

ANALYSIS OF REVENUES AND EXPENDITURES OF THE STATE BUDGET OF THE REPUBLIC OF UZBEKISTAN FOR 2023-2024

Y. P. Urunbayeva

Doctor of Philosophy (PhD) in Economics, Associate Professor

ulduzurunbaeva75@gmail.com

Tel: +998 90 505-21-05

Z. M. Qudratova

Talented Student, Samarkand Institute of Economics and Service

zarnigormahmudovna1@gmail.com

Tel: +998 91 945-38-02

Abstract:

This article analyzes the structure of revenues and expenditures of the state budget of the Republic of Uzbekistan for the years 2023 and 2024, their composition, and economic significance. Based on budget parameters, the country's financial stability and the social and economic directions of fiscal policy are examined.

Keywords: State budget, budget revenues, budget expenditures, budget deficit, fiscal policy, Uzbekistan's economy.

Introduction

The revenues of the State Budget of the Republic of Uzbekistan are one of the important structural elements in the general process of distribution and redistribution of the country's GDP. They have an intermediate economic nature and are formed by directing a certain part of the income and savings belonging to legal entities and individuals to the state budget. The material content of budget revenues is the funds received by the state. The form of expression of this financial category is manifested in various taxes, mandatory payments, fees, customs duties and other allocations to the budget.

The "Uzbekistan - 2030" strategy, signed by President Shavkat Mirziyoyev on March 16, 2023, set out priority tasks to improve the efficiency of public finance management, optimize budget expenditures, strengthen budget discipline and transparency.

Article 3 of the Budget Code of the Republic of Uzbekistan provides a clear definition of the concept of the state budget, according to which the state budget is a centralized monetary fund intended to financially support the main tasks and functions of the state.[1] Based on this definition, it can be said that the budget, as an economic category, reflects the state's annual income and expenses. These income and expenses are planned in advance and approved on a legal basis within the framework of the fiscal year. Their implementation in practice creates budget relations and constitutes an important component of financial management.

Literature Analysis

The state's fiscal policy should coordinate its impact on economic development and the standard of living of the population. Because the budget represents not only the centralization of funds, their accumulation, savings, but also the rational use of accumulated financial resources. The effectiveness of this is reflected in the system of state budget expenditures.

These expenditures, first of all, consist of expenditures intended for investment in various sectors for the development of the country's economy, planned to raise the standard of living of the population, allocated for the implementation of social tasks, aimed at specific goals such as state management, defense. These general state expenditures are financed through the budget. All expenditures of the budget system are distributed between different budgets, which means that one or another expense is included in a specific budget. This is due, firstly, to the fact that the financed institution belongs to the republican and local bodies, and secondly, to the importance of the financed event. As the next stage of reforms in the field of the state budget and inter-budgetary relations, the Law "On the State Budget of the Republic of Uzbekistan for 2024" was adopted on December 30, 2023. It considered it important to implement the following important reforms this year to develop the economy, ensure the financial stability of the state, maintain social orientation, support the needy segment of the population, ensure the socio-economic development of regions, as well as budget discipline and rational use of funds:

1. Develop a medium-term budget framework and introduce a new "results-oriented budget" system for annual budget formation in order to implement a strategic approach to fiscal policy;
2. Increase institutional capacity and accountability of participants in the budget process to ensure the reliability of macro-fiscal forecasts;
3. increasing the powers and accountability of budget allocators and local government bodies in the budget sphere and strengthening their responsibilities;
4. Implement a system for assessing fiscal risks, accounting for financial assets and liabilities, and effectively managing them;
5. Strengthening financial discipline by harmonizing budget accounting standards and improving the internal control and audit system;
6. ensuring the transparency, completeness, and compliance of budget information with international standards;
7. Strengthen parliamentary and public oversight of the budget process.[2]

Analysis and Results

The table below presents an analysis of the indicators of revenues and expenditures of the state budget of the Republic of Uzbekistan for 2023-2024.

Indicators	2023	2023	2024	2024
	1- quarter	annual	1-quarter	annual
1. Revenues	47 288,6	231 721,3	52 620,6	274 423
Direct taxes	16 699,9	73 103,6	18 770,7	90 833
Profit tax	9 521,2	40 778,9	10 431,5	52 620
Indirect taxes	18 425,1	83 325,8	18 193,0	88 341
Personal income tax	6 622,4	29 917,4	7 744,9	35 384
Turnover taxes	556,4	2 407,3	594,3	2 829
Value Added Tax	13 218,3	57 885,3	12 267,0	59 280
Excise taxes	3 486,1	15 834,4	3 729,8	19 060
Customs duty	1 720,6	9 606,1	2 196,2	10 001
Resource fees and property taxes	6 491,0	28 079,5	8 317,3	36 363
Property tax	1 316,2	5097,7	1 718,0	6 805
Land tax	1 425,1	6 890,1	1 853,4	8 216
Subsoil use tax	3 543,8	15 300,3	4 506,4	20 170
Tax for the use of water resources	205,8	791,4	239,5	1 173
Other income	5 672,6	47 212,5	7 339,6	58 886

Analysis of State Budget Revenues of the Republic of Uzbekistan for 2023-2024

Analysis of the structure and dynamics of the State Budget revenues of the Republic of Uzbekistan in 2023 and 2024 shows that the revenue base of the state budget has significantly expanded in these years. In particular, according to the annual results of 2023, the volume of revenues amounted to 231,721.3 billion soums, while for 2024 this figure reached 274,423 billion soums. This represents an increase of 18.4%.

