

DOI: [10.55643/fcaptop.2.43.2022.3630](https://doi.org/10.55643/fcaptop.2.43.2022.3630)

Krysovatty A.

Doctor of Economics, Professor, Rector of the West Ukrainian National University, Ternopil, Ukraine;
ORCID: [0000-0002-5850-8224](https://orcid.org/0000-0002-5850-8224)

Desyatnyuk O.

Doctor of Economics, Professor, Associate Professor of the Department of Taxes and Fiscal Policy, West Ukrainian National University, Ternopil, Ukraine;
ORCID: [0000-0002-1384-4240](https://orcid.org/0000-0002-1384-4240)

Tkachyk F.

Ph. D. in Economics, Associate Professor of the Department of Taxes and Fiscal Policy, West Ukrainian National University, Ternopil, Ukraine;
e-mail: tkachyk.fp@gmail.com;
ORCID ID: [0000-0002-4783-6919](https://orcid.org/0000-0002-4783-6919)
(Corresponding author)

Received: 06/12/2021

Accepted: 17/01/2022

Published: 29/04/2022

© Copyright
2022 by the author(s)



This is an Open Access article distributed under the terms of the [Creative Commons CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/)

THEORETICAL LOGOS OF FISCAL DECENTRALIZATION IN THE CONDITIONS OF PERMANENT TRANSFORMATION OF INTERBUDGETARY RELATIONS

ABSTRACT

The article examines the essential determinants of decentralization and its main elements. Considerable attention is paid to scientific and theoretical aspects of the impact of fiscal decentralization on local economic development. Priority aspects of realization of bases of fiscal decentralization in the Ukrainian administrative practice are covered. It is proved that the key idea of fiscal decentralization is manifested in the achievement of financial autonomy by local governments through the accumulation of financial resources at a certain level of government. Emphasis is placed on the concept of fiscal federalism and its role in the socio-economic development of administrative entities of unitary states.

It is argued that the construction of an effective system of inter-budgetary relations should take into account a range of measures to strengthen the own tax potential of the territorial community. It has been established that recently the tax potential of local self-government bodies has been identified by tax capacity at the expense of three taxes: personal income tax, property tax and single tax. The study showed that fiscal decentralization through the prism of tax, budget and debt instruments can provide a favorable socio-economic climate in local communities.

A structural and logical scheme of the impact of key paradigms of fiscal decentralization on the development of united territorial communities in Ukraine has been built. It is proved that fiscal decentralization in the conditions of divergence of interbudgetary relations can become a catalyst for effective fiscal stimulus policy, as delegation of budgetary powers to lower levels, while improving the efficiency of budgetary resources, will allow more fully and regionally respond to regional development and local needs.

Keywords: financial policy, fiscal decentralization, tax system, intergovernmental relations, debt decentralization, fiscal federalism, local economic development

JEL Classification: E62, H70, R11

INTRODUCTION

One of the key aspects of the European integration process is the formation of effective local government institutions capable of creating and constantly providing a favorable living environment in the community for multi-vector development, human self-realization, guaranteeing human rights and protecting freedoms. Such a context requires a proper institutional and legal basis for the delegation of powers and adequate resources to ensure the functioning of local governments. The pragmatism of most developed countries has shown that such a multiplier of socio-economic and cultural-environmental development as decentralization plays an important role in achieving these goals. Its implementation is carried out by increasing the role of local self-government by delegating to it not only powers but also real tools to achieve both operational and strategic goals of the development of territorial entities.

Conceptualization of financial space in modern conditions of innovative development of socio-economic processes requires the state and local governments to focus on ade-

quate algorithms of fiscal decentralization. The issue of effective delegation of administrative functions of public administration with simultaneous control procedures of the results of their implementation is an urgent task for Ukraine in the agglomeration of socio-economic zoning. In this perspective, the mechanism of transfer of fiscal powers from the central level of the hierarchy of public administration to its lower territorial and administrative levels on the basis of fiscal decentralization and (or) federalism plays a key role.

