

Myroslava Tymots, Candidate of Economic Sciences,
Associate Professor,
<https://orcid.org/0009-0001-0266-1756>
King Danylo University, Ivano-Frankivsk

THE POLICY AS A BASIS FOR THE UKRAINIAN BUDGET

Summary

This article is devoted to the analysis of the role of tax policy in the construction of the budget of Ukraine, discovering its advantages and disadvantages and also to consideration of prospects for further growth. Tax policy plays a key role in the formation of the budget of Ukraine. The main part of the initial expenses is financed by tax revenues. However, the existing tax system has a number of disadvantages that negatively affect the economy. The main goal of the tax policy is to provide the budget with sustainable revenues for financing the state expenditures. The dynamics and structure of tax revenues have been analyzed, as well as their influence on financing of the expenditure part of the budget. The main part of tax revenues is made up of internal taxes on goods and services.

The article analyses the current state of public finances in Ukraine, in particular the state budget and the debt burden. The relevance of the researched topic is due to the necessity of building an effective system of state finances, which have a special value in the conditions of cyclical economic fluctuations and decline of productive forces, decrease of social living standards, decrease of competitiveness of our country and martial law. In order to perform these functions, state finances should have an adequate and optimal resource base.

The dynamics and structure of government debt are presented, as well as the dynamics of the debt burden for 2017-2022. It is grounded that the growing debt dependence of the Ukrainian government will significantly weaken the fiscal capacity of the state. In general, the stability of the public finance system, taking into account the existing challenges and threats.

The implementation of the state budget of Ukraine is analysed in terms of revenues, expenditures and borrowing. Revenues of the state budget in 2022 increased due to the international financial assistance, which constituted more than a quarter of all incomes of a state budget.

Positive changes in the structure of tax revenues are called growth of the share of income tax. To improve the tax system, it is proposed to simplify the tax burden on business, improve tax administration. It is noted that the implementation of tax policy will contribute to economic growth, increasing investment of Ukraine.

Keywords: taxes, tax policy, budget revenues and expenditures, efficiency.

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