While direct tax revenues amounted to 73,103.6 billion soums in 2023, in 2024 they reached 90,833 billion soums, an increase of 24.3%. In particular, income tax revenues increased from 40,778.9 billion soums to 52,620 billion soums.

Indirect taxes, on the other hand, have shown relatively stable growth: revenues of 83,325.8 billion soums in 2023 reached 88,341 billion soums in 2024. Here, VAT (value added tax) shows a negative change - from 57,885.3 billion soums in 2023 to 59,280 billion soums in 2024, although a decrease was observed in the 1st quarter (13,218.3 → 12,267.0 billion soums). Resource payments and property taxes have also shown a significant increase in total volume. These revenues, which amounted to 28,079.5 billion soums in 2023, reached 36,363 billion soums in 2024. In particular, the tax on the use of subsoil increased from 15,300.3 billion soums in 2023 to 20,170 billion soums in 2024. Other revenues also increased, reaching 58,886 billion soums from 47,212.5 billion soums, which represents an increase of more than 25%. [3,4]

Indicators	2023	2023	2024	2024
	1- quarter	annual	1-quarter	annual
Social costs	28 241,5	137 246,8	33 919,7	152 347,6
Expenditures on social sphere and social support of the population	26 369,2	122 348,7	30 357,8	134 666,6
Transfers to the Pension Fund	1 725,0	13 797,5	3 300,0	16 270,6
Expenditures for financing housing programs	552,3	2 208,0	261,9	1 410,4
Economic costs	11 318,3	42 926,9	13 500,3	38 417,0
Centralized investment projects and regional infrastructure development costs	2 805,0	29 581,6	3 397,7	28 482,2
Costs of maintaining public administration, justice and prosecutor's offices	3 012,8	14 618,4	3 486,7	16 306,3
Costs of maintaining judicial bodies	297,2	1 295,4	355,1	1 622,9
Reserve funds of the budgets of the Cabinet of Ministers of the Republic of Uzbekistan, the Republic of Karakalpakstan, regions, cities and districts	301,3	1 720,4	388,7	2 170,1
Expenses for state support of NGOs and other civil society institutions and expenses for maintaining self-governing bodies	63,3	326,8	376,3	1 323,3
Public debt servicing and repayment costs	1 213,6	8 220,6	2 490,6	14 537,4
Other expenses	11 599,4	44 399,4	12 424,5	55 719,3
Total	59 033,9	281 097,4	70 339,6	310 926,2

Analysis of State Budget Expenditures of the Republic of Uzbekistan in 2023–2024

- Social expenditures amounted to 33,919.7 billion soums in the 1st quarter of 2024, an increase of 20.11% compared to the 1st quarter of 2023. Annually, social expenditures increased from 137,246.8 billion soums to 152,347.6 billion soums, which indicates a growth rate of 11.02%. This increase is due to the allocation of more funds in the country to issues such as the social sphere, population support and the pension system.
- Social expenditures and social support of the population amounted to 30,357.8 billion soums in the 1st quarter of 2024, an increase of 15.13% compared to the 1st quarter of 2023. In annual terms, these expenses increased from 122,348.7 billion soums to 134,666.6 billion soums, which indicates a growth rate of 10.07%. This growth indicates an increased need for social support programs for the population.
- Transfers allocated to the Pension Fund amounted to 3,300.0 billion soums in the 1st quarter of 2024, showing a significant increase of 91.30%. In annual terms, they increased from 13,797.5 billion soums to 16,270.6 billion soums, which indicates a growth rate of 17.87%. The increase in the need for pension payments led to this growth.
- Expenditures allocated for housing programs in the 1st quarter of 2024 amounted to 261.9 billion soums, a decrease of 52.58% compared to the 1st quarter of 2023. This decrease indicates a decrease in funds allocated for housing construction. In annual terms, expenditures decreased from 2,208.0 billion soums to 1,410.4 billion soums, a decrease of 36.22%.
- Economic expenditures in the 1st quarter of 2024 amounted to 13,500.3 billion soums, an increase of 19.28% compared to the 1st quarter of 2023. In annual terms, economic expenditures decreased from 42,926.9 billion soums to 38,417.0 billion soums, a decrease of 10.62%. This change indicates a decrease in funds allocated to the economic sector.
- Expenditures on centralized investment projects and regional infrastructure development amounted to 3,397.7 billion soums in the 1st quarter of 2024, an increase of 21.13% compared to the 1st quarter of 2023. Annually, expenditures decreased from 29,581.6 billion soums to 28,482.2 billion soums, which indicates a decrease of 3.72%. This change indicates a decrease in the amount of funds allocated for investments.

