

THE NEED FOR INNOVATIVE APPROACHES TO THE FORMATION OF INTERGOVERNMENTAL RELATIONS IN UZBEKISTAN

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Abstract

The relevance of subject of research is proved in the submitted thesis, some problems of formation and functioning of the interbudgetary relations reveal. Authors defined the major factors having an impact on development of the interbudgetary relations as relations between the republican budget of the Republic of Uzbekistan and republican budget of the Republic of Karakalpakstan, regional budgets of areas, city budget of Tashkent city, budgets of districts, cities and also budgets of the public trust funds. The existence of certain restrictions set at the legislative level of the republic in the budgetary process are noted in material. Separately forms of the interbudgetary transfers are considered. The experience is given in formation and development of the interbudgetary relations which is saved up in the United States of America.

Keywords: budget, interbudgetary relations, subventions, grants, interbudgetary transfers, taxes, loans, expenses, innovations

1. Introduction

For quite a long period of organization by a man of his business activities, one of the most urgent remains the question of the optimal combination of property assets, strategic interests, and levers of influence on the market between the state and business. In turn, this problem led to the formation of two powerful areas in economics. Supporters of classical political economy in the market system of the economy consider the mechanism of its functioning to be the main one. Literature review.

At the same time, supporters of other schools, including Keynesians, justify the need for continuous state participation in the economy, regulation of economic processes through special tools.

One of the most ancient axioms in the economy is the need to ensure the economic functioning of the state, to fulfill its

mission, obligations to society, households and the individual citizen.

At the same time, supporters of other schools, including Keynesians, justify the need for continuous state participation in the economy, regulation of economic processes through special tools.

During the preparation of the article, methods of collecting, systematizing and summarizing the material on the research topic were used. The solution to the problem of intergovernmental relations is largely predetermined by a number of systemic factors. Among them:

- priority directions of socio-economic development of the country, both in the coming years and in the medium term;
- large Concepts, Programs implemented in the country;
- the level and characteristics of the socio-economic development of regions;

- a functioning tax system, the distribution of income between subjects of the budget system of the country;

- availability of the necessary regulatory framework for regulating intergovernmental relations.

In recent years, important steps have been taken in the Republic of Uzbekistan to improve the efficiency of budgets of different levels, to ensure their revenue side with the necessary funds. In this regard, a special role belongs to the Budget Code of the country, adopted in 2013.

The Code defines the basic concepts that reveal the content of intergovernmental relations. According to Article 132 of the Budget Code, inter-budgetary relations are relations between the republican budget of the Republic of Uzbekistan, the republican budget of the Republic of Karakalpakstan, regional budgets of regions, the city budget of Tashkent, the budgets of districts, cities, and the budgets of state trust funds to ensure the relevant budgets with financial resources necessary for the implementation of the costs assigned by this Code to the relevant budgets¹.

It should be noted that there are certain restrictions in the budget process established at the legislative level. So in Uzbekistan in the budget process are not allowed the relationship: the republican budget of the Republic of Uzbekistan with the budgets of districts and cities; budgets of state trust funds with budgets of districts and cities; the republican budget of the Republic of Karakalpakstan, the regional budget of the region and the city budget of the city of Tashkent among themselves, as well as with the budgets of districts and cities of another administrative and territorial unit;

Between the budgets of districts and cities. The budget deficit of the Republic of Karakalpakstan, the local budgets of the regions and the city of Tashkent is not allowed. As for the forms of intergovernmental transfers, here the states proceed from the peculiarities of the socio-economic problems being solved, the structure of the budget system, and regional policy. An interesting experience in the formation and development of intergovernmental relations has been gained in the United States of America. The American model of federalism is distinguished by a high degree of fiscal autonomy of subnational authorities, both in the sphere of formation of the revenue part of their budgets, and in the expenditure of their own budget funds. According to the Constitution of the country, state governments are free to impose any taxes, including tax bases and rates. It should be noted that taxes on international trade fall within the purview of the federal government, and property taxes are within the competence of state and local governments.

