

THEORETICAL FUNDAMENTALS OF INTER-BUDGETARY RELATIONS IN THE NEW CONDITIONS OF LOCAL SELF-GOVERNMENT DEVELOPMENT

The article is devoted to one of the most important problems of contemporary development of local government.

In the context of European integration, the formation of an effective and efficient public administration system capable of implementing systemic and consistent solutions is of particular importance. One of the most important problems facing the public finances of each country is the effective organization of relations within the budgetary system. That is the relationship between the central government budget and the budgets of local governments in the area of the redistribution of financial resources. Typically, they are caused by objective differences in the levels of development of individual territories. In the budget system of Ukraine, the presence of intergovernmental budgetary relations is conditioned by the existence of a hierarchical system of budgets and a lack of own funds. This is exactly what they need to be transferred from higher level budgets. The practice of transferring funds to budgets of another level in Ukraine has not proved the optimality of the current model of transfer provision and necessitated a change in the mechanism of their provision. In these circumstances, the formation of reliable theoretical and methodological foundations of the nature of intergovernmental relations in the conditions of formation of self-sufficient territorial communities is especially relevant.

The article is devoted to the theoretical and methodological essence of inter-budget relations in the conditions of formation and development of local self - government. The basic theoretical principles, characteristics, essence, principles and organization of inter-budget relations in Ukraine are outlined. The attention is given to outlining the problematic aspects of the functioning of inter-budget relations in the conditions of development of self-sufficient territorial communities. The corresponding distribution of revenues and expenditures of the budgets, which is necessary for the proper performance of functions by the authorities, ensuring the exercise of their powers in the process of regulating inter-budget relations, is considered.

Keywords: *inter-budget relations; budget; local budgets; budget system; inter-budget transfers; budget revenues; budget expenditures.*

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