- Expenditures on maintaining public administration, justice and prosecutor's offices amounted to 3,486.7 billion soums in the 1st quarter of 2024, an increase of 15.73% compared to the 1st quarter of 2023. On an annual basis, these expenses increased from 14,618.4 billion soums to 16,306.3 billion soums, which represents an increase of 11.53%.
- The expenses for maintaining judicial bodies amounted to 355.1 billion soums in the 1st quarter of 2024, an increase of 19.48% compared to the 1st quarter of 2023. On an annual basis, the expenses increased from 1,295.4 billion soums to 1,622.9 billion soums, which represents an increase of 25.33%.
- The reserve funds of the budgets of the Cabinet of Ministers of the Republic of Uzbekistan, the Republic of Karakalpakstan, regions, cities and districts amounted to 388.7 billion soums in the 1st quarter of 2024, an increase of 29.01% compared to the 1st quarter of 2023. Annually, expenditures increased from 1,720.4 billion soums to 2,170.1 billion soums, which indicates an increase of 26.16%.
- Expenditures on servicing and repaying public debts amounted to 2,490.6 billion soums in the 1st quarter of 2024, an increase of 105.22% compared to the 1st quarter of 2023. On an annual basis, these expenses increased from 8,220.6 billion soums to 14,537.4 billion soums, which represents an increase of 77.3%. This increase indicates an increase in funds allocated for repayment and servicing of state debts.
- Other expenses amounted to 12,424.5 billion soums in the 1st quarter of 2024, an increase of 7.11% compared to the 1st quarter of 2023. On an annual basis, these expenses increased from 44,399.4 billion soums to 55,719.3 billion soums, which represents an increase of 25.67%.
- Total expenses in the 1st quarter of 2024 amounted to 70,339.6 billion soums, an increase of 19.15% compared to the 1st quarter of 2023. On an annual basis, total expenditures increased from 281,097.4 billion soums to 310,926.2 billion soums, an increase of 10.64%.[5]

The funds allocated to the social sphere and support of the population show a clear increase in 2023 and 2024, especially the funds allocated to the pension fund, which increased significantly. There is also growth in other areas, but some expenditures, such as those allocated for housing programs, have decreased. The growth of public debt service indicates that it is becoming a significant part of public finances and that more funds should be allocated to it.

Conclusion

As a result of the introduction of the treasury system of state budget execution, the state budget has been executed with a surplus in recent years. This is ensured by ensuring targeted and targeted spending of planned budget expenditures. Dynamic changes in the revenues and expenditures of the state budget of the Republic of Uzbekistan in 2023–2024 indicate active and targeted implementation of fiscal policy. Reforms in public financial management have made it possible to ensure fiscal stability, expand financing of social sectors, and effectively use budget funds.

A 14.7 percent increase in budget revenues and a 19.3 percent increase in expenditures indicate increased economic activity, an expansion of the tax base, and increased attention to social infrastructure projects. At the same time, the budget deficit of 23.8 trillion soums recorded in 2023 emphasizes the need to further strengthen fiscal discipline.

In the future, to form a more open, efficient, and sustainable system of public finance management, it will be important to simplify the taxation system, optimize tax incentives, deepen digitalization processes, and ensure targeted and effective use of budget funds.

References

1. O‘zbekiston Respublikasining Budjet kodeksi <https://lex.uz/docs/-2304138>
2. O‘zbekiston Respublikasi Vazirlar Mahkamasining qarori, 24.08.2020 yildagi 506-son
3. Makroiqtisodiyot-2.O‘quv qo‘llanma. Toshkent-2019.
4. Urumbaeva, Y. P., & Qudratova, Z. M. (2025). THE GLOBAL IMPLEMENTATION OF THE GREEN ECONOMY AND ITS IMPACT ON SUSTAINABILITY. *EduVision: Journal of Innovations in Pedagogy and Educational Advancements*, 1(2), 312-321.
5. Qudratova, Z. M. (2025). THE INVERSE RELATIONSHIP BETWEEN THE ESSENCE OF INFLATION AND UNEMPLOYMENT AND ANTI-INFLATIONARY POLICIES. *Educator Insights: Journal of Teaching Theory and Practice*, 1(2), 369-376.
6. Урумбаева, Ю. (2021). Роль малого бизнеса в повышении уровня жизни. in *Library*, 21(1), 19-22.