



Improving the State Budget

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Abstract: *This article presents opinions on ways to improve the state and local budget of the Republic of Uzbekistan. In addition, suggestions and recommendations were developed regarding the proper distribution of local budget funds, improvement of the budget situation.*

Keywords: *budget, state budget, local budget, budget situation.*

Date of Submission: 05-11-2023

Date of Acceptance: 06-12-2023

President of the Republic of Uzbekistan Sh. Mirziyoev's Decree "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan" adopted to further increase the effectiveness of the reforms, create conditions for comprehensive and rapid development of the state and society, modernize our country and all spheres of life. In order to implement the priority directions for liberalization, the Action Strategy for five priority directions for the development of the Republic of Uzbekistan in 2022-2021 was approved¹. The priority areas of economic development and liberalization occupy a particularly important place in the Strategy of these Actions.

In the implementation of comprehensive economic reforms in the country, which is on the path of building a democratic state of Uzbekistan, further improvement of the financial system, types of the financial system and the mechanism of their implementation are important issues. In the conditions of modernization of the economy, increasing the effectiveness of the priority directions of the reform of the financial system, including further liberalization of the financial system, is of particular importance. In 2022, as a result of targeted measures, it was achieved that the increase of budget revenues over its expenses will be at the level of 4.1 percent of GDP. In general, to achieve such results in the field of the state budget, it is necessary to gradually change and liberalize the structure of our country's economy, optimize state budget expenditures by transferring several tasks that were previously the responsibility of the state to the private sector, develop new industrial directions, and factors such as the strengthening of the financial situation of the private sector, as well as the increase of its role and share in the economy of our country had a significant impact.

Health of state finances, stability of state budget revenues, ensuring the perfect ratio of sources of their formation are of great importance at the current stage of reforms in the budget and tax sphere in our country. There are scientific and theoretical views on the role of direct taxes in the formation of state budget revenues in the conditions of economic modernization. For example, achieving the stability of budget revenues, ensuring the balance between direct and indirect tax revenues, while waiting for a solution to increase the stability of direct tax revenues in the budget revenues, are considered as urgent issues. In fact, the state and taxpayers are equally interested in legally reducing the level of the tax burden, determining the optimal tax burden and keeping it in practice, among the

¹ O'zbekiston Respublikasi Prezidentining "O'zbekiston Respublikasini yanada rivojlantirish bo'yicha harakatlar strategiyasi to'g'risida" gi PF-4947 Farmoni.// xalq so'zi.8 fevral 2017 yil

reforms that are being implemented in the directions of improving the mechanism of the country's financial system. Because the optimal tax burden provides constant income for the state budget if it stimulates financial and economic activities of enterprises. In an economy based on the principle of determining the perspective of budget revenues, the financial policy is considered to be somewhat clear, convenient and acceptable, to correctly and clearly define the prospects of the socio-economic development of the country and to ensure the effectiveness of the strategies developed within the tasks aimed at it and the reforms implemented. finding proof.

Many developing countries are developing ways to in-depth study of the extensive and rich experiences gathered in developed countries in terms of improving the mechanism of the country's financial system and applying them to the national economy. Including, today in the Republic of Uzbekistan, serious attention is being paid to the development of forecasts based on their perspective on the directions of improvement of the functioning mechanism of the financial system. However, the attitude and attention to the study of all the achievements and advantages of this field, which has not yet been fully opened for our republic, cannot be regarded as satisfactory. causes the necessity. This requires, first of all, to understand the specific aspects of improving the implementation mechanism of the country's financial system, such as the content, tasks, features, methods, and efficiency.

In the table below, we will familiarize you with the calculated statistics of the state budget income indicators in 2022-2023

	Indicators	February 2022	2023 is the year		GROWTH		An increase over February 2022	
			January	February	Amount	%	Amount	%
	State budget revenues	13 725.7	14 928, 0	16 148, 2	1 220.2	108.2	2 422.5	117.6
1	Direct taxes	5 377.4	4 389.8	6 412.2	2 022.4	146.1	1 034.8	119.2
2	Indirect taxes	5 200.9	6 884.0	5 985.4	-898.6	86.9	784.5	115.1
	- VAT by tax authorities	2 534.5	3 336.0	2 785.8	-550.2	83.5	251.3	109.9
	- VAT by customs authorities	2 859.2	3 087.6	2 965.0	-122.6	96.0	105.8	103.7
	- VAT reimbursement (refund)	- 1,599.8	- 1 161.9	- 1 641.3	-479.3	141.3	-41, 5	102.6
3	Resource taxes and property tax	2 111.3	1 948, 0	2 186.8	238.9	112.3	75.5	103.6
4	Other income and non-tax income	1 036, 1	1 706.2	1 563.8	-142.5	91.6	527.7	150.9

Studies show that the rational organization of financial policy plays an important role in shaping the economic activity of economic entities. For this reason, the study of ways to improve the functioning mechanism of the financial system and the development of scientific proposals and practical recommendations aimed at improving the budget tax policy, taking into account the specific conditions existing in our republic, determine the relevance of the topic of the article's research work. In solving these problems, the need to develop scientific proposals and practical recommendations aimed at improving the implementation mechanism of the country's financial system determines the relevance of the topic.

