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SYSTEM OF FINANCIAL REGULATION OF HOUSEHOLDS INCOME UNDER MODERN CONDITIONS

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Summary. Theoretical and applied aspects of financial regulation of households' incomes are investigated in the article. The necessity of financial regulation of households' incomes is underlined. Priority lines of financial regulation of households' incomes are described.

Key words: households' incomes, sources of households' incomes formation, mechanism of households' incomes formation, financial regulation of households' incomes

Market transformations which are taking place in economic and social sphere are one of the most complex and pressing issues of today, because it is difficult to evaluate them objectively and select effective tools to influence them. Actual household income is a measure that reflects the final consumption of the population and is the basis for assessment of living standards in Ukraine.

It should be stressed that today insufficient attention is paid to the financial regulation of household income, that is why the research is related to the assessment of indicators of income, the real analysis of trends and patterns in their dynamics, and aimed at finding effective ways of improving methods and mechanisms of subsequent income growth and therefore of its life, at present are important in both theoretical and practical aspects.

It should be noted that the vast majority of scientific works devoted to incomes regulation are related to specific aspects of the problem, so it is necessary to study the mechanism of sound financial regulation of household income with attention to modern realities.

The main purpose of financial regulation of household income is the equitable distribution and redistribution of financial resources among households, on the basis of their possession of maximum possible amount of income.

Taking into consideration that economic literature highlights different approaches to interpretation of the term "financial regulation" most scholars con-

sider it to be a method of targeting and management of state influence on socio-economic processes to ensure the needs of society on both micro-and macro levels.

Financial regulation is "the system of distribution processes regulation in society at macro and micro levels, which makes it possible not only to generate the necessary financial resources, but also by means of appropriate financial instruments (taxes, fees, royalties, subsidies, grants) to exert influence in different areas of social development".

We have outlined the main areas of financial regulation of household income, including financial regulation in the field of income, taxes, wages, pensions and social benefits.

Formation of household income depends on the economic growth of the country. During the recent years, official statistics in Ukraine fixed the growth of cash income of households and the reduction of the proportion of positive income and transfers such as incentives and subsidies. However, the actual level of household income remains very low. So far there is a need for the formation of regulation mechanism of financial income. The effectiveness of the mechanism of financial regulation of household income should be based on the consideration of the results of studies of foreign and domestic scholars in this field, use of market mechanisms and instruments for incomes regulation.

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