ANALYSIS OF RECENT RESEARCH AND PROBLEM STATEMENT

Many scientific and methodological works are devoted to the consideration of the institutional conditions for the development of the state and its regions. These issues are actively discussed at various levels in forums, symposia, conferences, as well as socio-political discussion platforms. The impact of decentralization in the direction of fiscal change and tax incentives for regional economic entities in the conditions of permanent transformation of intergovernmental relations has been studied by such scholars as: Fiorino N., Galli E., Kaiser K., Oats W., Padovano F., Smith A., Tiebout C.; as well as Ukrainian scientists and practitioners: Andrushchenko V., Herchakivsky S., Hrechana S., Hrechko A., Demydenko L., Dubynska O., Zolotukhin E., Isanshina H., Kabash O., Kyrylenko O., Kovalchuk A., Nakonechna Yu., Nechyporenko A., Reкова N., Sokolova O., Treshchev M., Tulchinsky R., Khudoley V., Tsymbalyuk I. and many others.

Paying tribute to the existing theoretical and methodological elaborations, it should be noted that the issues of fiscal stimulation of regional economic entities in the context of institutional changes in the direction of decentralization of power in Ukraine remain insufficiently covered. Today, it is important to show the multifaceted role of fiscal decentralization in building the financial capacity of united territorial communities to strengthen their competitiveness, improve investment and innovation environment, improve living standards, create safe living conditions for all residents.

The purpose of the article is to substantiate the scientific and practical paradigm of fiscal decentralization as a driver of socio-economic development of regions and the state in the conditions of permanent transformation of inter-budgetary relations.

RESEARCH RESULTS

Retrospective monitoring showed that the centralization and decentralization of power took shape with the advent of the first ancient states. In fact, at that time the centralized nature of public administration was popularized, but in cases of excessive (rigid) public policy and intensification of citizens' actions to improve their lives, governments were forced to apply the principles of decentralization to meet common needs. In the context of this it should be noted that with the change of epochs of human development changed approaches to determining the prerequisites for the formation of the best model of the state with the change of centers of responsibility of power [1, p. 159]. The beginning of the history of decentralized state is the period when the concept of decentralization was first regulated by law, in particular in 1789 in France was formulated decentralization theory as a reaction to Napoleonic reforms, which established a strong centralized bureaucracy and largely leveled the principles of local self-government. The main ideological postulate of decentralization theory was the provision of justifying a clear division of administrative cases into those that are the result of local self-government and national affairs, which are appropriately delegated to communities [2, p. 136].

The essential paradigm of decentralization is manifested in the skill of transferring authority and responsibility for joint functions from the central government to local governments. Such actions are carried out in order to optimize and improve the management of socially important (high-priority) processes.

The structural and logical approach to the identification of decentralization deserves attention, according to which its content depends on the tasks of the government (in different countries the specifics of such tasks differ) and is composed at the expense of the following angles:

1. Deconcentration (can be transformed by the formation of grant potential for local self-government bodies);
2. Delegation (forms the accountability of local authorities to public administration in terms of delegated functions);
3. Devolution (in fact, provides a degree of political autonomy and expands the range of tax powers to local authorities) [3].

The monitoring of decentralization from the standpoint of deconcentration is somewhat contradictory, as it can be considered not only as a characteristic of decentralization, but only as the establishment of peripheral units by the central

government, at the same time, devolution most comprehensively reveals the content and ultimate goal of decentralization [4, p. 121].

In our opinion, these perspectives should be in logical symbiosis in order to maximize the multi-vector benefits of the local community: budget and tax optimization, investment effects, favorable business climate, development of innovative and energy-saving technologies, development of infrastructure and socially significant facilities.

