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### Analysis of Penza Region's budget execution of 2022 comparing with the plans of 2023 and 2024

*Abstract:* The relevance of the topic of the work is determined by the fact that each subject of the Russian Federation has its budget, designed to fulfill the expenditure obligations of the Russian Federation subject. At the same time, it is worth noting that any budget, regardless of its level, always consists of three elements – formation, distribution and execution. The study object was the social relations developing in the sphere of budgetary legal relations in the Penza Region. The study subject was the legal norms fixing the principles of forming subject's budget of the and budgetary legal relations, just like the study of the actual regional budgets of the Russian Federation for 2021 and 2022, the budget plan of the region for 2023. The study purpose was to research Penza Region's budget and compare the budget of 2021 and 2022 with the budget plan for 2023. The practical significance of the study lies in the author's formulation of conclusions. These proposals can be used in standard-setting activities to improve the legal regulation of the organisation and functioning, budgeting of the Penza Region, considering the specific features of the subject. Together with the above suggestions and recommendations, the conclusions can be used in teaching the disciplines of Financial Law to students in the areas of training and specialties of the legal profile.

*Keywords:* Penza region, revenue budget, expenditure budget, tax policy of the Russian Federation.



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### Анализ исполнения бюджета в Пензенской области в 2022 году в сравнении с планами 2023-2024 годов

*Аннотация:* Актуальность темы работы определяется тем, что каждый субъект Российской Федерации имеет собственный бюджет, который предназначен для исполнения расходных обязательств субъекта Российской Федерации. При этом стоит заметить, что любой бюджет независимо от его уровня всегда состоит из трех элементов: формированием, распределением и исполнением. Объектом исследования являлись общественные отношения, складывающиеся в сфере бюджетных правоотношений в Пензенской области. Предметом исследования являлись правовые нормы, закрепляющие принципы формирования бюджета субъекта и бюджетных правоотношений, а также изучение фактических бюджетов Пензенской области Российской

Федерации за 2021, 2022 год, бюджетный план Пензенской области на 2023. Целью исследования было изучение бюджета Пензенской области и сравнения бюджета 2021, 2022 года с планом бюджета на 2023 год. Практическая значимость исследования заключается в формулировании автором выводов. Данные предложения могут быть использованы в нормотворческой деятельности по совершенствованию правового регулирования организации и функционирования, составления бюджета Пензенской области с учетом специфических особенностей субъекта. Выводы в совокупности с указанными предложениями и рекомендациями могут быть использованы в преподавании дисциплин «Финансовое право» обучающимся по направлениям подготовки и специальностям юридического профиля.

*Ключевые слова:* Пензенская область, бюджет доходов, бюджет расходов, налоговая политика Российской Федерации.



## **Introduction**

The relevance of the topic of the work is determined by the fact that each subject of the Russian Federation has its budget, which is designed to fulfill the expenditure obligations of the Russian Federation subject. At the same time, it is worth noting that any budget, regardless of its level, always consists of three elements – formation, distribution, and execution.

The study object was the social relations developing in the sphere of budgetary legal relations in the Penza Region.

The study subject was the legal norms fixing the principles of forming the budget of the subject and budgetary legal relations, just like the study of Penza Region's actual budgets for 2021 and 2022, the budget plan of the region for 2023 and 2024.

The study's purpose was to study Penza Region's budget and compare the budget of 2021 and 2022 with the budget plan for 2023 and 2023.

Based on the study purpose, the following tasks were identified:

- give a brief administrative description of Russian Federation's subject;
- analyse Penza Region's budget financial indicators;
- analyse Penza Region's planned budget;
- assess the main directions of Penza Region's tax policy for 2022 and for the planning period of 2023 and 2024;
- assess the debt obligations of the state subject.

The practical significance of the study lies in the author's formulation of conclusions. These proposals can be used in standard-setting activities to improve the legal regulation of the organization and functioning, budgeting of the Penza Region, considering the specific features of the subject. In addition, together with the above suggestions and recommendations, the conclusions can be used in teaching the disciplines of Financial Law to students in the areas of training and specialties of the legal profile.

