

INTERNATIONAL EXPERIENCE OF FORMING THE BUDGETARY POTENTIAL OF LOCAL FINANCE

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The deepening of Ukraine's integration into European space requires the reform of the public finance system in accordance with the principles of regional policy of the European Union. When we choosing the form of organization of the budget system of the state, it is necessary to be guided by considerations of state expediency, national interests, social solidarity, etc.

The analysis of the share of local budget revenues and expenditures in GDP of Poland, the Czech Republic, Romania, and Bulgaria shows that the income and expenditure are in line with GDP. In Ukraine, however, there is a significant imbalance between the share of local budget revenues in GDP and in the consolidated budget structure and similar share of expenditures. In order to ensure timely and qualitative financing of local spending, Ukraine needs to increase the share of local budgets in the consolidated, bringing it to the European level.

Having become acquainted with the experience of foreign countries, it should be noted that the general strategic direction in Ukraine should be to increase the interest of local authorities in increasing the role of their own budget capacity while filling local budgets. To do this, it is necessary to

expand the list of local taxes by assigning them a personal income tax; to introduce a real system of taxation of luxury; to improve the legislative base on local taxation, determining the procedure for calculating and paying local taxes, the possibility of postponing payments, the use of a tax credit; to increase the rates of environmental taxes and to strengthen control over the collection of taxes of environmental significance, especially in regions with poor ecological status.

It is important for Ukraine to search for alternative sources of filling local budgets through the introduction of non-tax fees. When forming the revenue base of local budgets, the state of subsidies and subventions should not be limited in the stage of instability and insignificance of their own sources of revenue, since only in this way the state can actively influence the development of local self-government and the experience of the developed countries convincingly testifies.

Despite the fact that the problems of the formation of domestic local budgets have no analogues in the world, taking into account international experience will be useful for increasing the size of own revenues of regional budgets, and, therefore, also its own budget capacity of the region