

FEATURES OF THE BUDGET FORMATION OF THE TERRITORIAL COMMUNITY

Nezdoimynoha O.Ye.

Candidate of Economic Sciences, Associate Professor,
Poltava State Agrarian Academy

New associations of territorial communities, which began to emerge in Ukraine from 2015 under the Concept of Local Self-Government Reform, have already faced with the problems of budget formation and efficient allocation of its funds for the implementation of the main tasks of the territorial community in order to ensure the improvement of a certain territory.

The budget of the territorial community is a form of organization of the movement of funds and acts as the most important means of distributing and redistributing money between production and non-productive spheres.

For today, territorial communities after their creation as a legal entity form a budget of local self-government and dispose these funds on their own.

The main sources of local budget revenues include tax revenues.

The local budget is divided into the current budget and development budget.

The funds of the current budget are directed to financing institutions and facilities of industrial and social infrastructure, which are held at the expense of budget allocations, and also to the financing of measures for the social protection of the population.

The funds of the development budget are directed to realization of programs of socio-economic development of the appropriate territory, connected with investment and innovation activity, as well as for financing of subventions and other expenditures related to expanded reproduction.

One of the types of budget revenues of territorial communities is intergovernmental transfers that can be received in the form of: basic grants, educational subventions, medical subventions, reverse subsidies to the state budget.

The financial management of the united territorial communities has certain specificity. They do not cover only the finances of the territory of several settlements and concentrate them. The management of the territorial community assumes the responsibility for the effective use of these financial resources for the achievement of the main objectives – to ensure the improvement of the specified territory and the implementation of social policy.

On the whole, the budgets of the united territorial communities have inter-budgetary relations with the state budget, which give them the right to receive support from the state budget, determined by the rules of the current legislation.