### **Brief administrative description of the Penza Region**

Penza Region is a subject of the Russian Federation. The region is located in the Middle Volga region, part of the Volga Federal District. It borders on the Ulyanovsk, Saratov, Tambov,

Ryazan regions and the Republic of Mordovia. The Penza Region within the modern borders was formed on February 4, 1939. It is located on the East European (Russian) plain and occupies the middle and western part of the Volga Upland. The territory of the region from west to east is 330 km, from north to south – 204 km; the area is 43.3 thousand square kms.

The administrative center of the region is the city of Penza (524.6 thousand inhabitants).

Region's population is 1,331.7 thousand people (as of January 1, 2018). It includes representatives of more than 100 peoples and nationalities. According to the All-Russian Population Census of 2010, there were 84.1% of Russians, 6.2% of Tatars, 4.0% of Mordvins, 0.6% of Ukrainians, 0.4% of Chuvash, on 0.2% of Armenians and Gypsies, on 0,1% of Belarusians, Azerbaijanis, and Uzbeks.

The Penza Region consists of 318 municipalities, including 3 urban districts, 27 municipal districts, 24 urban and 264 rural settlements. It lies in a temperate geographical zone, at the junction of forest, forest-steppe and steppe natural zones.

The proximity of large industrial centers, convenient transport and geographical location allow the use of imported raw materials and fuel, provide links for cooperation, sales of finished products.

The geopolitical position of the region is quite favourable, due to its proximity to regions that are politically stable, with similar ethnic and religious composition of the population, remoteness from external borders. Due to the relatively small size of the territory and the high availability of transport routes, the region is characterized by the permeability of space for investment. Due to the favourable combination of natural conditions for the development of agriculture, it is quite independent in terms of food.

Since 1961, the region has been part of the Volga Economic Region. Penza Region's budget is an estimate of the revenues and expenditures of the region approved for a three-year period.

## Results

### **Analysis of financial indicators of Penza Region's budget**

Budgetary revenue is money received in the budget, excluding funds that are sources of financing of budget deficit according to the Budget Code (*Budget Code ..., Art. 6*).

State revenue is that part of a country's national income circulated in the process of its distribution and redistribution through various types of cash receipts into the ownership and disposal of the state for the purpose of creating the financial base necessary to perform its tasks of implementing social and economic policy, ensuring national defence and security, and for the functioning of state bodies (*Belousov, 2007*).

Revenues refers to money or material goods received in the form of wages, remuneration or gifts for work, service or any other activity performed. All funds received constitute total income.

When analysing the budget of any region, in particular, the Penza Region, it is necessary to divide all revenues into two large groups according to the sources of revenue – tax and non-tax. All measurements will be made in thousands of rubles, thus the total income tax and non-tax revenues in millions of rubles:

2020 – 36,385.6,

2021 – 43,108.9.

Tax revenues total in millions of rubles:

2020 – 35,392.5,

2021 – 41,877.6;

including:

corporate income tax:

2020 – 6,582.9,

2021 – 10,137.4;

personal income tax:

2021 – 12,404.1,

2021 – 13,554.0;

excise taxes:

2020 – 7,780.2,

2021 – 8,264.0;

tax levied in connection with the simplified taxation system:

2020 – 3,245.1,

2021 – 4,260.8;

corporate property tax:

2020 – 3,554.2,

2021 – 3,817.2;

professional income tax:

2020 – 0.5,

2021 – 33.4;

transport tax:

2020 – 1,652.9,

2021 – 1,618.4;

gambling tax:

2020 – 4.3,

2021 – 4.3;

taxes, fees, and regular payments for the use of natural resources:

2020 – 31.8,

2021 – 37.3;

state fee:

2020 – 136.5,

2021 – 150.8.

