

WAYS TO IMPROVE LOCAL BUDGET REVENUE GROWTH

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ABSTRACT	KEYWORDS
Ways to improve the increase of local budget revenues are considered. Factors affecting tax revenues of local budgets are analyzed. Also, the tax rates collected from the income of individuals in the countries of the world were comparatively analyzed.	Budget revenues, tax, local budget, tax policy, investment environment.

Introduction

In world practice, the main way to solve the problem of giving priority to one of the development of production and consumption in the most cultural way is the rational use of the group of direct and indirect taxes in the formation of State budget revenues. If priority is given to the development of production at a certain stage of development, then the main fiscal function of taxes is indirectly assigned to taxes. In this case, direct taxes come into play as the main lever of production development. However, the existence of problems and differences in the mechanism of calculation and collection of direct taxes in the formation of State budget revenues in the world, the issues of their influence on the stability of budget revenues have not yet found their positive solution.

In Uzbekistan, based on the concept of improving the tax policy, large-scale reforms are being carried out in order to simplify the tax legislation, reduce the tax burden, fully cover the objects of taxation and increase the collectibility of taxes. Also, today, the experience of our country in the formation of State budget revenues, along with its positive aspects, shows the relative instability of the sources of income. Tax reform, which is the main source of budget revenues, creates a number of inconveniences in medium and long-term business planning of economic entities. The adoption of the concept of tax policy improvement is starting a new era of tax system reform and formation of State budget revenues based on the experience of our country and international principles of taxation.

RESEARCH METHODOLOGY

The study employed methods such as generalization, grouping, analysis and synthesis, comparative analysis, statistical analysis, comparison, induction, and deduction.

ANALYSIS OF LITERATURE ON THE TOPIC

As we talk about the formation of state budget revenues, it is appropriate to dwell a little on the essence of the concept of the state budget. In this regard, it should be noted that most of the leading economists in the economic literature state the State budget as a large centralized monetary fund of the state, the

main financial plan of the country and the main financial category. In particular, prof. According to A. Joraev, "The state budget is a large centralized monetary fund of the state, and it is an economic category based on the performance of state functions." Exactly such an opinion is presented in the researches of A. Islamkulov: "The state budget is a large centralized monetary fund of the state, and it is an economic category based on the performance of state functions."

In our opinion, the opinions of the authors mentioned above and which serve to express the essence of the State budget are exactly similar to each other. They are simply repeating each other. It is clear that the difference here is defined only by the use of the term "fund" instead of the term "fund". It seems that the authors recognized these terms as being of equal strength and therefore put the sign of "equality" or "equality" between them.

ANALYSIS AND RESULTS

Local budgets are determined according to the objective necessity of strengthening the tax revenue bases, according to the rules in force in our country today. According to it, local budgets (budget of the Republic of Karakalpakstan, local budgets of regions and Tashkent city) should have balanced incomes and expenses, and their deficit is not allowed.

At the same time, the formation of tax revenues of local budgets is a multifactorial process, in which taking into account the influence of economic, tax administration, regulatory, legal and political factors plays an important role in strengthening the base of tax revenues (Fig. 1).

