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## Directions of Optimization of the Local Budgets Revenue Management System

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**Abstract:** The article examines measures to solve problems associated with increasing local budget funds, which is the most promising direction for optimizing the local budget revenue management system.

**Key words:** local budget, efficiency, tax base, budget revenues, budget expenditures, consolidation, financial independence.

### INTRODUCTION

Today in our country, the optimization of the local budget revenue management system demonstrates in practice the presence of shortcomings in the analysis of local budget projects, the regulatory framework and the stages of local budget formation, which limit the efficiency of using local budget funds.

Optimization of the local budget revenue management system

The main and highest goal of optimizing the system of revenue management of regional budgets at the local level is aimed at creating decent living conditions for the country's population. There are a number of significant negative factors that hinder the optimization of the system of revenue management of local budgets, which, of course, indicates the need to optimize the system of revenue management of local budgets. Including:

- as a result of the transfer of funds from local budgets to higher budgets, exceeding the forecast parameters the inability to independently manage their income, which is why district authorities were not interested in expanding the tax base;
- does not provide guaranteed financing for socio-economic development programs of local government bodies ;
- limited financial capacity of local authorities and their dependence on allocations from the central budget;
- This also includes the fact that social workers (education and health care), included in the local budget, do not have a stable income base to cover the large costs of maintenance.

### LITERATURE ANALYSIS AND METHODOLOGY.

the system of managing local budget revenues , improve the legislative framework related to the formation of budget funds, improve financial support issues, and increase the efficiency of resource use.

The authors Zainalov Zh.R. and Khusanov B.Sh. practically and theoretically studied the problems associated with the efficient use of income and expenditure of local budgets and the management of the efficiency of their use [1].

Author B. Turabov, "... strengthening budget discipline, increasing the efficiency of their use and " Issues of increasing efficiency " [2].

Ismoilova Ya.S. The most promising direction for the effective use of local budget funds is results-oriented budgeting and the program-targeted budgeting method [3].

Meyliev O.R. [4] scientifically researched ways to increase land tax revenues while ensuring the stability of local budget revenues.

### ANALYSIS AND RESULTS.

In the process of economic reforms aimed at the formation and improvement of budget revenues, which have been implemented in the budget system of our country and are consistently continuing today, much attention is paid to the efficiency of using budget funds. Today, local budgets are an important component of budget financing. If we analyze the current situation, then local budgets system local demand - needs more complete satisfy And states centralized to do increases events execution With circle connected in case execution do opportunity Creation gives . Local power to the authorities local budget their income increase And resources thrift With expenses task will be loaded .

**Table 1. Karakalpakstan Republic budget , regions And Tashkent city local budgets income , expenses parameters , in percent[5]**

T/p	Regions Name		2021	2022	2023
1.	Karakalpakstan Republic	Income	5.4	5.4	5
		Expenses	7.2	6.8	6.7
2.	Andijan provinces	Income	7.9	7.1	6.9
		Expenses	8	8.2	8.3
3.	Bukhara region	Income	6.5	6.7	6.9
		Expenses	5.9	5.8	5.6
4.	Jizzakh provinces	Income	4.1	4	4
		Expenses	4.2	4.5	4.4
5.	Kashkadarya provinces	Income	8.6	8.1	8.3
		Expenses	10.3	9.8	10.5
6.	Navoi provinces	Income	5.2	5.1	5.5
		Expenses	3.9	3.8	3.8
7.	Namangan region	Income	6.6	6.7	6.8
		Expenses	8.1	8	8.4
8	Samarkand provinces	Income	9	9.1	9
		Expenses	9.3	8.7	9.1
9.	Surkhandarya provinces	Income	5.9	5.7	5.5
		Expenses	7.5	7.8	7.9
10.	Syr Darya provinces	Income	2.5	2.6	2.6
		Expenses	3.2	3.1	3.1
11.	Tashkent provinces	Income	10.1	10.2	10.7
		Expenses	7.5	7.8	7.4
12.	Fergana provinces	Income	9.8	10	9.9
		Expenses	9.6	9.8	9.6
13.	Khorezm provinces	Income	4.9	5.2	4.9
		Expenses	5.2	5.4	5.3
14.	Tashkent city	Income	13.5	14	14
		Expenses	10.1	10.5	9.8
	<b>General</b>		100	100	100

The results of the analysis show that the efficiency of using local budget funds is explained by the growth in the volume of budget expenditures, while in Kashkadarya, Fergana regions and the city of Tashkent, the level of local budget expenditures is relatively higher than the rest, amounting to 10.5%, 9.6% and 9.8%, respectively, compared to the forecast for 2023. The lowest indicator of

local budget expenditures in the state budget - 3.8 percent - was recorded in the Navoi region, which can be classified as a local territory that has the ability to cover its expenses at the expense of local budget revenues.

## **CONCLUSIONS AND SUGGESTIONS.**

In areas of increasing the efficiency of using local budget funds, it is advisable to implement the following proposals and recommendations:

- Current circumstances require the expansion of the powers of local government bodies in the area of reforming the budget system, improving and implementing the organizational and legal framework for strengthening the revenue base of local budgets.
- It is recognized that the overspending of local budget revenues should be left at their disposal in full;
- 10% of the proceeds from the sale of state assets and the lease of state property shall be transferred to the republican and regional budgets, and the remaining 15% shall be directed towards strengthening the material and technical base of enterprises producing export products in the district and stimulating the creation of new jobs;
- a procedure for calculating the property tax of individuals based on the cadastral value of real estate, determined in accordance with the legislation, has been introduced. This creates the possibility of increasing the revenues of local budgets due to this type of income;
- Insufficient powers of local government bodies to increase or decrease local tax and fee rates in excess of the established amounts, based on the characteristics of the district. Although it is envisaged that the funds released through the optimization of budget organizations and staffing levels within the established standards should be directed to increasing the reserve funds of the district budget and used in the established manner, the work carried out in this direction is unsatisfactory.
- the inability of local government bodies, financial authorities and state tax service bodies to fully utilize the opportunities to identify reserves for additional tax revenues to the budget. Additional funds from the local budget can be directed to the implementation of programs for the socio-economic development of the district, including priority investment projects, and the improvement of living conditions of the population.

It is necessary to further expand the powers of local government bodies in the budgetary sphere:

- deficit in expenditures due to the redistribution of excess revenues generated during the planning of a separate district budget;
- parts of the tax on income of legal entities (except for that paid by non-residents of the Republic of Uzbekistan operating through a permanent establishment in the Republic of Uzbekistan , as well as that withheld at the source of payment from the income of non-residents) within the limits of income remaining in the district;
- It is necessary to further strengthen the powers to transfer part of the funds from the overfulfillment of the income forecast to the budgets of the relevant districts and cities for the implementation of district socio-economic development programs .

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