INSTRUMENTS FOR MANAGING THE STATE BUDGET AND PUBLIC DEBT

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Abstract: *A government budget is a financial plan that sets out the government's expected revenues and expenditures for a given period. It serve as a roadmap for resource allocation and ensure efficient use of public funds. Public debt is the total amount of money a government owes to lenders. It arises from budget deficits when spending exceeds revenue.*
Key words: *State budget, recession, growth, debt restructuring, fiscal discipline, economic growth, deficit spending.*
Annotasiya: *Davlat byudjeti - bu davlatning ma'lum bir davr uchun kutilayotgan daromadlari va xarajatlarini belgilaydigan moliyaviy reja. Maqolada ushbu resurslarni taqsimlash va davlat mablag'laridan samarali foydalanishni ta'minlash bo'yicha yo'l xaritasiga oid ayrim mulohazalar keltirilgan.*
Kalit so'zlar: *Davlat byudjeti, turg'unlik, o'sish, qarzni qayta tuzish, fiskal intizom, iqtisodiy o'sish, defitsit xarajatlari*

State budgets and public debt. State budgets are a complex and multifaceted aspect of public finance that plays a crucial role in shaping the economic and social landscape of a region. They represent the financial blueprint of a state, outlining the allocation of resources to various public services, programs, and infrastructure projects. Understanding the dynamics of state budgets, including revenue sources, expenditure categories, tax policies, and public debt management, is essential for informed policymaking and responsible governance.

Revenue sources**.** State governments generate revenue primarily through taxes, such as income taxes, sales taxes, and property taxes. They also receive federal funding, which often comes in the form of grants for specific programs or projects. Other revenue sources include fees, fines, and licenses. Expenditure Categories state budgets allocate funds to various public services, such as education, healthcare, transportation, and public safety. They also cover debt service, pension obligations, and other administrative expenses.

Budget cycle states typically follow a budget cycle that involves budget preparation, legislative approval, and execution. The budget process is often influenced by economic conditions, political priorities, and public opinion. Taxes collected to the budget. Income taxes are levied on individuals and corporations, based on their earnings. These taxes can be progressive, meaning that higher earners pay a larger share of their income in taxes. Property taxes are levied on the value of real estate and personal property. They are a major source of revenue for local governments, but some states also rely on property taxes to fund state services. Revenue generation taxation is the primary source of revenue for state governments, providing funding for essential public services and programs.

Economic regulation tax policies can be used to influence economic behavior, such as discouraging certain activities or incentivizing investment in specific industries. Taxation is used to redistribute wealth from higher-income earners to lower-income earners through programs such as social security and education assistance. Social taxation can affect social outcomes by shaping access to health care, education, and other basic services.

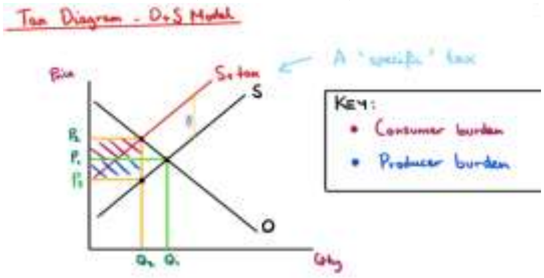

Fig. 1. Trends in State Tax Policies.

Tax cuts. Many states have implemented tax cuts in recent years, aiming to stimulate economic growth and attract businesses. Tax reform states are constantly reviewing and updating their tax codes to ensure fairness and efficiency, addressing issues like tax loopholes and shifting economic trends. Tax simplication states are working to simplify their tax systems to make them easier for taxpayers to understand and comply with. Debt management states have dedicated agencies or departments responsible for managing their debt, ensuring timely repayment and maintaining a healthy debt-to-revenue ratio.

Fiscal disclipline states must balance their budgets and control spending to avoid excessive debt accumulation and maintain financial stability. Debt reduction states may implement measures to reduce their debt levels, such as raising revenue, cutting spending, or refinancing bonds. Economic growth fiscal policies can stimulate economic growth by increasing government spending or reducing taxes, which can lead to increased consumer spending and business investment.

Job greation government spending on infrastructure projects and other programs can create jobs, boosting employment levels and reducing unemployment. Excessive government spending can lead to inflation, which can erode the purchasing power of consumers and reduce the value of savings. Fiscal policies that involve borrowing money can lead to an increase in public debt, which can place a strain on future budgets and limit the government's ability to respond to economic challenges.

State budgets are vulnerable to economic downturns, which can reduce tax revenue and increase demand for social services, making it challenging to balance the books. States with growing populations face increased demands for public services, such as schools, hospitals, and transportation, which can strain their budgets. Federal funding states are increasingly reliant on federal funding, which can be subject to political shifts and budgetary constraints, creating uncertainty in state finances.

Going forward, economic growth and technological advances will determine state government revenue streams and spending priorities. To manage spending and ensure fiscal sustainability, states will need to embrace innovation and efficiency in their operations. State budget management requirements and proposals:

- Transparency and accountability;
- Clear and detailed presentation of the distribution of sources of income and expenses;
- Regular inspections to ensure financial integrity;
- Public access to budget information;
- Fiscal Stability;
- A balanced budget or a manageable deficit to prevent excessive debt accumulation;
- Priority of essential services and efficient allocation of resources;
- Long-term planning to solve future financial problems;
- Economic Growth:
- Investments in infrastructure, education and health to promote economic development;
- Support for business and job creation;
- Policies promoting innovation and entrepreneurship;
- Social Equality:
- Equal distribution of resources and services between different groups of the population;
- Elimination of poverty and inequality through targeted social programs;
- Protection of vulnerable populations.

Proposals for public debt management:

- Debt Reduction Strategy:
- Increased tax revenue through effective tax collection and reforms;
- Reduce government spending by eliminating ineffective programs;
- Privatization of public assets to generate income;
- Debt Restructuring:
- Negotiate with creditors to extend payment terms or lower interest rates;
- International financial institutions looking for debt relief;
- Debt Stability:
- Maintaining a stable debt-to-GDP ratio;
- Transparency and Accountability:
- Regular disclosure of debt levels and repayment obligations.
- Independent oversight of debt management practices.

Specific Considerations for Uzbekistan:

- Economic Diversification: Reducing dependence on natural resources and promoting industrialization.
- Foreign Investment: Attracting foreign capital to support economic growth and infrastructure development.
- Corruption Reduction: Implementing measures to combat corruption and improve governance.
- Social Safety Nets: Strengthening social programs to protect vulnerable populations.

Additional Considerations:

- Global Economic Trends: Monitoring global economic conditions and adjusting policies accordingly.
- Climate Change: Incorporating climate change mitigation and adaptation measures into budget planning.
- Technological Advancements: Investing in research and development to promote technological innovation.

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