All non-tax revenues total in millions of rubles:

2020 – 993.1,

2021 – 1,231.3;

including:

income from the use of state-owned and municipally-owned property:

2020 – 42.9,

2021 – 203.9;

payments for the use of natural resources:

	2020 – 44.5,
	2021 – 86.8;
	revenues from paid services and reimbursement of public expenditure:
	2020 – 165.2,
	2021 – 156.9;
	income from the sale of tangible and intangible assets:
	2020 – 7.1,
	2021 – 122.2;
	administrative fees and charges:
	2020 – 17.0,
	2021 – 19.9;
	finances, sanctions, damages:
	2020 – 702.1,
	2021 – 633.2;
	other non-tax income:
	2020 – 14.3,
	2021 – 8.4.
	Free receipts in millions of rubles:
	2020 – 34,759.4,
	2021 – 33,117.3.
	Subsidies to the budgets of Russian Federation’s budget system:
	2020 – 14,087.4,
	2021 – 11,985.2.
	Subsidies to the budgets of Russian Federation’s budgetary system (inter-budgetary subsidies):
	2020 – 8,235.3,
	2021 – 8,835.3.
	Subventions to the budgets of Russian Federation’s budget system:
	2020 – 4,304.6,
	2021 – 3,637.0.
	Other inter-budgetary transfers:
	2020 – 7,815.7,
	2021 – 8,246.5.
	Other gratuitous receipts:
	2020 – 316.4,
	2021 – 413.3.
	Budget revenues:
	2020 – 71,145.0,
	2021 – 76,226.2 ( <i>Maslava, 2021</i> ).
	Forecast of characteristics Penza Region’s consolidated budget, budget 18 of the region, local Penza Region’s budgets.
	Indicator 2020 (report) 2021 (report).
	I. Penza Region’s consolidated budget

Income – total  
2020 – 81,380.6;  
2021 – 88,691.4.  
    including tax, non-tax:  
        2020 – 46,573.6;  
        2021 – 55,971.2.

Free receipts:  
    2020 – 34,807.0;  
    2021 – 32,720.2.

Expenses – total:  
    2020 – 81,673.1;  
    2021 – 83,918.1.

Deficit (surplus):  
    2020 – (-292.5);  
    2021 – 4,773.3.

II. Penza Region’s budget consists of the following columns.

Income – total:  
    2020 – 71,145.0;  
    2021 – 77,094.7,  
        including tax and non-tax:  
            2020 – 36385.6;  
            2021 – 44385.6.

Free receipts:  
    2020 – 34,759.4;  
    2021 – 32,709.1.

Expenses – total:  
    2020 – 71,287.0;  
    2021 – 72,700.9.

Inter-budgetary transfers to municipal budgets:  
    2020 – 31,753.4;  
    2021 – 33,282.4.

Deficit (surplus):  
    2020 – (-142);  
    2021 – 4,393.8 (*Maslova, 2021*).

Penza Region’s local budgets:

Income – total:  
    2020 – 41388.1;  
    2021 – 44879.4,  
        including:  
            tax, non-tax:  
                2020 – 10,188.4;  
                2021 – 11,585.8;  
            gratuitous receipts:

2020 – 31,199.8;

2021 – 33,293.6.

Expenses – total:

2020 – 41,538.8;

2021 – 44,499.9;

including expenses due to inter-budgetary transfers:

2020 – 31753.4;

2021 – 33282.4.

Deficit (surplus):

2020 – (-150.5);

2021 – 379.5.

Budget expenditures are funds paid from the budget, with the exception of funds that, according to this Code, are sources of financing the budget deficit (*Budget Code ..., Art. 6*).

Budget expenditures of a constituent entity of the Russian Federation are funds allocated from the budget fund to financially support the tasks and functions of a constituent entity of the Russian Federation (*Bogdanova, 2014*).

Penza Region's budget expenditures are funds paid from Penza Region's budget for the implementation of Penza Region's expenditure obligations stipulated by laws, other regulations, treaties or agreements of the Penza Region.

