

INTER-BUDGETARY RELATIONS IN THE SYSTEM OF STATE REGULATION OF DEVELOPMENT OF RURAL TERRITORIES

Andrii LISOVYI,

Doctor of Economics, Professor

Head of the Department of Audit and economic analysis

University of the State Fiscal Service of Ukraine

Kateryna SALIAMON-MIKHEIEVA,

Ph. D. in Economics,

Associate Professor of the Department of Audit and economic analysis

University of the State Fiscal Service of Ukraine

Abstract. *In article the essence of the inter-budgetary relations is opened, their influence on the system of state regulation of development of rural territories is analysed and proved suggestions for improvement of the budgetary relations between state and local (rural) budgets.*

Keywords: *inter-budgetary relations, State budget of Ukraine, local budgets, state regulation, rural territories.*

In article the essence of the inter-budgetary relations is opened, their influence on the system of state regulation of development of rural territories is analysed and proved suggestions for improvement of the budgetary relations between state and local (rural) budgets.

Subject to action of the inter-budgetary relations are financial resources which are distributed between budgets of different levels.

As subjects of system of the inter-budgetary relations public authorities and local government act. Each of them has own functions, tasks and financial autonomy.

The main objective of local governments is providing the complex solution of problems of service of the population and achievement of social stability in the region, the area, rural community.

The main instrument of movement of financial resources from one level of the power to another is the system of the budgetary transfers. Transfers in Ukraine are grants, subsidies, subventions.

Condition of carrying out effective local policy is ensuring optimum differentiation of functions and

powers between central and local executive authorities and local government on rendering of services, concerning questions of the budget, property, the power, expansion of the rights and strengthening of responsibility of these bodies for the solution of social and economic problems of development of territorial communities.

Increase in powers of local authorities needs to be accompanied with increase in security with own means. For this purpose it is necessary:

For increase in efficiency of collecting nationwide taxes to divide in a certain ratio income tax of the enterprises, a value added tax and excises between State and local budgets of Ukraine.

To grant the right to local governments independently to make decisions on level and structure of own income and also, if necessary, to establish surtaxes and collecting in coordination with the Ministry of Finance of Ukraine.

It is necessary to carry an income tax, charge for special use of natural resources and charge for pollution of the surrounding environment to local taxes and fees.

References

1. Biudzhetni kodeks Ukrainy : Zakon Ukrainy vid 08 lypnia 2010 r. № 2456-VI [The Budget Code of Ukraine: the law of Ukraine of July 08 2010 № 2456-VI]. Verkhovna Rada Ukrainy. [www.rada.gov.ua](http://zakon0.rada.gov.ua/laws/show/2456-17/page9). Retrieved from <http://zakon0.rada.gov.ua/laws/show/2456-17/page9> [in Ukraine].
2. Pro mistseve samovriaduvannia v Ukraini : Zakon Ukrainy vid 21 travnia 1997 r. № 280/97-VR [About local government in Ukraine the law of Ukraine on May 21 1997 № 280/97-BP]. Verkhovna Rada Ukrainy. [www.rada.gov.ua](http://zakon2.rada.gov.ua/laws/show/280/97-%D0%B2%D1%80). Retrieved from <http://zakon2.rada.gov.ua/laws/show/280/97-%D0%B2%D1%80> [in Ukraine].
3. Saliamon-Mikheieva, K. D. (2009). Mizhbiudzhetni vidnosyny yak finansovi mekhanizm derzhavy [Inter-budgetary relations as a financial mechanism of the state]. *Ekonomika. Finansy. Pravo. – Economy. Finances. Right*, № 3, pp. 19–25 [in Ukraine].