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## FACTORS FOR IMPROVING THE ACTIVITIES OF LOCAL REPRESENTATION AND EXECUTIVE BODIES IN ENSURING EFFECTIVE IMPLEMENTATION OF LOCAL BUDGETS

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**Abstract:** This article presents the ways of effective management of the local budget and the factors of further improvement of the activities of local representative and business bodies in ensuring their implementation. Also, there is information that it is possible to achieve further stabilization of the state budget by improving the local budget, and in the process of their implementation, the activities of local bodies and business bodies are also important.

**Keywords:** Budget Parameters, Local Budget, State Budget, Financial Policy, Stabilization, Concept, International Organizations, Statistics.

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### Introduction

Another important aspect of the country's state budget project is the number of its articles, parameters, to be submitted to the Parliament. According to the Organization for Economic Cooperation and Development (IED), the number of budget parameters varies in different countries, ranging from 200 (Australia, Canada, France, etc.) to 2,000 (Germany, Spain, Turkey). It is stated in the world literature that the number of items of the budget project should be 1000 or more in order to justify the main goal and directions of the budget policy of the Organization for Economic Cooperation and Development. [1]

In developed and democratic countries, the draft budget is published by the government or parliament in the press. Discussions in the parliament are widely covered on television and other media.

It is possible to achieve more stabilization of the state budget by improving the local budget. In addition, in the process of their implementation, the activity of local bodies and business bodies is also important.

By October 1, 2024, people's deputies of regions and Tashkent city councils, and by December 1, 2025, people's deputies of district and city councils, taking into account the minimum requirements, to provide buildings, i.e. working rooms, and equip them to develop a "roadmap" and submit it to the Cabinet of Ministers for approval, to fully implement the new model of the organization of state power based on the distribution of powers of governors and councils of people's deputies, as defined in the new Constitution it was emphasized in order to strengthen the role, to establish local state power in new constitutional and legal conditions. [2]

At the new stage of the economic reforms implemented in the Republic of Uzbekistan, there

is a need to improve the state finance system in terms of content and quality based on the requirements of the times in order to increase the competitiveness of the national economy and to further strengthen the macroeconomic stability. Local budgets are a financial support for local governments in the implementation of their tasks, and their financial independence has a direct and indirect impact on the development and stabilization of such regions.

The measures taken to increase the independence of local budgets and strengthen the income base, identify additional sources of income, as well as attract additional resources for the implementation of social projects had a positive effect on the implementation of the parameters of the State budget. [3]

Based on the real capabilities of the regions today, the main macro-economic indicators of the country, the parameters of the budget revenues and expenses, and their inter-budget distribution, developed by studying the current situation and the actual situation of the local affairs, are being developed.

### **Literature Review:**

Council of the Republic of Karakalpakstan and People's Deputies of the regions and Tashkent City Councils of the relevant levels of taxes allocated to local budgets, as well as distribution of other types of incomes and inter-budgetary transfers, or from overestimating the revenue forecast for the implementation of socio-economic development programs in the region they can allocate part of the funds to the budgets of districts and cities. The fact that the regions' economic potential and natural conditions, labor resources are different, naturally causes differences in their socio-economic development. In turn, this has a direct impact on the formation of local budget revenues. As a result of the above factors, the amount of income generated in the regional budget is calculated differently. [4]

Issues of drafting, formation of local budgets and financing of their expenses are carried out in accordance with the Law of the Republic of Uzbekistan "On the Budget System" adopted on December 14, 2000.[5]

According to the official website of the Statistical Agency of the Republic of Uzbekistan, industrial products worth 648 trillion soums were produced in 2023, and it is expected to grow by 5.5-6% compared to the same period last year. Mainly, the increase of oil products by 29%, clothing by 10.5%, automotive industry by 14.4%, construction goods by 12.8%, textile products by 7.5%, and furniture production by 7.4% is the reason for the growth. are expected to be the main factors. The most important thing is to provide economic sectors and the population with the necessary energy sources to ensure the stability of economic growth. In particular, in 2023, the total consumption of natural gas in the population and economic sectors will increase by 4.3%, and the consumption of electricity by 8.5%.

is expected.

In particular, 6 thermal power plants (on the basis of PPP) and 1 photoelectric plant (total capacity of 7 stations - 1.5 GW) commissioned in 2022 and 5 solar and wind power plants on the basis of PPP and 1 thermal power station (total capacity of 7 plants - 1.5 GW) power - 2.7 GW) and the volume of electricity production is expected to reach 80.4 billion kWh (growth - 8.1 percent).[5]

According to English economist Harvey Rosen, public property has two characteristics. First, once provided, another person consumes a commodity with zero additional costs - consumption is non-rival. Secondly, it is very important not to allow anyone to consume a good that is expensive or impossible - consumption cannot be ruled out. A classic example of public welfare is national defense.

