

THE ROLE OF THE BUDGET SYSTEM IN THE SOCIO-ECONOMIC DEVELOPMENT OF THE STATE

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Sherov A. U

Senior Lecturar of the Department of Economics, PhD, Bukhara State University

Abstract

This article examines the theoretical foundations of the concept of the budget, the importance of the stability of the budget system, the factors influencing the budget system, and the impact of these factors on socio-economic development, with conclusions drawn at the end.

Keywords

Budget, budget system, federal budget system, unitary budget system, local budget.

In the post-pandemic environment, countries are implementing reforms to enhance economic development. Most of these reforms lead to an increase in budget expenditures, which in turn results in a rise in the budget deficit. Controlling the budget deficit is primarily related to the stability of the budget systems. The timely execution of state functions is directly tied to the financing of planned reforms. It is evident that the distribution of revenues, expenditures, and powers between the budget tiers affects the timing of financing.

Russian scientist N.Kozlov considers specific aspects of the financial support of the implementation of the powers of local government⁴⁶. In particular, he notes the formation of the principle of delimiting income and expenses between the budgets of the budget system in Russian Federation, taking into account the adequacy and criterion of the competence for the implementation of expenses. It also justifies the need for local government bodies to attach certain income to them in the performance of their functions and duties.

In general, it is known that the federal states have a wide range of powers to independently manage the income and expenses of territorial budgets. Currently,

⁴⁶ Козлов Н.И. Финансовое обеспечение реализации полномочий местного самоуправления автореферат ... к.э.н. – ФГБОУ ВПО «Государственный университет – учебно-научно-производственный комплекс» [Kozlov N.I. Financial support for the implementation of the powers of local self-government abstract ... Candidate of Economics – FSBEI HPE "State University - educational, scientific and production complex"]. - Orel, 2012. – P.25.

even in states with a unitary structure, it is important to expand the powers of these types of territories.

Article 24 of the law of the Republic of Uzbekistan “on local government” from 1993 establishes the rule of setting the rates of local taxes and other mandatory payments within the limits of the amounts established by the legislation. Taking into account the fact that this rule arose as a result of the amendment introduced in 2013, it can be understood that it is intended to increase the role of maintaining a territorial budget policy in ensuring territorial stability.

In this regard, from scientists from Uzbekistan A.Suvanov, institutionally looking at budgetary relations, notes in its regulation the inter-budgetary Relations, their regulatory income. In particular, it states that there are the following problems in front of local budgets⁴⁷:

- to find a solution to the problem of the inability to meet the need for budgetary resources due to the scale of expenses in the distribution of budgetary funds by Regions and the limited availability of funds;
- to develop of scientific substantiation of disputes about the independence of local budgets in the budgetary system and its financial and economic grounds, as well as legal and economic relations in this regard;
- the problem of adhering to the relevant foundations and criteria in the process of distributing budget resources widely used in the budgetary practice of developed countries between budgetary links, as well as their solution.

Assessment of budgetary policy in terms of the financial stability of the regions also appears in scientific works of one of the foreign scientists S.Bogomolov. The scientist proposed to focus on the following aspects in ensuring the stability of

the budget system⁴⁸:

- budget execution reporting indicators have been developed by grouping and unifying the articles of income/expenses of the budgets of the territory and territorial structures;

⁴⁷ Суванов А.Т. Маҳаллий бюджетлар ижроси самарадорлигини ошириш йўналишлари (Наманган вилояти мисолида): и.ф.н. ... автореферат.[Suvanov A.T. Directions of increasing the efficiency of execution of local budgets (on the example of the Namangan region): PhD dissertation] – Tashkent: 2005. – P.21

⁴⁸ Богомолов С.В. Оценка бюджетной устойчивости и эффективности управления бюджетными средствами муниципальных образований и субъекта РФ: автореферат ... к.э.н. – ГОУ ВПО «Нижегородский государственный университет им. Н.И. Лобачевского». [Bogomolov S.V. Assessment of budget sustainability and efficiency of management of budgetary funds of municipalities and the subject of the Russian Federation: abstract ... Ph.D. in Economics – GOU HPE "Nizhny Novgorod State University named after N.I. Lobachevsky".] - Nizhny Novgorod, 2010. – P.28.

- budget stability in the regions on the basis of a system of total indicators, an assessment method has been developed;
- a system for assessing the budgetary risks of the territory and territorial structures taking into account financial flows of budgetary stability is formed;
- a system of criteria for budget expenditures has been developed.

Also, one of our scientists who approached budget policy institutionally, is Kh.Kurbanov. He cites the following principles when substantiating Inter-budgetary relations⁴⁹:

- distribution and attachment of budget expenditures between the joints of the budget system;
- delimitation of regulatory revenues at different levels of the budget system;
- equality of budgets at different levels;
- promotion of the use of economic potential of regions.

In the studies abovementioned, opinions were put forward from the point of view of the structure of the budget. In this case, attention was paid to such aspects as financing the expenditures of budgets, increasing their independence. Also, in the formation of inter-budgetary relations, an emphasis is placed on the distribution of powers between them, the practice of ensuring their equality and establishing regulatory income based on the potential of the regions.

Moreover, the research mentioned above indicates that the stability of budget systems is related to budget expenditures. The provision of funds for budget expenditures is primarily linked to the structure of the budget system, which is of significant importance. It can be concluded that the social and economic development of the state depends on the working principles and structure of the budget system.

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⁴⁹ Курбанов Х.А. Бюджетлараро муносабатларни такомиллаштириш: и.ф.н. ... автореферат [Kurbanov X.A. Improving inter-budgetary relations: PhD dissertation] – Tashkent: 2010. – P.22

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