The purposes, for which budget funds are spent, are

- on wages for public sector employees;
- for construction (reconstruction), major repairs and equipment of social facilities;
- for the development of healthcare, education, culture, physical culture and sports;
- for social security of the population;
- provide housing for certain categories of citizens;
- provide subsidies to local budgets for the modernization and reconstruction of municipal infrastructure, stimulating housing construction;
- for repairs, overhaul of the road network, organization of passenger transportation; to subsidize agricultural sectors;
- for the development of forestry, water management, environmental protection;
- for social support for unemployed citizens and promotion of employment;
- for the development of innovation activities and investment potential;
- for financial assistance to cities and regions.

Penza Region's public regulatory obligations are public obligations to an individual that are subject to execution in monetary form in the amount established by the relevant law or other regulatory legal act or have an established procedure for its indexation.

For 25 functional sections and a subsection in total in millions of rubles, the dynamics of Penza Region's budget expenditures was:

2020 – 71,287.0;

2021 – 72,700.9.

Plan:

2022 – 76,034.4;

2023 – 68,682.8;  
2024 – 67,859.60.

National issues:

2020 – 2,194.0;  
2021 – 2,196.7;  
2022 – 4,522.1;  
2023 – 3,584.7;  
2024 – 4,283.2.

National Defense:

2020 – 59.5;  
2021 – 60.8;  
2022 – 86.3;  
2023 – 64.1;  
2024 – 66.3.

National Security and Law Enforcement:

2020 – 122.3;  
2021 – 172.1  
2022 – 242.6;  
2023 – 262.2;  
2024 – 153.6.

National economy:

2020 – 13,652.9;  
2021 – 13,621.2;  
2022 – 14,211.0;  
2023 – 13,799.5;  
2024 – 12,592.9.

Department of Housing and Utilities:

2020 – 2,085.6;  
2021 – 1,692.8;  
2022 – 2,000.4;  
2023 – 1,481.1;  
2024 – 1,502.3.

Environmental protection:

2020 – 26.4;  
2021 – 40.7;  
2022 – 48.3;  
2023 – 35.2;  
2024 – 28.3.

Education:

2020 – 13,903.1;  
2021 – 15,785.7;  
2022 – 17,813.7;  
2023 – 18,721.4;

2024 – 18,025.8.

Culture, cinematography:

2020 – 1,707.6;

2021 – 1,604.4;

2022 – 1,905.4;

2023 – 1,536.4;

2024 – 1,381.0.

Healthcare:

2020 – 12,005.1;

2021 – 10,762.4;

2022 – 8,395.3;

2023 – 7,653.1;

2024 – 8,074.3.

Social politics:

2020 – 18,151.5;

2021 – 18,708.3;

2022 – 19,500.4;

2023 – 14,475.0;

2024 – 14,676.1.

Physical Culture and sport:

2020 – 972.2;

2021 – 1,037.8;

2022 – 915.2;

2023 – 1,267.3;

2024 – 1,421.9.

Mass Media:

2020 – 192.9;

2021 – 229.4;

2022 – 284.3;

2023 – 229.5;

2024 – 236.3.

Service of state and municipal debt:

2020 – 823.0;

2021 – 592.4;

2022 – 403.5;

2023 – 405.2;

2024 – 6,333.9.

Inter-budgetary tariffs of a general nature for the budgets of Russian Federation's budget system (*Maslona, 2021*).

Total expenses incurred in millions of rubles:

completed:

2022 – 71,287;

2021 – 72,700.9;

planned:

2022 – 76,469.3;

2023 – 68,688.8;

2024 – 67,880.

Budget deficit is the excess of budget expenditures over its revenues (*Budget Code..., Art. 6*). Budget deficit is the amount by which government expenditures exceed revenues (*Sharkova, 2015*). Calculation of Penza Region's budget deficit and surplus have the following sources for 2022 for 2023 for 2024:

Incoming sources:

2022 – 4,963.9;

2023 – 2,979.2;

2024 – 423.7.

