

DECENTRALIZATION IN UKRAINE AND THE MAIN WAYS FOR ITS INTRODUCTION IN MODERN TERMS

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The integration of Ukraine into the European Community requires changes in the formation of regulatory and legislative environment of local communities in the management under European conditions, principles and policy management of regional and local authorities. It is entrusted to fiscal decentralization of the country. In turn, this will contribute to the independence of local budgets, their financial independence, developing their own social and economic policy, implementation of investment and innovation strategy.

The proposals regarding the functioning of local finance are given. The basic concept of the operation aspects of local budgets is considered. Determined a number of intergovernmental finance problems and proposed their solutions. Characterized the main directions of fiscal policy that establish

a new mechanism of fiscal adjustment and alignment.

It is indicated that the end result of fiscal decentralization should be the formation of a new system of local budgets and inter-budgetary relations, which should be based on the institutional symmetry. Thanks to a combination of will and relationship of entrepreneurs who use public services, those who pay taxes and various fees and those who influence decisions about their provision – local authorities.

For the successful implementation of decentralization in Ukraine suggested the following steps: conducting territorial, political and economic reforms; creating financially capable communities; distribution of powers in the legislative basis; providing fiscal autonomy; development and implementation of a new model of intergovernmental relations.