Based on the functional approach to the interpretation of decentralization, its types such as administrative, political, economic, investment, fiscal, financial, environmental, etc. can be identified. In most scientific discussions, financial decentralization is equated in its role with fiscal, and there are cases of budgetary decentralization. Note that fiscal decentralization forms the autonomous capacity of municipal bodies to mobilize financial resources and their rational distribution.

The term «fiscal decentralization» in its classical interpretation began to be used in the second half of the XII century. In particular, the classic of economic theory A. Smith emphasized that the King (Richard I) needed additional funding for the army launched a rapid mechanism through the sale of charters to cities, which guaranteed them certain privileges [5, p. 549]. At the same time, the tax status changed after the granting of charters, which led to the presence of such force in certain administrative-territorial entities in property and legal aspects that the king could not administer most of the tax payments without agreement. Already in the later period, the idea of fiscal decentralization is associated with the views of the American economist Charles Tiebout, which he systematized in his work «Economic Theory of Fiscal Decentralization in Public Finance: Necessity, Sources and Uses» (1961) [6]. A significant contribution to the development of the theory of fiscal decentralization was also made by the English economist W. Oates, who in 1972 derived the so-called «decentralization theorem», the essence of which was that in an isolated territorial entity there is an opportunity to provide public goods and its marginal costs equal to the average cost of its production in each of the entities, whether provided centrally or decentrally, the provision of this benefit by local governments in quantities corresponding to real demand will always be more effective than its provision by the central government in a fixed amount (at a constant level) [7, p. 1128].

The paradox of fiscal decentralization is being transformed through the spatial component of local governments' attraction to service consumers, which leads to the rational formation of budgetary resources and improves redistribution processes to meet local needs. This context reflects the desire of local authorities to better understand the needs of the community and to seek effective fiscal instruments to meet them.

The perfection of fiscal decentralization is ensured by certain conditions of its implementation, among which the following can be considered a priority:

- 1) increase the revenue side of local budgets while increasing the socio-economic development of territorial entities;
- 2) improving the quality of public goods and services adequate to the needs of the local population [8, p. 124];
- 3) improving the investment and innovation climate in the region;
- 4) formation of transparent procedures for financing local expenditures;
- 5) strengthening the responsibility of local governments for the implementation of the functions delegated to them.

The main idea of fiscal decentralization is for local governments to achieve financial independence (autonomy) by accumulating financial resources at this level of government. However, a synergistic effect can be seen in the case of proper external control and audit of the effectiveness of local government decisions in the initial stages of decentralization.

The decision on fiscal centralization or decentralization in terms of efficiency should take into account the fact that centralization in most cases is accompanied by standardization and economies of scale, which reduces the cost of providing public services. However, fiscal decentralization produces a higher level of social satisfaction, as residents of territorial communities have the right to choose the necessary public services within a clearly defined budget, which is formed by taxes and fees paid by them [9, p. 66].

We note that recently the policy of fiscal federalism, which is considered the highest form of budget decentralization, has become increasingly popular. Legislative concepts declare that in building inter-budgetary relations of Ukraine there is not only a model of unitarism, but also certain elements of federalism, such as: independence of local budgets, which provides for the budgets of each level of the budget system of relevant sources of income; the right of the relevant bodies to determine the directions of use of budget funds in accordance with the legislation of Ukraine; the right of independent and autonomous consideration and approval of each of the budgets [10, p. 114]. In our opinion, the most effective and rapid process of improving the functional potential of the institution of modern self-government is the introduction of fiscal federalism, which aims to create organizational, economic and legal bases for financial independence of local budgets,