Commercial loans:

2022 – none;

2023 – 1,345.0;

2024 – 423.7.

Budget loans:

2022 – 4,963.2;

2023 – 1,634.2;

2024 – none.

Repayment of budget loans from local budgets:

2022 – 0.7;

2023 – none;

2024 – none.

Payments by source:

2022 – 2,883.7;

2023 – 1,948.4;

2024 – 1,411.2.

Repayment of commercial loans:

2022 – none;

2023 – 1,520;

2024 – 803.7.

Repayment of budget loans:

2022 – 2,883.7;

2023 – 428.4;

2024 – 607.5.

Change in balances of funds in budget accounts (decrease in “+” / increase in “–” balances compared to the beginning of the year):

2022 – 4,466.9;

2023 – 200;

2024 – 200.

In this case, the result of budget execution:

2022 – (-6,547.1);

2023 – (-1,230.8);  
2024 – 787.5.

### **Analysis of Penza Region's planned budget**

Penza Region's consolidated budget in revenue items in millions of rubles assumes:

2022 – 79,821.8,  
2023 – 82,105.1,  
2024 – 86,912.3.

These data include the following items in millions of rubles:

tax and non-tax:

2022 – 54,025.3,  
2023 – 56,625.9,  
2024 – 59,747.5;

gratuitous receipts:

2022 – 25,796.5,  
2023 – 25,479.2,  
2024 – 27,164.8.

At the same time, expenses are included in millions of rubles:

2022 – 83,259.0,  
2023 – 82,325.9,  
2024 – 85,963.3.

The deficit (surplus) planned for 2022-2024 is in millions of rubles:

2022 – (-3,437.2);  
2023 – (-220.8);  
2024 – 949.0.

Thus, only 2024 should become surplus (*Boryaeva, 2022*).

2022-2024 Penza Region's budget in millions of rubles is planned as follows:

1) Income:

2022 – 69,010.4,  
2023 – 71,060.6,  
2024 – 75,378.8;

including:

a) tax, non-tax:

2022 – 43,281,  
2023 – 45,583.5,  
2024 – 48,267.1;

b) gratuitous receipts:

2022 – 25,729.4,  
2023 – 25,477.1,  
2024 – 27,111.7;

2) Expenses:

2022 – 72,540.8,  
2023 – 71,437.2,

2024 – 74,603.4;

3) Inter-budgetary transfers to municipal budgets:

2022 – 35,376.7,

2023 – 35,677.3,

2024 – 35,405.2;

4) Shortage:

2022 – 3,530.4,

2023 – 376.6;

5) Surplus:

2024 – 775.4.

Penza Region's local budgets present the following promising indicators in millions of rubles:

1) Income:

2022 – 46,121.0,

2023 – 46,719.7,

2024 – 46,885.6;

including:

a) tax, non-tax:

2022 – 10,744.3,

2023 – 11,042.4,

2024 – 11,480.4;

b) gratuitous receipts:

2022 – 35,376.7,

2023 – 35,677.3,

2024 – 35,405.2;

2) Expenses:

2022 – 46,027.8,

2023 – 46,563.9,

2024 – 46,712;

3) Expenses due to inter-budgetary transfers:

2022 – 35,376.7,

2023 – 35,677.3,

2024 – 35,405.2;

4) Surplus:

2022 – 93.2,

2023 – 155.8,

2024 – 173.6 (*Boryaeva, 2022*).