¹ Бюджетный кодекс Республики Узбекистан от 26.12.2013 года // Собрание законодательства Республики Узбекистан, 2017 г., № 1, ст. 1, № 24, ст. 487.

With regard to the division of powers between the various administrative-territorial entities of the country, the rights of local authorities are implemented within the states. In particular, the taxes that the counties may impose and their maximum rates are usually determined by the states. Interesting is the formation of incomes of the federal government, the structure of the sources of their income. The main share of tax revenues of the federal government are taxes on income of individuals and legal entities. The competence of the federal government includes the costs of defense, international relations, space research, foreign and domestic trade, postal service, law enforcement, etc. At the same time, all levels of the budget system are involved in financing housing, education, public transport and social security.

Thus, in the United States, expenditure authority is delimited according to the competences of the federal and state and county governments. In this case, expenses are envisaged, in the provision of which all levels of the budget system are involved. In Uzbekistan, intergovernmental transfers are made in the form of subventions, transferred incomes, grants, budgetary loans of mutual settlement funds and targeted social transfers. Among these forms, a special place is occupied by subventions, which are allocated for the implementation of expenses, which are established in the framework of the forecast of the main macroeconomic indicators and key parameters of the State Budget of the Republic of Uzbekistan.

When approving the forecast, the sizes of subventions from the republican budget of the Republic of Uzbekistan to the budget of the Republic of Karakalpakstan, to the local budgets of the regions and the city of Tashkent are also determined. At the same time, the size of subventions from the republican budget of the Republic of Karakalpakstan, the regional budgets of the regions and the city budget of the city of Tashkent to the budgets of the regions and cities, according to the legislation in force in the country, is established by the Council of Ministers of the Republic of Karakalpakstan, regional "hokims" and the city of Tashkent.

An important role in intergovernmental relations belongs to this form of intergovernmental transfers, as transferred income. They represent the income credited to the higher budget, but transferred to the budget of the administrative and territorial unit in which they are formed.

2. Conclude

At the same time, the amount of transferred income is approved in the same manner as subventions. A subsidy from a higher budget to a lower budget can be allocated provided that the planned volume of expenditures of a lower budget exceeds the projected amount of its revenues,

including the provided subventions and transferable revenues.

If the parameters of budgets change during the fiscal year, interbudgetary settlements between higher and lower budgets may be applied.

In order to cover the costs of wages and a single social payment of educational and medical institutions from the higher budget to the lower budget can be carried out targeted social transfers.

It is interesting to provide intergovernmental transfer in the form of a budget loan. It is allocated on a returnable and interest-free basis in the event that the full mobilization of all budget sources does not cover the costs envisaged by the respective budgets.

At the same time, from 2019, the country's economy will develop in the following conditions:

- further liberalization of economic relations, a phased reduction of the role of the state in the housekeeper;
- modernization of the most important sectors of the economy, primarily industry and agriculture;
- fundamental changes in the tax system of the country;
- optimization of the place of small business and private entrepreneurship in the state economy;
- enhancing the role of the banking system in the ongoing reforms;
- continuation of a fairly rigid course in monetary policy;
- implementation of measures aimed at further liberalization of the foreign exchange market in the country;
- increasing the level of transparency and openness of the national economy, interest in further expanding mutually beneficial cooperation of Uzbekistan with both its closest neighbors, the CIS countries and non-CIS countries, attracting foreign investment in various sectors of the country's economy;
- focusing on the economy on the innovation vector of development, the creation of modern high-tech, energy-resource-saving technologies that ensure the production of goods with high added value, including from local raw materials.

Thus, an integral budget system has been formed in the republic, which is a combination of budgets of different levels and recipients of budget funds, organization and principles of budgeting. New conditions determined by modern tasks of economic development of Uzbekistan, priority directions of ongoing reforms aimed at providing an innovative way of economic growth, increasing the competitiveness of the national economy require innovative approaches to the formation and functioning of the country's budget system, optimizing intergovernmental relations.

Their successful implementation, of course, requires the continuation of scientific research in this area, taking into account both positive international experience and the specific features of the current stage of reforms in Uzbekistan.

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