

The “open budget” software provides for interactive analytics visualizations that help looking at the problem in graphic form a different angle, which can help making quality management decisions.

Interactive visualization posted on the city website allows offering high quality services to inform residents about activities of local authorities.

The “Open Budget” allows making quick success story without raising finance, because its use is free to authorities of Ukraine. Each module operates independently from the rest and can be implemented independently. The software is used by more than 30 governments and built using open source.

Adjustment of the code is made for one city free and automatically available to all other users.

High quality management decisions, transparency and accountability of the authorities, the availability of tools feedback is the foundation of building trust between the government and the community.

But now, there are several shortcomings in the functioning of law that decreasing the effective of the Open Budget’s implementation:

- 1) Lack of control: not defined mechanisms to verify the implementation of the law and the organization that will determine violations;
- 2) Low fines: the fine for closing information is from 425 to 850 UAH;
- 3) Lack of sanctions lies: there are no penalties for publishing false information;
- 4) Hidden information: information about multilateral agreements and extension of contracts don’t publish;
- 5) Non-public income: concealed information about the revenue side of the budget;
- 6) The National Bank in the shadows: National Bank, government banks and trust funds do not report about using public finance [5].

As a result - the level of registration is 34%, but most cabinets are complete.

Gaps in the law violate citizens' right to information, promote corruption, reduce the effectiveness of the using of state and municipal property and undermine confidence in the government [5].

In order to continue the process of "transparency" must be:

1. Increase penalties and establish administrative responsibility for the failure of the Law "On the open use of public funds;
2. Extend the application of the law on the NBU, state banks, trust funds and political parties [5];
3. Synchronize all these online resources in a common network; provide disclosure of interest directly to the public.

#### ***References:***

1. part 5 of Article 6 of the Law “On Access to Public Information”
2. Article 28 of the Budget Code of Ukraine
3. Detailed information about activities of the Center Group aimed at advocating the draft Law and its implementation is available at [www.eidos.org.ua](http://www.eidos.org.ua)
4. Unified State Register of Natural Persons and Legal Entities
5. Портал Є-data <http://eidos.org.ua/novyny/portal-edata-povnotsinno-ne-pratsyuje-scho-dali/>

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## **SOCIAL DIMENSION OF TAX REDISTRIBUTION OF INDIVIDUAL INCOME**

In the nowadays society that is developing in the direction of the post industrialism and globalization, when on the forefront come such factors of manufacturing as level of qualification, corresponding to the technologies and machinery used, level of innovation and

the increasing quantity of intellectualization of economic activity, the social aspects and problems are in the spotlight of both scientists and practitioners. That is of everyone who understands the necessity of development of the intellectual and cultural capital of the state – of the human as an individual.

In the developed countries this is shown, firstly, in the consolidation of national and international regulatory documents of the appropriate rights and fundamental freedoms as the highest value of society and the state in particular. Secondly, such rights and freedoms find their logical continuation in the financial and material and institutional support of possibilities for their application by any person – resident or nonresident – within the country or at the time of its international mobility, especially in the countries sharing these principles, values and the human as the main of them. Thirdly, the design and implementation of the majority of the respective financial, economic, fiscal, security, cultural policies at the national or local level based and/or developed according to the priorities of the social policy. Fourth, the social policy itself, particularly in the education, healthcare, social protection and security is based on certain formal and/or informal rights and freedoms, and aims to provide their absolute and widespread implementation (at least on the basic level), because without their accessibility and implementation by each person it is impossible even to talk about the implementation of basic physiological and minimum social needs and interests. Fifth, the social role of the financial and material welfare, as the source of financing and implementation of the mentioned needs and interests is reflected in the policy of personal income taxation and in the policy of social expenses by the state and local budgets.

Every country on the corresponding stage of its development has that or other difficulties and/or problems of social or socio-economic nature. They influence the possibility to institutionally, financially and/or technically implement the definite rights and freedoms, basic physiological and minimum social needs and interests of a human as an individual, the subject of the given society, its highest value.

