

FINANCE LAW

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**FEATURES OF BRINGING TO FINANCIAL LIABILITY
FOR BUDGET VIOLATIONS**

Reforming the budget system of Ukraine, the necessity of expansion of the powers of local self-government in the budgeting process and the search for new sustainable mechanisms of formation and use of budget funds require effective means of control of budget and legal mechanism for prosecution of violators of the budget legislation. The importance of budgetary control actualized recently, when the political situation in Ukraine and threats to national security negatively affected the formation and execution of budgets of different levels, weakened the security of the state budget, causing the need to provide budget resources adequate to current needs and global trends.

I believe that the financial and legal sanctions for budget violations, according to the Budget Code of Ukraine should include the following: 1) the suspension of budgetary appropriations is suspension of taking budget commitment of the general fund of budget for specified time (Art. 15); 2) suspension of operations with public funds (Art. 120); 3) reduction of appropriations spending money on the amount of funds spent inappropriately (ch. 1, Art. 119); 4) mandatory return of funds received in the form of subsidies to the appropriate budget (p. 2, Art. 119). Other measures of influence for violation of budget legislation may be regarded as preventive measures of financial liability. Thus, financial liability in budgetary relations is characterized by specific features, which include the following: budget violations as an object of the financial liability, the range of subjects including participants of the budgeting process, financial sanctions for violation of budget legislation and preventive measures. Defining financial liability in the form of penalties for budget offenses in the current budget legislation will help to improve the budget process and mechanism to monitor compliance with budget legislation. Procedural peculiarities of application of financial liability for budget violations also require legislative definition.

