

## DECENTRALIZATION OF AUTHORITY IN UKRAINE: PROBLEMS OF THE UNITED COMMUNITIES

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The main problems of local communities, united due to the processes of implementing the government reform of decentralization in Ukraine, were considered in the article. The advantages and possible risks of financial decentralization were determined. The following benefits have been determined: the local community leaders' awareness of the needs and preferences of the population, increase of number and quality of public services through competition, the reduction of the risks in introducing innovations in public services due to a reduction in the area of their provision, and increased participation of the population in management. The risks of financial decentralization include the lack of skilled management personnel at the local level, the growth of corruption through the widespread support of local authorities and their interests, inequalities between the regions, and hence unequal access to social services.

The problematic issues of budgets formation of the united communities were disclosed, in particular, in relation to the payment of land tax and personal income tax. Farmers pay a higher tax than single farmers, although the total area of land used in cer-

tain communities is less. As a result, it leads to the "flow" of farmers into the category of single-breeders, and communities are losing money. Owners of individual farms are not inclined to declare their income. And those who make such a declaration often show losses, not profits. Checking the correctness of a declaration is not within the competence of local communities.

Registered on the territory of the community, sole proprietors do not register hired employees and, accordingly, do not pay taxes for them. Therefore, the community loses part of the incomes. Despite the adoption of the law on joint verification of economic entities with the participation of local authorities, the methods for carrying out such verification have not been developed. There are no clearly defined responsibilities of the community.

The reasons of reforms' inhibition in the educational and medical spheres at the local level were analyzed. First of all, problems arise due to the lack of transparent and comprehensible mechanisms of reform at the national level. The ways of solving individual problems of the united communities were offered.