The article is a study of national accounting experience accounting rental property budgetary institutions, development of practical recommendations for improving the current system of accounting and taxation of business activities, including rent of property of budget establishments in condition of transformation of accounting to international standards in the public sector for effective management of state and municipal property.

On practice, the lack of sufficient legal knowledge on topic of the rent do not allow accountants budgetary institutions properly reflect them in accounting and accordingly make accurate reports. It is in most cases leads to the budget losses or illegal expenditures, which “complicate” relationship with supervisory authorities.

Investigated legal regulation of rent of state property and methodological principles of formation accounting and methodological bases of management of rent operations in budgetary institutions.

Budget Codex points that the rent, which is available to the lessor, should be credited to the special fund as own revenues. Therefore we consider appropriate for accounting of revenues from property lease to use the account 71 “special fund revenues”, which is intended to summarize the income of the special fund of an establishments for its maintenance.

The application of the Chart of Accounts of budgetary institutions, approved by the Ministry of Finance of Ukraine on 26.06.2013 № 611 also clearly states that sub-account 711 “Income of the funds received as a payment for services” accounted for revenues from fees for services provided by the institution under the law, including the rent of the property institutions. Based on the study systematized the accounting and taxation of rent operations by improving of synthetic and analytical accounting for individual sub-accounts in the subjects of rent relations, which will help improve the quality of information about the real state of such operations.

The article investigated the order of the rent accounting of budgetary institutions (landlord and tenant), especially the tax on value added lease of state property.