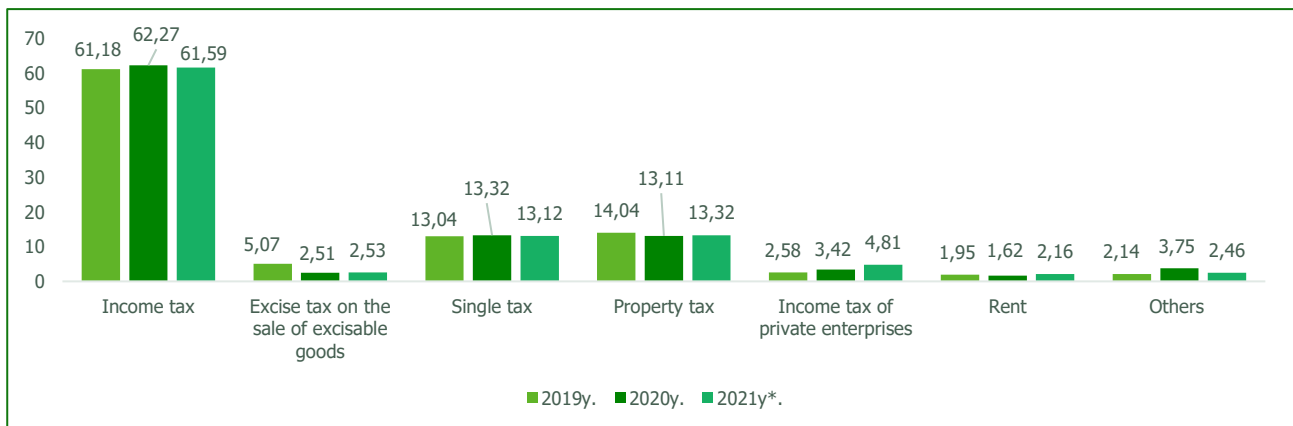
qualified implementation of local government powers, timely public services.

The theoretical logo of fiscal federalism is manifested through the statutory strategy of division of functional powers and responsibilities of state, regional, local government with a compromise differentiation of revenues and expenditures between the budget system on the basis of political activity, social ethics, interregional and national solidarity [11, p. 93]. In German pragmatism, fiscal federalism is based on the vertical distribution of tax revenues. In particular, the personal income tax, VAT, personal income tax form the budgets of all three levels of the budget system of Germany: federal, federal (land), and community budgets. The income tax on corporations and credit institutions is distributed between the federal budget and land budgets. Along with this, at each level of the budget system certain taxes are fixed, which are fully directed to only one of the budgets [12, p. 50]. The potential of fiscal federalism in Germany is a platform for equal living conditions and elimination of imbalances in the welfare of citizens of different administrative units through mechanisms to strengthen the vertical and horizontal distribution of taxes in the federation through inter-state financial equalization between federal subjects and federal subventions. A classic example of the latter is aid to the eastern lands after German reunification. Financial capacity after all levels of financial equalization is a necessary condition for the association of communities to exercise their own and delegated powers.

When implementing the doctrines of fiscal decentralism and fiscal federalism in Ukrainian realities, it is necessary to pay attention to the analysis and assessment of potential risks. This process can be manifested through monitoring the comprehensive implementation of declared goals and priorities, providing local budgets with the necessary level of financial resources to exercise their delegated powers, forming a balanced budget process to prevent regional socio-economic disparities in financial security and more.

Establishing an effective system of inter-budgetary relations should take into account, first of all, measures to strengthen the own tax potential of municipalities, which is impossible without ensuring the stability of the consolidation of tax revenues in local budgets [13, p. 124]. This approach will help minimize the direct relationship between actual and projected budget revenues and expenditures and the amount of subsidies received to equalize budget security.

In 2019–2021, the tax potential of local governments was identified by the tax capacity of the three taxes, which together account for more than 88% of total tax revenues to local budgets (*Figure 1*).



* As of October 1, 2021.

Figure 1. Accumulation of tax potential of local governments in 2019–2021, %
 (Source: completed by the authors according to sours [14])

As can be seen from *Figure 1*, the realization of the tax potential of local governments can be ensured primarily through the mobilization of personal income tax revenues (over 61% of all tax revenues and almost 30% of total local budget revenues), property tax (over 13% of tax revenues), other tax payments have a less pronounced fiscal effect, but may serve as a regulatory potential for local economic development.