For 25 functional sections and subsections, the dynamics of Penza Region's planned budget expenditures amounted to millions of rubles:

1) Plan:

2022 – 76,034.4,

2023 – 68,682.8,

2024 – 67,859.6;

- 2) National issues:
  - 2022 – 4,522.1,
  - 2023 – 3,584.7,
  - 2024 – 4,283.2;
- 3) National defense:
  - 2022 – 86.3,
  - 2023 – 64.1,
  - 2024 – 66.3;
- 4) National security and law enforcement:
  - 2022 – 242.6,
  - 2023 – 262.2,
  - 2024 – 153.6;
- 5) National economy:
  - 2022 – 14,211,
  - 2023 – 13,799.5,
  - 2024 – 12,592.9;
- 6) Housing and communal services:
  - 2022 – 2,000.4,
  - 2023 – 1,481.1,
  - 2024 – 1,502.3;
- 7) Environmental protection:
  - 2022 – 48.3,
  - 2023 – 35.2,
  - 2024 – 28.3;
- 8) Education:
  - 2022 – 17,813.7,
  - 2023 – 18,721.4,
  - 2024 – 18,025.8;
- 9) Culture, cinematography:
  - 2022 – 1,905.4,
  - 2023 – 536.4,
  - 2024 – 1.381;
- 10) Healthcare:
  - 2022 – 8,395.3,
  - 2023 – 7,653.1,
  - 2024 – 8,074.3;
- 11) Social policy:
  - 2022 – 19,500.4,
  - 2023 – 14,475,
  - 2024 – 14,676.1;
- 12) Physical culture and sports:
  - 2022 – 915.2,
  - 2023 – 1,267.3,

2024 – 1,421.9;

13) Media:

2022 – 284.3,

2023 – 229.5,

2024 – 236.3;

14) Service of state and municipal debt:

2022 – 403.5,

2023 – 405.2,

2024 – 6,333.9 (*Boryaeva, 2022*).

Total spending plan:

2022 – 76,469.3,

2023 – 68,688.8,

2024 – 67,880.

When analysing the budget of any region, in particular, the Penza Region, it is necessary to divide all income into two large groups according to sources of income: tax and non-tax. Total income is

2022 – 43,281;

2023 – 45,583.5;

2024 – 48,267.1.

Thus, based on the above data, already when calculating the budget for 2022, 2023, the legislator assumed that the regional budget would be in deficit. According to Penza Region's government calculations, a surplus can only be achieved in 2024 due to an increase in tax revenues; in this regard, it is necessary to refer to Penza Region's tax policy plan to find out the mechanism for increasing revenues through taxes.

### **Main directions of Penza Region's tax policy for 2022 and for the planning period 2023-2024**

The main directions of Penza Region's budget and tax policy for 2022 and for the planning period of 2023 and 2024 were developed in accordance with articles 172, 184.2 of the Budget Code of the Russian Federation, articles 25, 30, 37 of the Law of the Penza Region No. 463-ZPO dated 04/07/2003 (*On the Budget Structure..., 2003*), considering the results of the implementation of the Penza region budget and tax policy for the period 2021-2023.

In the context of the ongoing fight against coronavirus infection, the main tasks of Penza Region's tax policy are to support taxpayers, aimed at quickly restoring the business activity of organizations and individual entrepreneurs, employment of the population, and reducing the fiscal burden..

To provide support to legal entities and individual entrepreneurs in the region, the tax preferences established in 2020 and 2021 have been retained. The main ones are:

- reduction of the tax rate for the tax levied in connection with the use of the simplified taxation system (from 6% up to 2% in 2021 and 4% in 2022 if the object of taxation is "income"), for certain sectors of the economy (including those most affected as a result of the introduced "quarantine" restrictions) to ensure a smooth and "painless" transition of

business entities to other special tax regimes in connection with the abolition of the single tax on imputed income;

- extension until 2024 of the “tax holiday” in the form of a zero rate under the simplified and patent taxation systems for newly registered individual entrepreneurs working in agriculture, scientific, industrial, social spheres, as well as in the sphere of consumer services to the population;
- introducing amendments to the regional legislation on the patent tax system concerning the procedure for calculating the tax base for certain types of economic activity and differentiation of patents by cities and regions of the region;
- maximum reduction in rates under the simplified taxation system (up to 1% for the object of taxation “income”, up to 5% for the object of taxation “income reduced by the amount of expenses”) for legal entities and individual entrepreneurs who have transferred their business from other regions to Penza region;
- in the Penza Region, the special tax regime “Professional Income Tax” introduced on July 1, 2020 continues to operate, allowing the self-employed to legally run a business, receive income from additional earnings without the risk of a fine for illegal business activities (*On the Main Directions..., 2021*).

