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THE ROLE OF LOCAL BUDGET IN THE SOCIO-ECONOMIC DEVELOPMENT OF LOCAL COMMUNITIES

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Summary. This paper analyzes the concept of budget development, identified the major problems of its formation and the main problems that exist at present. Also, the analysis of the development budget territorial community of Sumy city.

Key words: *budget development, local community costs, socio-economic programs.*

The budget is part of a special fund expenditures. At the same time, the development budget is the basis for funding social and economic programs of the territorial community of the city budget. Budget for local development is one of the indicators for assessing the quality of life in local communities. Budget expenditures are directed to the development of expanded reproduction, implementation of investment programs (projects), construction, repair and reconstruction of the social sphere and housing, development of road management and more. Meanwhile, the budget revenues of local budgets in Ukraine, even with some improvements embodied in the new version of the Budget Code currently unable to secure financing needs in the areas of capital investments. In view of this, the problem of budget revenues of local budgets do not lose their relevance in the future.

The article is an analysis of expenditures of territorial community. Amounts and identify problems and prospects for its improvement.

A special role in the socio-economic development areas play a capital expenditure, which under current legislation should focus on the development budget.

Today, due to increased centralization of budget planning, almost lost relationship between local governments and programs of socio-economic development areas. Really a situation where important macroeconomic parameters does not affect the determination of the scope of local budgets, budgets are, due to the limited resources available are not able to provide social and economic growth at the local level. These conditions are particularly important transfers from the state budget, including investment grants.

To stimulate regional development should identify problem area to which include not only the "worst" for performance, but also all those with the socio-economic development is much lower than the country average (say, within 25 % deviation).

The current system of the revenue and expenditure of the budget is not perfect, and requires further improvements. Budget development is a key component of social and economic development of local communities, and must provide their current needs and determine the main directions of development of the area. For complete these tasks as necessary to strengthen the revenue side of the budget development and make optimal expenditure budget structure.

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