At the same time, it should be noted that the improvement of fiscal relations between the state and local governments, recognizing them as equal subjects of interaction is possible with a clear delineation of powers, especially fiscal, between levels of government and providing them with adequate resources [15, p. 210].

Low fiscal potential of territories, centralized expenditure management, provoking the system of intergovernmental transfers to develop the «diagnosis of the recipient territory», too limited access of local governments to credit – all this prevents local governments from effectively exercising their powers to ensure accessibility and quality of public services. The solution

of these issues lies in the plane of further development of political, administrative and fiscal decentralization [16, p. 98]. Budget decentralization is especially important, as it will allow to achieve financial independence of local budgets, which is the fundamental basis of local government [17], will contribute to the effective provision of public services by agreeing on a list of their most popular types and available revenue base of local budgets, development of territories, making effective management decisions.

Fiscal decentralization through tax, budget and debt mechanisms can provide a favorable social climate and economic and environmental development in local communities (*Figure 2*).

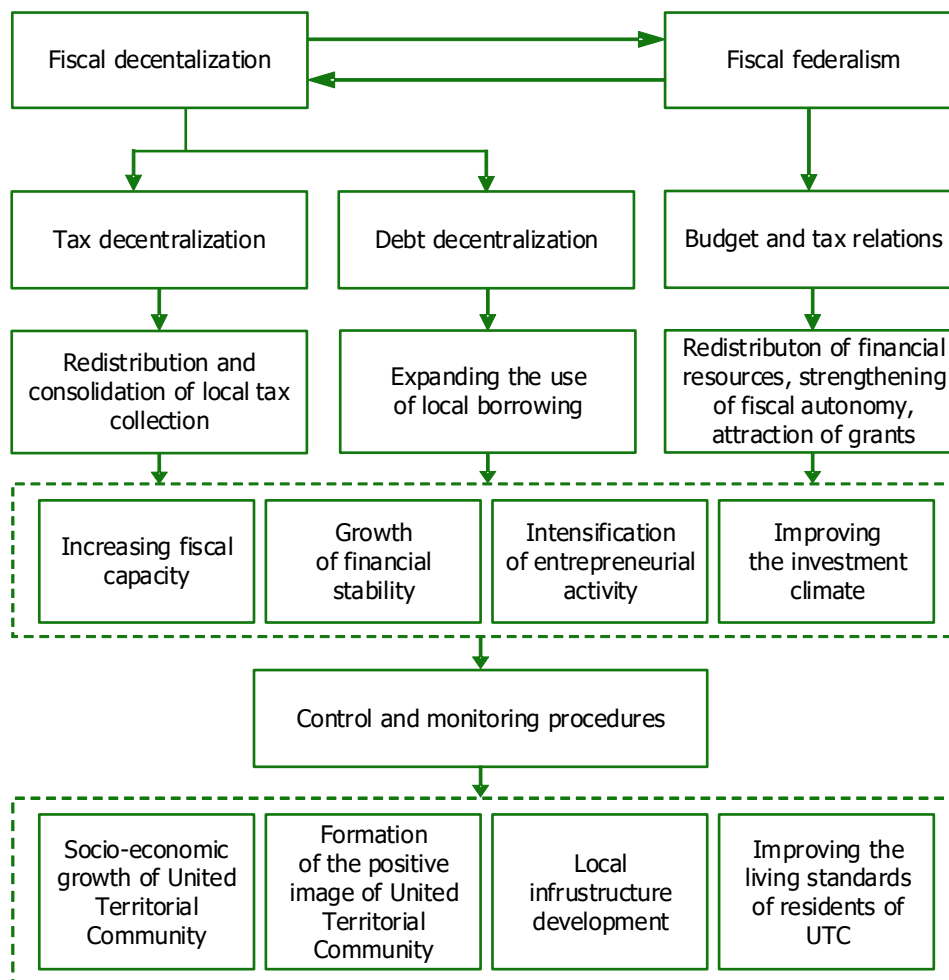


Figure 2. Structural and logical scheme of the impact of fiscal decentralization on the development of territorial communities

