekistan ensures communication between the state power and management bodies and self-government bodies of citizens, the involvement of the population in the management of the region, district and city. Regional, district, city councils of people's deputations and regional, district, city mayors



direct the activities of self-government bodies on the basis of supporting the development of self-government in the relevant area. In accordance with the above law, the financial resources of the region, district, city are made up of budget funds, extra-budgetary funds, specific purpose funds, credit resources, as well as subventions and subsidies allocated from the budget of the republic (province, city of Tashkent).

The financial resources of the province, district, and city can be combined with the financial resources of other regions, districts, as well as enterprises, institutions, organizations, public associations, and citizens to finance joint programs for socio-economic development, including interregional programs.

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