A few of the major social and socio-economic problems that constrain the qualitative and quantitative development of the Ukrainian society and to solve which, from our point of view, there is a need to expand and strengthen the regulatory capacity of income taxation of individuals, are the following:

- 1) minimizing the poverty level among the population and increasing their financial life level, in particular by aligning to the economically and market justified level of pretty minor rates and norms of social standards and social security;

- 2) strengthening the health of individuals, increasing their average life expectancy and ensuring the growth of quality and modernity of secondary and special education, science according to the principle of "lifelong learning";

- 3) the weakening of social stratification and increasing fairness in distribution processes, particularly, through reducing differentiation (disparity) income, increasing differentiation of rates of tax income redistribution and narrowing shadow employment;

- 4) the promotion of growing the human capital and growth of labor productivity, low levels of which is one cause of low wages both in the regions of Ukraine and in most types of economic activity;

- 5) the strengthening of the financial security of social and material welfare of the population, including the securing of incomes and savings of the population from their inflation, currency or tariff devaluation, promoting the growth of purchasing ability and stabilizing the financial and banking system.

To implement such social focus of tax redistribution of income of individuals is possible in the context of the concept of market income. When the charging base is net income (concept involves reducing its volume in costs incurred to obtain such income), and the object of taxation is the market income, which decreases the magnitude of consumption that is necessary for the existence of a taxpayer (has the form of non-taxable income and the part intended for the

maintenance of financially dependent family members). In addition, within the objectives of solving social problems, we offer to predict specific deduction, particularly of stimulation character for complex and/or point resolving of the problem or mitigation of its social and economic consequences, and move from proportional to progressive taxation.

The public justification for this shift to tax income redistribution through the context of social problems is caused both theoretically, based on the essential and conceptual aspects of purpose, the mechanism of implementation and regulatory potential of this area of taxation, and empirically analyzing the magnitude, consistency and depth of social distortions and negative phenomena in society. Therefore, considering the indirect and impersonal equivalence of income tax payments, in our opinion, the social justice in the tax income redistribution can be provided only when the share of income of a person, their addressee, which is designed for simple reproduction (that means implementation of a minimum of material and social needs) remains intact under such taxation. Besides, according to the results happens the narrowing of the gap in socio-economic differentiation of incomes, but with preservation of their internal rate.

Based on the aforementioned, the search for ways to solve the problems of social development using methods and tools of tax policy, particularly in the area of income tax for individuals, will harmonize interests at micro and macro levels of socio-economic and tax relations in society.

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## **IMPLEMENTATION OF PUBLIC DEBT MANAGEMENT QUALITY ASSESSMENT IN UKRAINE**

According to international sound practice, comprehensive evaluation of the public debt management quality is considered to be one of the most progressive and useful tool for improving debt management in the medium to long term.

In particular, the World Bank in collaboration with other partners developed a special methodology (DeMPA) for such evaluation to assist developing countries in improving their debt management [1; 2; 3; 4; 5]. It helps to strengthen the capacity and institutions of the country so that the government can manage public debt in an effective and sustainable manner under high level of uncertainty. Besides, it also facilitates the monitoring of progress over time in achieving the objectives of public debt management in a manner consistent with international sound practice [6; 7; 8; 9; 10].

A set of 15 debt management performance indicators aim to measure government debt management performance and capture the elements that are indispensable to achieving sound international practices (Table 1).

Each indicator comprises dimensions for assessment that reflect established sound practice. The performance indicators encompass the complete spectrum of government debt management operations, as well as the overall environment in which these operations are conducted. At the same time, the assessment which shows that the minimum requirements are not met indicates an area is requiring reforms or capacity building. In particular, according to the scoring methodology (with scores ranging from max A to min D) a score of D is assigned when the minimum requirement has not been achieved, which is a signal of a serious deficiency in performance, requiring priority corrective actions.

According to the results of our comprehensive assessment of public debt management quality in Ukraine we made several conclusions:

First, among fifteen indicators chosen for our analysis for Ukraine only three ones are in line with proper implementation of international practices related to public debt management