Debt decentralization plays a key role in the development of the local borrowing market, as it should be based on a mechanism (algorithm) that increases the powers of local governments to plan, form and use borrowed funds, as well as simplify the procedure for attracting them [18, p. 113]. In order to achieve the main goals of debt decentralization and ensure the growth of independence of local governments in the context of the formation and use of local borrowing, the interaction of all components of the mechanism of its implementation should be established [19, p. 99]. In addition, the decentralization of borrowing powers should provide local governments with direct access to debt capital markets, which will help attract additional financial (investment) resources.

Tax decentralization should also focus mainly on delegating to local governments the right to determine elements of local taxes and fees, including setting or abolishing such taxes or fees themselves, and the power to accumulate non-tax revenues in the state treasury.

The methods of tax decentralization are tax devolution and tax deconcentration. Tax devolution involves the transfer of tax powers to local and regional governments. In the case of tax deconcentration, the central government only transfers part of the national taxes, fees and mandatory payments to the territorial budgets in the form of fixed and regulatory revenues [20, p. 115].

Thus, Ukraine has a realistic need to ensure the equalization of socio-economic and investment-innovative development of the regions, as well as strengthening the role of newly formed united territorial communities in meeting the interests and guaranteeing the rights of citizens in all spheres of life. Fiscal decentralization in this perspective will ensure the transfer of significant financial resources to lower levels, which will ultimately contribute to the intensification of social and business activity in the regions.

CONCLUSIONS

The implementation of such important and strategic reforms as decentralization in the context of military conflicts and pandemics, when the macroeconomic situation in the country virtually eliminates variations in budgetary resources, had a much greater range of risks than in other European or global countries. However, previous results of local government reform in Ukraine have shown a significant increase in successful community development practices that have benefited from decentralization, despite the impact of negative factors and risk factors.

The availability of sufficient financial resources in local budgets is an indication that the local community is able to provide a variety of services to its residents, launch social and infrastructure projects, create appropriate conditions for entrepreneurship and investment, implement community development programs and finance measures to improve residence conditions of their inhabitants.

This context encourages both the scientific community and practitioners (managers) to continue the key phases of fiscal decentralization, gradually solving problems of optimizing revenues and powers of United Territorial Community budgets, adjusting community development plans, supporting the process of activating civil society to strengthen control over government and development priorities, which will improve the conditions of their functioning and improve the living standards of community residents.

