

MODERN ASPECTS OF INTERBUDGETARY RELATIONS IN THE CONDITIONS OF DECENTRALIZATION TRANSFORMATIONS

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At the present stage of the formation and development of Ukraine as an independent and democratic state, its integration into a pan-European society becomes more and more acute by the problem of reforming local budgets. In order to implement the fiscal policy in 2017, the Government of Ukraine is planning to reform local self-government, decentralization of local finances in order to increase the level of financial independence of local authorities.

In the absence of a sufficient amount of own revenue local budget expenditures are provided through transfers from the state budget. In today's conditions, transfers play an important role in intergovernmental fiscal relations, they are the main method of budgetary regulation and play an important role in shaping local budget revenues.

The share of budget transfers in local budget revenues in Ukraine exceeded 50% and has a tendency to increase. This indicates a high centralization of budgetary funds at the state level. Under such conditions, neither budget autonomy nor the quality of provision of public goods and services to the population at the local level is possible.

Since 2014, decentralization and the reform of local self-government are being implemented in our country, which consists, first of all, in changing the system of administrative-territorial units of the basic level through the association of territorial communities.

The introduction of comprehensive changes to the Budget and Tax Codes in December 2014 provided the legislative basis for the implementation of the reform of the intergovernmental fiscal relations, which opened a new stage in the development of the budget provision of the territorial communities. Sequential approaches to the implementation of budget reform in the reporting year have allowed to significantly increase the financial resources of communities. This, in particular, is confirmed by an increase in their revenue potential.

At the same time, analyzing the system of redistribution of revenue and expenditure parts of local budgets in 2016 as a whole, it can be argued that much more spending powers were levied on local budgets than their revenue potential. Therefore, there remain a number of unresolved issues that compel local self-government bodies to direct their own resources to finance their unusual powers that were passed by the state in 2016 without financial support.

Expansion and optimization of sources of local budgets, increasing the powers of local authorities in managing financial resources and improving their independence is an extremely important task. His decision will increase the level of financial independence of local self-government bodies and the qualitative performance of the tasks and functions assigned to them.