

**CHARACTERISTICS OF FORMATION OF BUDGET REVENUES IN THE RELEASED
AREAS
ХАРАКТЕРИСТИКИ ФОРМИРОВАНИЯ ДОХОДОВ БЮДЖЕТА НА ОСВОБОЖДЕННЫХ
ТЕРРИТОРИЯХ**

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The state budget plays an important role in conducting socio-economic policy. As a result, a unified economic and financial policy is being pursued. The difference between the revenues and expenditures of the state budget characterizes the current financial situation of the country. The formation of the revenue side of the state budget through the application of modern industrial technologies plays a special role in the development of the national economy in accordance with the current conditions, as well as in the development of social welfare. Due to its economic nature, the state budget is also a relationship between the state and legal entities and individuals for the distribution of domestic income. These relations are related to the creation and use of the budget fund to finance the strengthening of the country's defense, as well as the implementation of measures in various sectors of the economy. Such planning is important for economic development, and in all three, an annual budget plan is prepared first.

Keywords: *Legislative base and analysis of the state budget, dynamics of budget revenues and analysis of the current situation, formation of budget revenues.*

Государственный бюджет играет важную роль в проведении социально-экономической политики. В результате проводится единая экономическая и финансовая политика. Разница между доходами и расходами государственного бюджета характеризует текущее финансовое положение страны. Формирование доходной части государственного бюджета за счет применения современных промышленных технологий играет особую роль в развитии национальной экономики в соответствии с текущими условиями, а также в развитии социального обеспечения. По своей экономической природе государственный бюджет также представляет собой отношения между государством и юридическими и физическими лицами для распределения внутреннего дохода. Эти отношения связаны с созданием и использованием бюджетного фонда для финансирования укрепления обороны страны, а также с реализацией мероприятий в различных отраслях экономики. Такое планирование важно для экономического развития, и во всех трех случаях в первую очередь готовится годовой бюджетный план.

Ключевые слова: *Законодательная база и анализ государственного бюджета, динамика доходов бюджета и анализ текущей ситуации, формирование доходов бюджета.*

JEL: H6, H72

Budget legislation regulates budget processes in any state. Budget legislation means the Constitution of the Republic of Azerbaijan, laws and other normative legal acts on the state budget adopted in accordance with the Law on Budget System, the Law of the Republic of Azerbaijan on Budget System, as well as international agreements to which the Republic of Azerbaijan is a party [1].

The first law adopted on December 1, 1992, which has remained in force until now, is the Law on the Budget System. The economic reforms carried out have had a significant impact on the existing processes in the financial sector in the country, and this is reflected in the budget and tax issues. From this point of view, in order to eliminate the gaps in the existing legislation and bring the budget legislation in line with the requirements of the time, a special law "On the State Budget" of the Republic of Azerbaijan was adopted on May 18, 1999. The new law was intended to help the law on the budget system [5].

The validity of both laws, a number of gaps in the legislation, economic reforms in the country, as well as the establishment of new local governments after the municipal elections in the country, the measures taken in the financial sphere necessitated the development of a more comprehensive legal document [6].

The formation of an independent budget in the country came after independence. However, both the inability to establish an economic structure and the Karabakh war have already slowed down this process.

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The creation of a favorable investment climate in the country, as well as the signing of the contract of the century, contributed to economic development. In those years, it was almost too early to compare the state budget of Azerbaijan with the developed or developing countries of the world. However, the state budget, which is significantly increased each year compared to the previous year, can now be considered a class of state budgets of developed countries. The reason for the significant increase in the country's financial capacity was the successful implementation of the oil strategy in our country. One of the main priorities of the modern era is to increase state budget revenues in the non-oil sector of the Republic of Azerbaijan. If we pay attention to the forecasted indicators of income, expenditures of the population for 2018-2021, as well as the average salary, we can see that a certain increase is observed every year. If we compare the average monthly salary with last year, we can see that it is expected to increase by 0.5 percent to 549.7 manat next year. Thus, the amount of investments in fixed assets is projected at 15.9 billion manat in 2022, of which about 48.5 percent falls on foreign investment and the remaining 51.5 percent on domestic investment.

The main budget priorities for the next year are to eliminate the consequences of the war, strengthen national security and defense capabilities, restore and rebuild the liberated territories, take additional measures for social protection and continue the fight against the COVID-19 pandemic. The development of the non-oil sector is based on the draft budget. The Azerbaijani economy is expected to decline by around 4 percent in 2020. Amid a number of global uncertainties and shocks, inflation in the budget envelope for 2021 is projected to increase by 3 percent, GDP by 3.4 percent, and the exchange rate of the manat to the dollar to 1.7 manat.

In 2021, Azerbaijan's state budget revenues will be 25 billion 427 million manat or \$ 14 billion 966 million. Budget revenues amounted to 33.6 percent of GDP, 1 billion 303 million manat or 5.4 percent compared to the forecast for 2020, 1 billion 208.9 million manat or 5 percent compared to the current figures for 2019. is more.

When calculating the state budget revenues for 2021, the negative impact of the coronavirus (COVID-19) pandemic in 2020 will continue this year, changes in the energy market, the OPEC + agreement on the reduction of oil production, as well as forecasts of international financial institutions and Macroeconomic indicators of our country have been taken into account. Thus, 45.8 percent or 11 billion 651 million manat of state budget revenues fall to the non-oil sector, 54.2 percent or 13 billion 776 million manat to the oil sector.

Expenditures of the state budget for 2021 are projected at 28 billion 543 million manat (37.7 percent of GDP), which is 1 billion 50.8 million manat or 3.8 percent more than in 2020, 2019 This is 4 billion 117.1 million manat or 16.9 percent more than in the same period last year [7].

Rehabilitation measures in the liberated territories are the first budget for the 2021 state budget. Rehabilitation and reconstruction of cities and villages, creation of communication and other necessary infrastructure, modern infrastructure, roads, electricity, water, gas, as well as education, health, cultural facilities, housing in the draft budget for next year to ensure the Great Return to the liberated territories. construction of houses and restoration of cultural and historical monuments, etc. It is planned to allocate 2.2 billion manat to address such issues.

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