REFERENCES / ЛІТЕРАТУРА

1. Rekova, N. Yu. (2017). Retrospektyvnyi analiz rozvytku fiskalnoi detsentralizatsii [Retrospective analysis of the development of fiscal decentralization]. *Problemy ekonomiky – Problems of the economy*, 4, 156–63 [in Ukrainian].
2. Herchakivskiy, S. D., & Kabash, O. R. (2009). Teoretychni lohosi fiskalnoi detsentralizatsii [Theoretical aspects of fiscal decentralization]. *Rehionalna ekonomika – Regional economy*, 2, 133–141 [in Ukrainian].
3. Kaiser, K. (2006). Decentralization Reforms. Analyzing the Distributional Impact of Reforms. Retrieved from http://siteresources.worldbank.org/INTPSIA/Resources/490023-1120845825946/3622-06_Ch06.pdf.
4. Sokolova, O. M., & Kovalchuk, A. V. (2016). Teoretychni zasady finansovoi detsentralizatsii v umovakh reformuvannya systemy derzhavnoho upravlinnia [Theoretical foundations of financial decentralization in terms of reforming the system of public administration]. *Visnyk NADU pry Prezydentovi Ukrainy. Derzhavne upravlinnia – NAPA Bulletin under the President of Ukraine. Public Administration*, 4, 117–124 [in Ukrainian].
5. Smith, A. (1961). *An Inquiry into the Nature and Causes of the Wealth of Nations*. London.
6. Tiebout, C. (1961). *Economic Theory of Fiscal Decentralization*. Public Finances: Sources, and Utilization. Princeton, New Jersey.
7. Oats, W. (1999). An Essay on Fiscal Federalism. *Journal of Economic Literature*, 37, 1120–1149.
8. Nechyporenko, A. V. (2016). Teoretychni aspekty biudzhethnoi detsentralizatsii mistsevoho samovriaduvannia v Ukraini [Theoretical aspects of budget decentralization of local self-government in Ukraine]. *Naukovyi visnyk Uzhhorodskoho natsionalnoho universytetu – Scientific Bulletin of Uzhhorod National University*, 6, 2, 122–125 [in Ukrainian].
9. Treshtov, M. M. (2015). Detsentralizatsiia yak zasib resursnoisamodostatnosti terytorialnykh hromad: teoretychnyi aspekt [Decentralization as a means of resource self-sufficiency of territorial communities: theoretical aspect]. *Derzhavne upravlinnia ta mistseve samovriaduvannia – Public administration and local self-government*, 2, 60–69 [in Ukrainian].
10. Krysovaty, A. I., & Tkachyk, F. P. (2021). Evoliutsiina paradyhma fiskalnoho federalizmu: transformatsiia dosvidu ShShA v ukrainskyi detsentralizm [The evolutionary paradigm of fiscal federalism: the transformation of the US experience into Ukrainian decentralization]. *Biznes Inform – Business Inform*, 8, 109–117 [in Ukrainian].

11. Andrushchenko, V. L., & Kyrylenko, O. P. (2001). Federalizm mizhbiudzhetykh vidnosyn: zarubizhni modeli ta vitchyzniani problemy [Federalism of inter-budgetary relations: foreign models and domestic problems]. *Pidpriemnytstvo, hospodarstvo i pravo – Entrepreneurship, economy and law*, 7, 91–94 [in Ukrainian].
12. Demydenko, L., & Nakonechna, Yu. (2015). Fiskalna detsentralizatsiia: nimetskyi dosvid ta ukraïnski realii [Fiscal decentralization: the German experience and Ukrainian realities]. *Visnyk Kyivskoho natsionalnoho universytetu imeni Tarasa Shevchenka. Ekonomika – Bulletin of the Taras Shevchenko National University of Kyiv. Economy*, 2, 49–54 [in Ukrainian].
13. Khudolei, V. Yu., & Hrechko, A. V. (2019). Vplyv instytutsionalnykh zmin na fiskalne stymuliuvannia rozvytku rehionalnykh subiektiv [The impact of institutional changes on fiscal incentives for the development of regional actors]. *Naukovyi visnyk Khersonskoho derzhavnogo universytetu – Scientific Bulletin of Kherson State University*, 34, 121–124 [in Ukrainian].
14. Derzhavna kaznacheiska sluzhba Ukrainy. (n. d.). Zvity pro vykonannia Derzhavnogo biudzhetu Ukrainy za 2019–2020 rr. i 9 misiatsiv 2021 roku [Reports on the implementation of the State Budget of Ukraine for 2019–2020 and 9 months of 2021]. Retrieved from <https://www.treasury.gov.ua/en/file-storage/vikonannya-derzhavnogo-byudzhetu> [in Ukrainian].
15. Tulchynskiy, R. V. (2017). Detsentralizatsiia yak determinanta stanovlennia novoho rehionalizmu v Ukraini [Decentralization as a determinant of the formation of new regionalism in Ukraine]. *Visnyk Odeskoho natsionalnoho universytetu. Ekonomika – Bulletin of Odessa National University. Economy*, 22, 208–211 [in Ukrainian].
16. Zolotukhin, Ye. V. (2017). Teoretychne pidhruntia vyokremлення borhovoï komponenty finansovoï detsentralizatsii [Theoretical basis for the separation of the debt component of financial decentralization]. *Ekonomika ta derzhava – Economy and state*, 4, 110–114 [in Ukrainian].
17. Isanshyna, H., & Dubynska, O. (2020). Podatkova detsentralizatsiia v umovakh reform mistsevoho samovriaduvannia [Tax decentralization in the context of local government reform]. *Halytskyi ekonomichnyi visnyk – Galician Economic Bulletin*, 5 (66), 93–104 [in Ukrainian].
18. Fiorino, N., Galli, E., & Padovano, F. (2012). Do Fiscal Decentralization and Government Fragmentation Affect Corruption in Different Ways? Evidence from a Panel Data Analysis. *International Center for Public Policy Working Paper Series*, 1217.
19. Tsymbaliuk, I. O. (2019). Sutnisna kharakterystyka finansovoï detsentralizatsii ta yïi vplyv na formuvannia dokhodiv mistsevyykh biudzhetyv [The essential characteristics of financial decentralization and its impact on the formation of local budget revenues]. *Rehionalna ekonomika – Regional economy*, 4, 113–119 [in Ukrainian].
20. Hrechana, S. I. (2017). Fiskalna detsentralizatsiia v konteksti rozvytku obiednanykh terytorialnykh hromad v Ukraini [Fiscal decentralization in the context of the development of united territorial communities in Ukraine]. *Ekonomika ta pravo – Economics and law*, 3 (48), 95–101 [in Ukrainian].

