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POSSIBILITIES OF APPLICATION OF FOREIGN EXPERIENCE OF FORMING LOCAL BUDGETS IN UKRAINE

The problem of state budget management relations in the country is of scientific and practical interest, and becomes increasingly important in the absence of adequate revenue base of local budgets of Ukraine. Synthesis of research, theoretical and practical experience in public administration of local budgets will allow identifying the main areas to revive local budgets in social and economic development of regions. Only under such conditions, local communities instead of subsidized will be able to become independent entities capable of using their own funds to resolve socio-economic problems in the region. That is why the study of foreign experience in management of local budgets and finding ways to use it in Ukraine is of great importance for the development and improvement of public administration of budgeting.

One of the characteristics of budgeting of Western countries is the principle of budget decentralization. In most developed countries local governments are responsible for the country's development at the regional level, the implementation

of programs of a social nature and implementation of economic crisis management programs. Therefore, based on international experience, managing local budgets in Ukraine, it is necessary to increase the financial autonomy of local governments. Only in such terms, local communities instead of subsidized subjects able to make decisions in the public sector and may increase the responsibility of local authorities in the development of regions. Furthermore, with increasing responsibility of local authorities for decisions on allocation of finances by local governments, increases control over the efficient use of the resources of the local budget.

In almost all developed countries, there has been adopted the legal framework of local taxation. Laws used in developed countries to regulate relations in the public sector, particularly in terms of local taxes have a clear conceptual and categorical base. In addition, the legislation of developed economies is adapted to the realities of modern life and meets the require-

ments of economic development of society. Ukraine also needs to pass the law “On Local Taxes and Revenues” taking into account existing international experience. The law should explicitly regulate list of taxes treated as local, procedure of their payment, the ability to delay payments and the use of tax credits.