In addition, to create conditions for the rapid development of domestic companies, starting from 2021, for organizations and individual entrepreneurs operating in the field of information technology, at the regional level, under the simplified taxation system, the tax rate has been reduced if the object of taxation is “income” (from 6% to 1%), at the federal level, a zero rate has been established for IT companies for corporate income tax, credited to the budgets of the constituent entities of the Russian Federation.

For the property tax of organizations, calculated on the basis of cadastral value, in 2020-2021, preferences are provided in the form of the application of reduced tax rates (respectively 1.6% in 2020 and 1.8% in 2021) with an increase by 2022 rates up to the maximum level (2%). In addition, in relation to public railway tracks and structures that are their integral technological part, the specified tax (calculated on the basis of the residual book value) for 2022-2023 retained a reduced tax rate of 1.6% (with a maximum of 2.2%).

In 2022, the coefficient reflecting the regional characteristics of the labour market in the Penza Region, used in calculating personal income tax on the income of foreign citizens working in the Russian Federation on the basis of a patent, will increase from 1.8 to 1.9.

At the federal level, changes have been made to tax legislation:

- 1) the application of the simplified taxation system has been expanded by increasing the income thresholds (from 150 million rubles to 200 million rubles) and the average number of employees (from 100 to 130 people);
- 2) under the patent taxation system, a reduction in the amount of tax on insurance premiums is provided, and the scope of application of the tax on certain types of business activities is expanded;
- 3) for personal income tax, a new social tax deduction has been introduced in the amount of expenses for physical education and health services actually incurred starting from January 1, 2022;

- 4) for corporate income tax:
- libraries, archives, museums and other cultural objects, as well as organizations engaged in creative activities, no later than March 28, 2022;
  - the fifty percent limitation on accounting for losses from previous years has been extended until the end of 2024;
  - from 2023, the institution of consolidated groups of taxpayers is abolished; previously registered agreements are valid no later than January 01, 2023;
- 5) religious organisations are exempt from paying land tax from 2021 in relation to the land plots they own on which buildings, structures and structures for religious and charitable purposes are located.

To stimulate investment activity and create comfortable conditions for attracting new investors to the region, tax preferences continue to apply for organizations that have concluded investment agreements with Penza Region's Government, just like for residents of territories of rapid socio-economic development.

The use of tax preferences introduced in the region is under state control. In accordance with the requirements established by Decree of the Government of the Russian Federation No. 796 dated June 22, 2019 (*On the General Requirements...*, 2019), just like Decree of the Government of the Penza Region No. 679-pP dated October 31, 2019 (*On Approval of the Procedure...*, 2019), an assessment of the effectiveness of tax incentives in force in the Penza region for 2020 was carried out, according to the results of which all incentives were recognised as effective. Information on the results of the assessment was sent to the Ministry of Finance of Russia as part of the fulfillment of the obligation under Agreement No. 01-01-06/06-6 dated January 21, 2021, on measures for socio-economic development and improvement of Penza Region's public finances (*On Agreements...*, 2020).

Excise tax rates and standards for their transfer by budget levels are changing:

- the increase in rates for all excisable products is:
- from 3.1% up to 5.2% in 2022;
- from 3.0% up to 4.9% in 2023-2024;
- when distributing excise taxes on strong alcohol in regional incomes, the share of revenues from retail sales continues to increase, reaching 100%: from 80% (in the current year) up to 90% in 2022, 100% from 2023, with a simultaneous decrease in 2021-2022 and the abolition from 2023 of the standard for transferring specified excise taxes to the regions to compensate for the decrease in budget revenues of the constituent entities of the Russian Federation on the territory of which manufacturing plants are located (respectively 20% in 2021, 10% in 2022, 0% from 2023).