Крисоватий А. І., Десятнюк О. М., Ткачик Ф. П.

ТЕОРЕТИЧНИЙ ЛОГОС ФІСКАЛЬНОЇ ДЕЦЕНТРАЛІЗАЦІЇ В УМОВАХ ПЕРМАНЕНТНОЇ ТРАНСФОРМАЦІЇ МІЖБЮДЖЕТНИХ ВІДНОСИН

Досліджено сутнісні детермінанти децентралізації та її основні елементи. Значну увагу приділено науково-теоретичним аспектам впливу фіскальної децентралізації на місцевий економічний розвиток. Висвітлено пріоритетні аспекти реалізації базисів фіскальної децентралізації в українській управлінській практиці. Доведено, що ключова ідея фіскальної децентралізації проявляється в досягненні органами місцевого самоврядування фінансової автономії шляхом акумуляції фінансових ресурсів на певному владному рівні. Акцентовано увагу на концепції фіскального федералізму та її ролі в соціально-економічному розвитку адміністративних утворень унітарних держав.

Аргументовано, що побудова ефективної системи функціонування міжбюджетних відносин має враховувати спектр заходів щодо зміцнення власного податкового потенціалу територіальної громади. Установлено, що останнім часом податковий потенціал органів місцевого самоврядування ідентифікувався податковою спроможністю за рахунок трьох податків: податок на доходи фізичних осіб, податок на майно та єдиний податок. Проведене дослідження показало, що фіскальна децентралізація через призму податкових, бюджетних і боргових інструментів спроможна забезпечити в територіальних громадах сприятливий соціально-економічний клімат.

Побудовано структурно-логічну схему впливу ключових парадигм фіскальної децентралізації на розвиток об'єднаних територіальних громад в Україні. Доведено, що фіскальна децентралізація в умовах дивергенції міжбюджетних відносин спроможна стати каталізатором забезпечення ефективної політики фіскального стимулювання, оскільки делегування бюджетних повноважень на нижчі рівні, з одночасним підвищенням ефективності використання бюджетних ресурсів, надасть змогу більш повно й якісно реагувати на проблеми регіонального розвитку і потреби місцевого населення.

Ключові слова: фінансова політика, фіскальна децентралізація, податкова система, міжбюджетні відносини, торгова децентралізація, фіскальний федералізм, місцевий економічний розвиток

JEL Класифікація: E62, H70, R11