

## **STRUCTURAL STRUCTURE OF LOCAL BUDGET EXPENSES AND THEIR MANAGEMENT.**

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**Abstract:** As we all know, special attention is paid to local budget issues in our country. Large-scale work is being carried out. This article also provides information on the structural structure of local budget expenditures and their management.

**Keywords:** Republic, economy, instrument, budget, territory, property, funds, state, person, social, village, water, gas, education, politics, city, psychology, society, information, network, housing, youth.

First of all, let's dwell on the concept of a local budget. A local budget is a set of financial resources formed and spent at the level of a certain territory. The local budget is a component of the state budget and is managed by local authorities. The local budget has the following main tasks. These are:

1. Ensuring regional socio-economic development.
2. Providing social services to the population.
3. Developing and maintaining local infrastructure.
4. Implementing state policy in the localities.

The local budget has several areas. They are manifested in some areas. For example, in the social sphere. The education system, the healthcare system. In the utility sector, it is embodied in the areas of electricity, drinking water, and gas supply. The main areas of the local budget:

1. Social sphere expenses;
2. Utility and infrastructure expenses;
3. Local government expenses;
4. Security and law and order;
5. Environmental protection;
6. Agriculture and economic development:

In our republic, a number of works have been carried out in recent years to develop, improve and increase financial independence of the local budget system. First of all, the financial independence of local budgets has been increased. The revenue base of local budgets has been expanded. Some taxes, for example, income tax from individuals, will remain in the local budget. District and city budgets have gained the right to independently manage their resources. In order to ensure openness and transparency, information on the state budget and local budgets will be published in open sources. For example, through [openbudget.uz](http://openbudget.uz). The "Citizens' Budget" system has been introduced. The population can make their own proposals on how budget funds will be spent. The role of local councils has been strengthened. They have gained the authority to approve, monitor and analyze the budget. The obligation of governors to report on how they use the budget has been introduced. Systematic work has been carried out to ensure a fair distribution of tax revenues in the regions. To increase the revenues of local budgets, the calculation of land and property taxes was automated. Each region began to form a budget based on its economic capabilities. As a result of this work, competition between regions increased. Local budget expenditure management is primarily a set of processes for planning, distributing, targeted spending and controlling funds. This process is carried out on the basis of clear procedures and rules established by law.

#### 1. Planning (budget preparation)

Every year, local authorities draw up a budget expenditure plan for the next year. Needs are analyzed in such areas as education, healthcare, transport, utilities, and social protection. Based on this information, financial authorities develop a spending plan.

#### 2. Approval

The drawn up local budget draft is reviewed and approved by the local Kengash. If necessary, amendments may be made to the budget draft.

#### 3. Allocation of budget funds

Finance departments allocate the specified funds to each organization, institution and project based on the approved budget. The distribution takes into account the principles of priority, efficiency and expediency.

#### 4. Execution

Expenditures are made in accordance with the goals set out in the budget. Organizations are obliged to spend financial resources in the specified areas and within the specified deadlines.

#### 5. Accounting and financial reporting

All expenses are recorded in accounting. Financial authorities and interested organizations regularly submit reports.

#### 6. Control and audit

Inspections are carried out by state financial control bodies. The local council, the prosecutor's office and the State Audit Service monitor the legality and efficiency of expenses.

#### 7. Public participation and transparency

The population is informed about the budget process (public hearings for the budget, budget transparency portals). The media and NGOs can participate in budget execution.

The local budget is one of the most priority areas of the state financial system. It plays an important role in socio-economic development, well-being of the population, a good lifestyle and meeting the needs of the public at the local level. Management of local budget expenditures is a management system that ensures the targeted, rational and effective use of these funds. The process of managing local budget expenditures consists of several important stages: planning, approval, distribution, execution, accounting and control. At each stage, clear rules, procedures and responsibilities are established, the implementation of which increases trust and responsibility before the government and society. In particular, planning and the correct allocation of funds to priority areas are very important today for the needs of the population and the development of social sectors. A large part of local budget expenditures is allocated to areas such as education, healthcare, utilities, social protection. The level of financing in these areas is directly related to the quality of life of the population. Therefore, rational management of these expenditures ensures not only economic efficiency, but also social stability. In addition, transparency and public oversight of budget expenditures are becoming increasingly important in modern governance systems. In short, local budget expenditure management is not a simple allocation of funds, but a complex management system that requires a responsible and strategic approach. Improving this process can contribute to socio-economic development at the local level, increase the standard of living of citizens, and strengthen trust in the state. The management of local budget funds should be effective and transparent. These funds are directed to meet local needs, infrastructure, education, healthcare, etc. Also, in the process of budget management, the stability of revenue sources, rational distribution of expenses, and the effective functioning of the control system are important. Effective management of local budget funds increases the well-being of the population and contributes to economic development.

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