### **Information on Penza Region's debt obligations**

State (municipal) debt is obligations arising from state (municipal) borrowings, guarantees for the obligations of third parties, other obligations in accordance with the types of debt obligations established by the Budget Code, assumed by the Russian Federation, a constituent entity of the Russian Federation or a municipal entity (*Budget Code...*) of the Russian Federation, Art. 6).

State (municipal) internal debt is debt obligations of a public legal entity arising in the currency of the Russian Federation (*Budget Code..., Art. 6*).

State (municipal) external debt is debt obligations of a public legal entity arising in foreign currency (*Budget Code..., Art. 6*).

Information on Penza Region's public debt as of November 01, 2022 and its maturity dates. In total, it is 23,182,539 thousand rubles. Repayment schedule in thousands of rubles:

2022 – 428,412;

2023 – 1,773,412;

2024 – 957,735;

2025-2037 – 20,022,980.

Debt calculation columns:

- 1,218,082 thousand rubles are for construction, reconstruction, overhaul, repair and maintenance of public roads (except for federal roads);
- 7,454,451 thousand rubles are for partial financing of the budget deficit;
- 380 million rubles are to repay the budget loan to replenish the balance of funds in the budget account;
- 5,272,066 thousand rubles are to repay loans from credit institutions;
- 2,451,458 thousand rubles are to repay the debt obligations of municipalities of the region on market borrowings;
- 1,478,360 thousand rubles are for financial support for the implementation of infrastructure projects.

*Based on the data provided above*, it follows that the estimated period for repaying Penza Region's public debt at the time of writing this work is fifteen years, however, it is worth considering that based on the above data, Penza Region's budget is often in deficit. The budget deficit leads to an increase in Penza Region's debt, so we can conclude that repayment will take a longer period than indicated in the calculations.

### **Discussion**

Analysis of the results of planning regional budgets is of great strategic importance for further comparative research and generation of materials for subsequent analysis of trends in the economic development of the region. Therefore, it is important to subsequently compare the results of Penza Region's budget execution with financial planning indicators of consolidated indicators for these time periods and planning indicators for subsequent years.

### **Conclusion**

Having examined the main characteristics of Penza region's consolidated budget, we can conclude that the formation of budget expenditures is based on available funds, that is, income and expenses are closely interrelated. Conducting an analysis of the main characteristics of budget execution at the end of the financial year is necessary for carefully developing the draft budget for the next year and determining further actions of the state authorities of the subject.

When considering the tax policy of the region, we can conclude that it is being adapted to Russian tax conditions, but at the same time it is obvious that there remains a fairly large number

of unresolved problems. Such as: problems with the application of the tax on the gambling business; excise taxes, etc.

To eliminate numerous problems, it is necessary in the medium term to move away from the huge number of subsidies, subsidies, and other forms of inter-budgetary transfers, replacing them with existing government programs. This toolkit has similar performance indicators, and inter-budgetary transfers largely duplicate their main activities, complicating the financing procedure, control and activity of budget expenditures. However, the budget, which is currently significantly weakened due to the spread of coronavirus infection, and the unplanned expenses that came with it from the regional budget.

Based on the data provided above, it follows that the estimated period for repaying the Penza region public debt at the time of writing this work is fifteen years, however, it is worth considering that based on the above data, Penza Region's budget is often in deficit. The budget deficit leads to an increase in the region's debt, so we can conclude that repayment will take a longer period than indicated in the calculations.

Under normal conditions, development is not always stable, which is confirmed by Penza Region's large debt, a deficit budget, and a long-planned period for debt repayment. Based on the above data, already when calculating the budget for 2022, 2023, the legislator assumed that the regional budget would be in deficit. According to the calculations of Penza Region's Government, a surplus can only be achieved in 2024 due to an increase in tax revenues; in this regard, it is necessary to refer to Penza Region's tax policy plan to find out the mechanism for increasing revenues through taxes.



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