

THE IMPORTANCE OF FINANCIAL SECURITY OF THE BUDGET SYSTEM IN THE COUNTRY.

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Annotation: The importance of the financial stability of the state budget system, its factors and links are indicated. It is noted that incomes and expenditures of local state funds, their balance, the size of the budget and the volume of GDP distributed through it, sources of financing and treasury execution are the main factors of the financial security of the budget system. The indicators of the budget deficit in Uzbekistan by year are given

Key words: Budget, system forecast, finance GDP, indicator, Income, expenditure, security, deficit, treasury.

The financial sector of the state means the budget system and its security, as well as its important functions. Financial indicators are also a certain basis of the budget system. That is, the document of the budget system is implemented on the basis of financial digitalization. The state budget is a financial document that includes certain monetary incomes and expenditures of the country. Financial security of the budget system is a very important principle for the country's development. The financial security of the budget system is a concept that envisages a situation in which the solvency of the state is ensured, the balance of revenues and expenses of the state budget and local budgets is achieved, and the quality and reasonableness of the distribution of budget funds increases. Financial security of the budget system is achieved if the state's budget revenues and expenses are

balanced, as well as if the quality of its distribution is alternative and perfectly targeted. This requires prior prediction between numbers and functions. Budget controls are necessary to ensure that a government does not spend more than the amount legally appropriated by its governing body. By establishing clear spending boundaries, budget controls also promote accountability and bolster trust throughout the organization. Budget controls are applied to individual financial transactions and can be classified as “hard” or “soft.” A hard budget control does not allow a financial transaction, such as encumbering funds for a purchase order, paying an invoice, or approving a personnel requisition, to proceed if there are not sufficient funds available to cover the cost of the transaction in the budget. Conversely, a soft budget control does allow the financial transaction to proceed, but often with an alert to the staff personnel or a request for an additional level of approval.¹

Ensuring budget security in a country is measured by the balance and solvency of its local budget expenditures and revenues, as well as the size of the budget, the size of GDP distributed through the budget, and the existence of a budget deficit by its treasury performance. It is known from the main theories that the state budget is the main link of state finance. The state budget also represents socio-economic relations in a particular country. Depending on the economic structure of the society, the nature and activity of the state, the essence of the state budget, the nature and composition of its incomes and expenses are different. In industrialized countries, the state's active intervention in the economy, production, distribution and redistribution of national income causes an increase in the position of the state budget, the national income is collected at the disposal of the state, and the part of it that is redistributed through the budget increases. In 1995, the budget deficit in Uzbekistan was 3%, in 1996 it was 3.5%, in 1997 it was 2.2%, and in 2000 it was equal to 1% of the gross domestic product (32.8 billion soums). Extra-budgetary funds established in accordance with the current legislation (social insurance fund,

¹ <https://www.gfoa.org/materials/budget-control>

employment assistance fund, fund of the Council of the Federation of Trade Unions, road fund, fund of the State Property Committee of the Republic of Uzbekistan, fund of single production of mineral raw material base, self-management from 1995, it was included in the unified budget of the Republic of Uzbekistan, while maintaining the target areas of special funds of local bodies). In the state budget of the Republic of Uzbekistan, the development of production, the growth of incomes of households and the population are of primary importance in the changes of total incomes and expenses. The procedure for forming the state budget in Uzbekistan is carried out in accordance with the Law of the Republic of Uzbekistan "On the State Budget System" that came into force on January 1, 2001 (December 14, 2000).

If the budget expenses exceed its income, a budget deficit occurs. It is normal for the deficit to be 3-3.5% of the country's gross national product. Budget expenditures are reduced when the budget deficit becomes too large and it cannot be provided with income. The sum of the central and local state budgets and extra-budgetary funds (special purpose funds of the state, special purpose taxes, bonds, special funds created at the expense of subsidies from the budget) constitutes the aggregate state budget. The state budget is usually drawn up in the current year for the next year²

My conclusion is that every country has its own budget system and financial policy. And here the financial security of the state budget system shows the mutual proportionality of state expenditures and revenues. In addition, the annual national budget system document is the main factor that determines the financial stability of its target. Also, the country envisages a situation where the income and expenses of the local budget funds will be balanced, and the quality and reasonableness of the allocation of budget funds will increase. Financial sustainability of the country's budget system is important and necessary.

² https://uz.wikipedia.org/wiki/Davlat_byudjeti
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