One person's use of services provided by the military does nothing to reduce another person's consumption. In addition, any individual is excluded. Cannot be taken from national defense benefits. In contrast, it argues that private goods (such as food) are both rivalrous and excludable.[6]

According to Hazratkulov Shahboz, the introduction of a new mechanism of effective execution of local budgets' revenues and expenses is one of the major directions of budget reforms today. Revenues of local budgets are mainly formed at the expense of local taxes and other mandatory payments, state taxes in accordance with established regulations, revenues from markets and other revenues. Also, subsidies allocated from the republican budget of the Republic of Uzbekistan, transferred revenues and subsidies are considered as revenues of local budgets.[7]

The distribution of regulatory revenues between budget units on the basis of regulations does not allow ensuring the proportionality of revenues and expenses of local budgets and increasing their financial independence. In this regard, it is necessary to focus on increasing the volume of own and assigned revenues of local budgets, reducing the hidden economy, rational use of natural and labor resources, and large-scale development of entrepreneurship in the regions. According to D.Uskenbayeva, the distribution of regulatory revenues in accordance with established norms, along with stabilizing the revenues of local budgets, weakens the interest of local authorities in finding new sources of revenues of local budgets and arouses a feeling of indifference in them. [8]

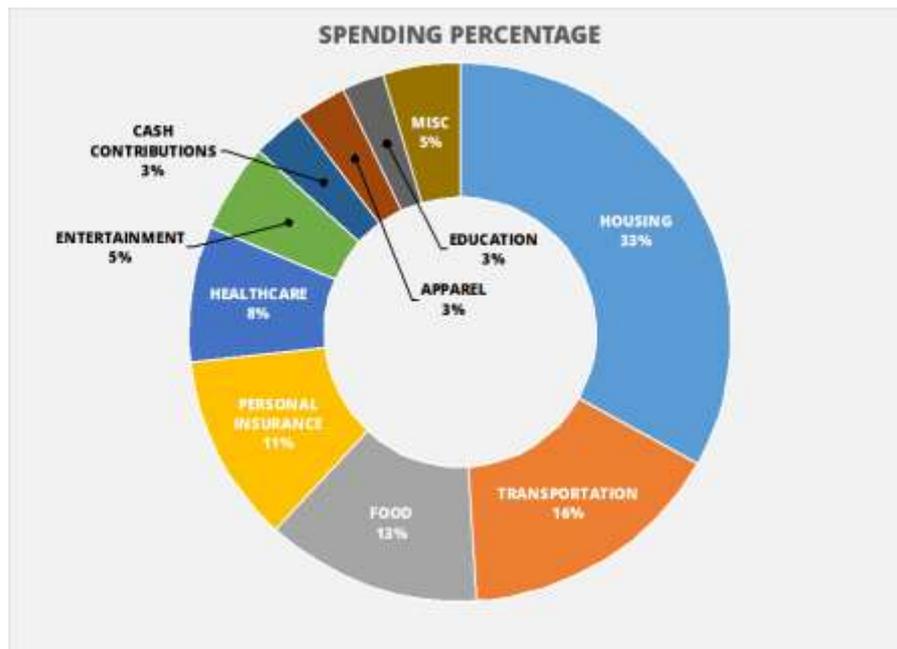
## Results and Discussion

The revenue part of the regional and local budgets is transferred from the income tax from legal entities, income tax from individuals (partially), state duties, fines, fees, mobile communication service, excise tax on alcohol and tobacco products. will be formed at the expense of revenues. In 2022, the amount of funds allocated to organizations and institutions from the regional budget will be 2,570.6 billion. constitutes som. Organizations receiving the most funds:

- Irrigation systems basin administration (43.8% of the funds allocated for organizations and institutions);
- Health Department (18.8%);
- Department of public education (14.0%); Department of preschool education (3.6%);
- Department of Medical and Social Services (2.5%).
- As a result of the policy of decentralization in the tax system, many types of taxes and fees are left at the discretion of districts (cities).

Also, turnover tax in 2022 (100%);

- personal income tax (Guzor, Mubarak districts 10%, Nishon district 40%);
- personal income tax for individual entrepreneurs (100%);
- excise tax on sale of gasoline, diesel fuel and gas to final consumers (100%, Karshi city-20%, Karshi district-50%);
- tax on property of individuals (100%);
- land tax from legal entities and individuals (100%);
- subsoil use tax for mining materials (100%);
- tax for using water resources (100%);-fees (100%, Karshi city -0%);
- deduction from the net profit of state unitary enterprises (100%);
- revenues from rent payments and privatization of state property (100%) form local budget revenues of districts (cities). [9]



The Law of the Republic of Uzbekistan "On the State Budget of the Republic of Uzbekistan for 2021" dated December 25, 2020 provides for the regulation of inter-budgetary relations, as well as the budget of the Republic of Karakalpakstan for 2021, inter-provincial and local budgets of the city of Tashkent, specific features of the formation of district and city budget revenues are presented, according to which it was determined that several types of taxes will be transferred in full to the budgets of districts and cities, the budget of the Republic of Karakalpakstan, regional budgets, and the budget of the city of Tashkent. Country of the Budget Code of the Republic of Uzbekistan lists the forms of inter-budgetary transfers, which include subsidies, transferable income, subsidies, budget loans, mutual settlement funds, and regulatory budget transfers and targeted social made in the form of transfers. In today's global era, in many studies conducted in the field of public finance management, the budgetary system budgets are scientifically based on determining the sources of income and regulating inter-budgetary relations through taxes, and the distribution of taxes between different levels of budgets, the budget provision of regions in the allocation of transfer budgets. great attention is being paid to increase the level.

## Conclusion

In conclusion, it should be noted that the factors of improving the activities of local representation and executive bodies in ensuring the effective implementation of local budgets are different. This is done using the statistical data of the previous and current year.

Inter-budgetary relations refer to a separate stage of the process of budget formation and its implementation, which is the core of the state financial system. The content of such a series of relations is determined by the objective function of this stage, that is, redistribution of financial resources with the participation of state budgets of different levels, which is adequate to the method of organization of state power and management.

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