

INCREASING LOCAL BUDGET REVENUES THROUGH THE IMPROVEMENT OF LAND AND PROPERTY TAXES

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Abstract

Today, one of the priorities of the state financial policy is to ensure the financial stability of the regions, expand the revenue base of local budgets and provide socio-economic development programs with sufficient financial resources. Local budget revenues serve as an important source of financing education, healthcare, infrastructure, landscaping, utilities and other socially significant activities in the regions. Therefore, the development of sustainable and effective mechanisms for increasing local budget revenues and the full use of the existing tax potential is one of the urgent issues.

Land and property taxes are one of the most important fiscal tools in the formation of local budget revenues. The peculiarity of these taxes is that they are directly related to the real estate and land resources available in the territory. Therefore, the correct and effective organization of these taxes will allow the territories to expand their sources of income, increase their financial independence and ensure the stability of local budgets. As the scale of land and property use expands, the improvement of the taxation base of these objects can form additional sources of income for the local budget.

The fiscal efficiency of land tax depends primarily on the full accounting of land plots, the accuracy of their legal status and status of use, as well as the truthful formation of the taxation base. Inefficient use of land resources, the exclusion of some land plots or obsolescence of information can lead to a decrease in budget revenues. In this context, it is important to strengthen the mutual integration of land cadastre and tax data, monitor land bodies based on digital technologies, and regularly update existing data.

There may be similar problems with property taxes. Determining the true value of real estate objects, accounting for newly established or reconstructed objects, updating information on property owners and forming a complete list of taxable objects are important conditions for increasing local budget revenues. Therefore, improving the property valuation system

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and ensuring its compliance with market conditions can increase the fiscal efficiency of tax revenues.

In modern conditions, digitalization processes play a special role in improving land and property taxes. The integration of cadastre, tax, state registration and other databases will expand the possibilities for identifying and controlling taxation objects. Also, the development of electronic services will create convenience for taxpayers and contribute to the timely fulfillment of tax obligations. This will increase the efficiency of tax administration and ensure the stability of budget revenues.

When improving land and property taxes, it is also important to rationalize tax rates and incentives from an economic standpoint. Excessive tax burdens can have a negative impact on economic activity, while too low rates lead to inadequate use of the existing fiscal potential of areas. Therefore, it is advisable to take into account the value of the property, the level of economic development of the area, the provision of infrastructure, and the financial capacity of taxpayers when setting tax rates.

In this regard, the improvement of land and property taxes is manifested as an important area for increasing local budget revenues. It is possible to expand the financial capacity of the territories by administratively simplifying these taxes, expanding the taxation base, developing digital control mechanisms and forming effective relationships with taxpayers. The main objective of this study is to analyze the role of land and property taxes in the formation of local budget revenues and to develop scientific and practical proposals to increase the revenue potential of the regions through their improvement.

Based on the scientific and theoretical analyses conducted, it can be concluded that land and property taxes are important in the formation of sustainable sources of income of local budgets. The peculiarity of these taxes is their direct relationship with the existing land and real estate objects in the territory. Therefore, by improving these taxes, it is possible to more fully mobilize the fiscal potential arising from the existing property and land resources of the territories.

The increase in revenues from land and property taxes is primarily due to the full accounting of taxable objects and the truthful formation of the tax base. The completeness and accuracy of information on land plots and real estate

objects increases the quality of tax calculations. In this context, the integration of information in the cadastre, tax and state registration systems, regular updating of available data and identification of objects that are excluded from taxation is an important condition for increasing local budget revenues.

The results of the study show that the use of digital technologies in the management of land and property taxes can significantly increase the efficiency of tax administration. The possibility of quick identification and control of tax objects will expand through the interintegration of electronic cadastral data, digital maps, automated calculations and information systems. As a result, errors in the calculation of tax revenues will be reduced, and it will be possible to more accurately determine the forecast indicators of budget revenues.

Improving the property tax base is also of particular importance. Taking into account the real economic value of real estate, timely registration of newly built facilities, and updating information on existing facilities will serve to increase budget revenues. At the same time, when improving the property valuation system, taking into account factors such as the location of the area, the level of infrastructure, the type and economic value of the object can ensure a fair distribution of the tax burden.

As for land tax, it is important to identify land plots that are not being used or used inefficiently, in addition to improving the efficiency of land use. The return of such objects to economic circulation will ensure efficient use of land resources, on the one hand, and on the other hand, expand the tax base of local budgets. Therefore, it is necessary to strengthen monitoring of land resources and link relevant information with the tax system.

The economic justification of tax rates and the system of preferences is also important in improving land and property taxes. In addition to fiscal interests, the economic opportunities of the population and business entities should also be taken into account in tax policy. An optimal setting of the tax burden will help taxpayers meet their obligations in a timely manner and prevent informal economic activities. Incentives should be directed to a specific social or economic goal, and their impact on the budget should be regularly assessed.

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Also, building effective relationships with taxpayers is an important factor in increasing land and property tax revenues. Providing insightful information on tax liabilities, payment terms and calculation procedures, expanding access to e-services, and creating a favorable administrative environment for taxpayers will improve tax discipline.

In general, the improvement of land and property taxes creates an important opportunity for expanding the revenue base of local budgets, strengthening the financial independence of the territories and effective use of available property resources. For this, it is necessary to fully account for taxation objects, integrate cadastral and tax information, widely introduce digital technologies, economically justify tax rates and improve tax administration. Consistent implementation of these measures will ensure a steady growth of local budget revenues, as well as expand the necessary financial opportunities for the socio-economic development of the regions.