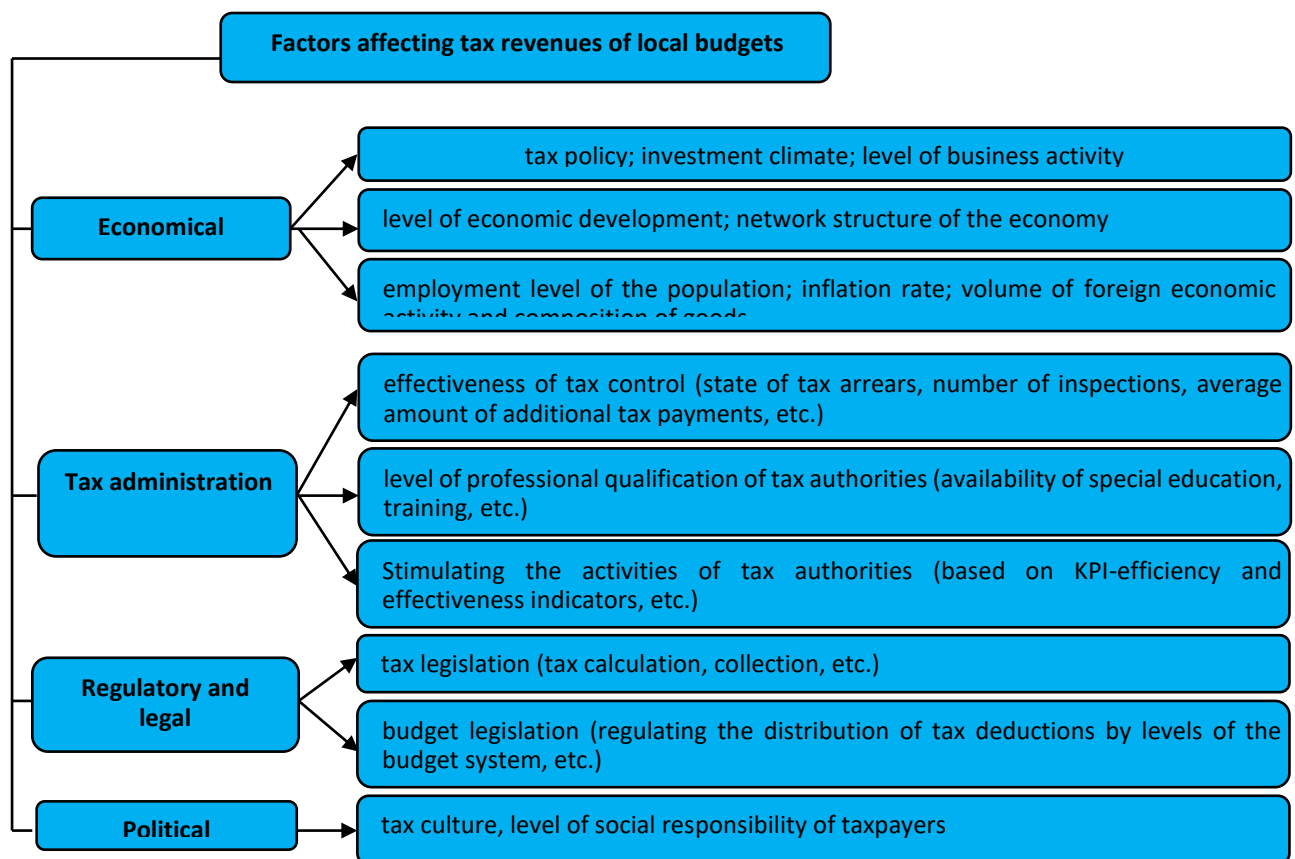


Figure 1. Factors affecting tax revenues of local budgets

Thus, the strengthening of tax revenue bases of local budgets depends on the strict observance of the principles of formation of tax revenue bases, the distribution of certain taxes between the republican and local budgets, and factors affecting tax revenues.

Since the tax rate is an important element of personal income tax, it can be seen that different levels of it are used in the countries of the world (Table 1).

Table 1 Tax rates on the income of individuals in the countries of the world

Name of countries	Tax rate	Name of countries	Tax rate	Name of countries	Tax rate
Bahrain	0 %	Belarus	13 %	Bangladesh	25 %
Brunei	0 %	Costa Rica	15 %	Azerbaijan	25 %
Qatar	0 %	Iraq	15 %	Lebanon	25 %
Kuwait	0 %	Lithuania	15 %	Laos	25 %
UAE	0 %	Hong Kong	15 %	Malaysia	30 %
Oman	0 %	Mauritania	15 %	Thailand	35 %
Saudi Arabia	0 %	Hungary	16 %	Vietnam	35 %
Albania	10 %	Romania	16 %	Pakistan	35 %
Bulgaria	10 %	Angola	17 %	Philippines	35 %
Kazakhstan	10 %	Ukraine	18 %	Indonesia	35 %
Kyrgyzstan	10 %	Sri Lanka	18 %	Taiwan	40 %
Mongolia	10 %	Slovakia	19 %	India	42.74 %
Uzbekistan	12 %	Afghanistan	20 %	China	45 %
Tajikistan	12 %	Georgia	20 %	South Korea	45 %
Macau	12 %	Singapore	22 %	Israel	50 %
Russia	13 %	Syria	22 %	Japan	55.97 %

There are countries in the world that have refused to collect income tax from their citizens. Such countries include Bermuda, Bahamas, Andorra, Monaco and Middle Eastern countries - Bahrain, Kuwait, Qatar, UAE, Saudi Arabia, Oman. These countries fill their budgets with oil sales and income from tourism.