The purpose of the study is to develop a scientific-practical conclusion and recommendations aimed at improving the functioning mechanism of the financial system of the Republic of Uzbekistan. To achieve this goal, the following tasks were defined:

- to study the mechanism of the financial system and its general theoretical foundations;
- study the main aspects of the content and mechanism of the financial system;
- study the main field of the financial system and directions of operation;
- study the institutional foundations of the financial system;
- analysis of the current state of the mechanism of implementation of the financial system;
- Analysis of the state budget of the Republic of Uzbekistan;
- analysis of the budget and tax policy of the country to ensure the implementation of the financial system;
- analyzing the results of the banking system in ensuring the stable development of the financial system;
- development of proposals and recommendations on ways to improve the mechanism of the financial system;
- development of proposals and recommendations on directions for improvement of the state and municipal budget situation;

Development of proposals and recommendations on ways to reduce the tax burden in strengthening the financial system in the Republic of Uzbekistan; The main issues considered in the research process are as follows: the mechanism of the financial system and its general theoretical foundations were studied, the current state of the mechanism of the financial system was analyzed, the state budget of the Republic of Uzbekistan was analyzed, the implementation of the financial system was analyzed the budget and tax policy of the country was analyzed, proposals and recommendations on ways to improve the mechanism of the financial system were developed, proposals and recommendations were developed on ways to reduce the tax burden on strengthening the financial system in the Republic of Uzbekistan, dynamic lake analyzes were carried out through indicators and conclusions were made in the causal relationship. The scientific conclusions and practical recommendations reflected in the article, i.e., directions for improving the functioning mechanism of the country's financial system, can allow further improvement of the country's financial system, effective organization of state budget revenues and expenses. Despite this, the directions of improvement of the financial system's functioning mechanism were not analyzed as a special independent research object in the scientific research of the above economist-scientists.

There are a number of problems in this area, which have a negative impact on the mechanism of the country's financial system, in particular, on ensuring the completeness of state budget revenues and on the development of business activities in our country. Determining the causes of the above-mentioned problems, development of scientific proposals and practical recommendations aimed at preventing their occurrence and eliminating them is of scientific and practical importance. Therefore, the fact that the theoretical-methodological foundations of the country's financial system have not been thoroughly researched in terms of the directions for improving the implementation mechanism determines the urgency of this problem and is the basis for choosing this topic as an independent research object. The methods of monographic observation, abstract-logical thinking, grouping, comparative analysis, expert assessment, forecasting and other economic-statistical analyzes were used as a basis. The use of theoretical, methodological and practical results and conclusions of the research for the purpose of improving the functioning mechanism of the

country's financial system and increasing their effectiveness, and further improving the legal and regulatory documents related to the functioning mechanism of the financial system is of significant scientific and practical importance. Also, the results and conclusions of scientific research in certain areas can be used in the teaching of economic directions of higher educational institutions and in the improvement of training manuals and textbooks related to the financial system.

The practical proposals and recommendations developed in the study can be widely used to improve the functioning mechanism of the financial system. The main innovations of the scientific work are as follows:

- the functioning mechanism of the financial system and its general theoretical foundations were studied;
- the main aspects of the content and mechanism of the financial system were studied;
- the main field of the financial system and directions of operation were studied;
- the institutional foundations of the financial system were studied;
- the current state of the financial system implementation mechanism was analyzed;
- State budget of the Republic of Uzbekistan was analyzed;
- the budget and tax policy of the country was analyzed to ensure the implementation of the financial system;
- the results of the banking system in ensuring the stable development of the financial system were analyzed;
- proposals and recommendations on ways to improve the mechanism of the financial system were developed;
- proposals and recommendations on improving the state of the state and municipal budget were developed;
- Proposals and recommendations on ways to reduce the tax burden in strengthening the financial system in the Republic of Uzbekistan were developed;developed

Budget-tax policy in a broad sense is macroeconomic stability and solid economic growth, ensuring structural changes in the economy, gradually liberalizing foreign economic activity and the foreign exchange market, ensuring stable material well-being of the population and increasing social protection of the population. From the point of view of the implementation of the budget and tax policy in practice, it is important to determine the correct compatibility between the primary tasks.

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