

Revenues of Local Budgets Regulation

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Abstract

Local budgets are important areas of revenue policy. In accordance with the Action Strategy for the Development of the Republic of Uzbekistan in 2017-2021, and in order to fundamentally strengthen the tax revenue bases of local budgets, to reduce its dependence on high-level budget allocations, to ensure stable financing of the comprehensive development of local budgets, to sharply reduce dependence on the central budget, to improve inter-budgetary relations strengthening the independent work of local state authorities in the management of local budget funds through radical reform is defined as the main tasks of the country's budget policy.

INTRODUCTION

Based on the above, it is worth noting that one of the main principles of the activity of local government bodies is their financial independence, and local budgets can comply with this principle without strengthening the tax revenue bases and ensuring the level of its capabilities. It's not. Therefore, it is important to strengthen the tax revenue base of local budgets and the motivation of sustainable income policy.

On the basis of fundamental strengthening and decentralization of the income base of local budgets, sustainable financing of comprehensive development of regions, further improvement of inter-budgetary relations, strengthening of financial freedom of local state authorities, assistance in the development of small business and private entrepreneurship, creation of new jobs and ensuring employment of the population, engineering - our main goal is to ensure the increase of their responsibility in the implementation of specific goal-oriented measures to expand the tax potential due to the rapid development of communication, road transport and social infrastructure.

In the current period of economic modernization, the importance of local budgets in ensuring the financial stability of regions is increasing, and for this purpose, strengthening the income base of local budgets is of great importance.

On June 7, 2017, the Decree of the President of the Republic of Uzbekistan No. PF-5075 "On measures to expand the powers of local state authorities in the formation of local budgets" was adopted. According to the decree, the social and economic development of the regions, raising the standard of living of the population, strengthening their responsibility for the formation and control of the local budget, ensuring the stable financing of the integrated development of the regions in order to increase the real incomes, living standards and quality of the population, the dependency on the central budget the main tasks of the country's budget policy were to strengthen the independent work of local state authorities in the management of local budget funds through a sharp reduction, radical reform of inter-budgetary relations. PF-4947 dated February 7, 2017 of the President of the Republic of Uzbekistan "On the action strategy for the further development of the Republic of Uzbekistan" and "Measures to expand the powers of local state authorities in the formation of local budgets" on" in connection with the implementation of decrees No. PF-5075 dated June 7, 2017, as well as in order to attract



additional funds for the expansion of the revenue base of local budgets and the implementation of new social projects, the Cabinet of Ministers "organizes the determination of reserves for the expansion of the revenue base of local budgets on the measures to achieve it" was adopted on June 29, 2017 by Resolution No. 445. Based on the decision, the order of regulation and mutual cooperation of the activities of financial authorities and state tax service authorities, as well as local executive authorities, aimed at increasing revenues to the State budget of the Republic of Uzbekistan and expanding the tax base, is correct. The Provisional Regulation was adopted. Within the framework of the temporary regulations, the Chairman of the Council of Ministers of the Republic of Karakalpakstan, the first deputies of the governors of regions, districts (cities) together with the state tax service, financial authorities and other relevant local bodies, as well as commercial banks, a characteristic of each district (city) and based on its potential, it was envisaged to search for additional sources and, on this basis, to expand the base of local budget revenues, to carry out activities on the unconditional fulfillment of the parameters of the State budget revenues of the Republic of Uzbekistan. The next normative-legal document adopted in this regard is the Decree of the President of the Republic of Uzbekistan on December 13, 2017 No. "On additional measures to strengthen Including:

- to fundamentally strengthen the income base of local budgets by attaching specific types of taxes and other mandatory payments to them;
- to remove regional, city and district budgets from subsidization, to gradually reduce their dependence on higher budget allocations, and on the basis of this, to increase the freedom and responsibility of local state authorities in solving the issues of socio-economic development of regions;
- to determine additional reserves on a systematic basis to increase the income of local budgets
- to strengthen the responsibility of local state authorities, financial and tax authorities for strengthening the revenue base of local budgets and ensuring timely, targeted financing of the approved parameters of expenses, further development and maintenance of social sector objects and infrastructure at an appropriate level.

Problems in the country's tax system are gradually being eliminated in proportion to the deepening of economic liberalization and modernization. As the President of our country noted, "Further strengthening of macroeconomic stability and maintaining high rates of economic growth, including ensuring that the State budget is balanced at all levels, the national currency and the price level in the domestic market are stable - is our most important priority. .

In the conditions of the current market economy, the issue of the budget is considered a very important and complex issue. The development of each region depends on the living conditions of its inhabitants, social protection, adequate social protection of low-income families and individuals, and the ability to correctly solve the financial issues of state authorities in each region.

According to the decree of the President of the Republic of Uzbekistan "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan", strengthening macroeconomic stability and maintaining high economic growth rates aimed at further development and liberalization of the economy, to increase the competitiveness of the national economy, to maintain macroeconomic balance, to ensure stable high growth rates of the gross domestic product due to the deepening of structural and institutional changes based on the



adopted medium-term programs, to maintain the social orientation of the expenses of the State budget ensuring proportionality at all levels, improving inter-budgetary relations aimed at strengthening the revenue share of local budgets, continuing the policy of reducing the tax burden and simplifying the taxation system, improving tax administration and expanding relevant incentive measures, improving the investment environment of our country's economic sectors and special attention was paid to the active attraction of foreign investments in the regions.

Today, in order to ensure the harmony of the budget and social policy in our country, special attention is paid to the issue of effective management of the financial system, including the budget system, and especially local budgets, which are considered to be its component.

This situation creates a basis for ensuring the positive implementation of the state social policy in local areas, as well as preventing the aggravation of regional economic problems and ensuring their financial independence in the context of the expansion of rights and obligations of local budgets. Also, the regulatory and legal documents adopted by the head of our state today are aimed at ensuring the stability of their income.

In the development of revenue policy, it is important to objectively assess the possibilities of regions for the mobilization of taxes and payments in the budget system, increase the effectiveness of factors affecting the formation mechanisms of local budget revenues, and assess possible negative socio-economic consequences.

In the action strategy for the five priority directions of the development of the Republic of Uzbekistan in 2017-2021, it is necessary to increase the base of local budget revenues, ensure their financial independence, improve inter-budgetary relations aimed at strengthening the revenue part of local budgets, comprehensive and proportionate development of regions, districts and cities. Priority tasks such as socio-economic development, active attraction of foreign investments to the regions by improving the investment environment have been defined, and it is an important issue to study the advanced experience of developed countries and apply their positive results in the republic in order to achieve these tasks.

The income potential of the local budgets should be improved by the development of small and medium-sized businesses in the region (by improving the taxation system and the procedure for attaching taxes), improving the procedure for the sale of land and real estate in order to increase the share of tax-free revenues, in various directions (including infrastructure in the field) establishing partnerships between local government bodies and the private sector, as well as issuing municipal bonds aimed at building municipal housing, investing in infrastructure development from the income received, and state housing policy at the regional level and can be increased by providing financial assistance and facilitating the creation of favorable conditions for the disadvantaged part of the population. At the same time, the development of distribution norms taking into account the demographic indicators of the regions and their changes, as well as the vertical and horizontal distribution of tax revenues, that is, the use of mechanisms for the transfer of a number of taxes to the budgets of individual regions is important.



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