In accordance with the stabilization and development of the country's economy, it is desirable to maintain the trend of increasing the share of direct taxes in the State budget revenues. In this case, it is necessary to ensure the increase of State budget revenues not by increasing tax rates, but by expanding the tax base and increasing the number of taxpayers. It is necessary to achieve the stability of the State budget revenues by improving the profit tax rate in order to reduce the desire of enterprises to secretive activities and coordinate the burden of profit tax with the burden on the wage fund. Increasing the benefits of direct taxes, granting benefits to a certain sector will lead to an increase in the dependence of taxpayers and a violation of the competitive environment. Therefore, it is desirable to reduce tax benefits as much as possible, to attract additional income to the State budget by abandoning inefficient and individual benefits.

Ensuring the financial independence of regions on the basis of strengthening the income base of local budgets in the management of state finances is an extremely important task of the current period. For the successful socio-economic development of regions, a financial source is needed, that is, resources

formed from the income of local budgets. Local self-governing bodies need financial resources to solve the problems of socio-economic development of the regions, to implement the powers given to them by the legislation related to improving the quality of life of the population living in its territory.

In the implementation of an effective tax policy in our republic, local authorities have acquired special importance, and their tax powers should be expanded in the implementation of tasks related to ensuring that taxes and other payments assigned to local budgets are paid to the regional budget on time and in full. Analyses show that there are currently a number of problems in the implementation of revenues allocated to local budgets, that is, taxes and fees.

Problems such as "under the current conditions, the insufficient level of collection due to the inefficiency of local tax and levy administration mechanisms, as well as the lack of complete accounting and objective determination of the value of real estate and land" do not allow to ensure the stability of local budget revenues. Improvement of taxes and fees attached to local budgets is not only about these types of taxes, but also includes their transfer to local taxes and budgets. Therefore, below we will focus on the compatibility between taxes and local budgets, on the basis of regulatory legal documents related to them.

Revenues coming to local budgets from taxes assigned to local budgets do not have a large share in budget revenues. In our opinion, this is related not only to the lack of full use of the possibilities of introducing, calculating and collecting these taxes, but also to the practice used in regulating the income of local budgets. Formation of income of local budgets at the expense of republican taxes is expressed by the fact that it is not possible to finance their expenses at the expense of taxes and fees attached to local budgets, which are the primary source of income of local budgets. It is worth noting that in the conditions of limited powers of local government bodies on revenues directly allocated to the local budget, the implementation of deductions from taxes on the basis of norms leads to a certain limitation of their powers to strengthen the base of allocated revenues.

Starting from 2022, the local Councils were empowered to apply coefficients increasing up to the specified amounts for the city of Tashkent to the minimum rental rates in certain areas of districts and cities specialized in public recreation and tourism, and to fixed amounts of personal income tax paid by individual entrepreneurs. 2.4 billion will be allocated to the local budgets of cities and districts in the republic as a result of the application of these powers, i.e. to the minimum rent rates and to the fixed amounts of personal income tax paid by individual entrepreneurs, increasing to the amounts set for the city of Tashkent. an additional income of soums was achieved. It is known that in the current period of state administration, taxes are one of the stimulating factors of economic development. The incentive function of taxes can be strengthened by expanding the powers of local authorities to fully take into account local conditions.

CONCLUSIONS AND SUGGESTIONS

It is necessary to give the authority to direct the funds obtained from overestimating the forecast of local budget revenues to the Dzhokorgi Council of the Republic of Karakalpakstan, People's Deputies of the Regions, Tashkent City Councils. Through this, an opportunity will be created for the Dzhokorgi Council of the Republic of Karakalpakstan, People's Deputies of the Regions, and the Tashkent City Councils to implement socio-economic development programs of the regions based on the allocation of a part of the funds obtained from the increase of the income forecast to the budgets of districts and cities.

The limitation of their authority on taxes and fees, which form the basis of the income of local authorities, in some sense limits the interest of local authorities in strengthening their income. Also, the existence of a transfer system for the formation of incomes of local budgets means that they are dependent on the higher budget. This situation does not allow the full implementation of the state policy aimed at ensuring the freedom of local authorities and strengthens the control of local authorities.

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