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Features of the Komi Republic budget

Abstract: This article presents an analysis of the budget of the Komi Republic, a constituent entity of the Russian Federation, which is part of the Northwestern Federal District and the Northern Economic Region. The study purpose is to determine the accentuated directions of the budget policy of the Komi Republic. Historical, comparative, statistical and logical methods of material analysis were used to achieve the tasks. In the course of the study, legislative and regulatory documents of the Russian Federation and the Komi Republic were used. The author concludes that the budget policy of the Komi Republic is aimed at five main goals: achieving budget balance in conditions of its scarcity and falling revenues, unconditional fulfillment of expenditure obligations, primarily socially significant, implementing agreements with the Ministry of Finance of the Russian Federation, financial support for municipalities and the concept of improving the efficiency of budget expenditures through the Program of Improvement of Public Finance of the Komi Republic for 2017-2024.

Keywords: budget code, Komi Republic budget, revenues, expenses, republican budget deficit, covid-19.



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Особенности бюджета Республики Коми

Аннотация: В данной статье представлен анализ бюджета Республики Коми – субъекта Российской Федерации, который входит в Северо-Западный федеральный округ, он является частью Северного экономического района. Целью исследования является определение акцентированных направлений бюджетной политики Республики Коми. Для достижения поставленных задач применялись исторический, сравнительный, статистический и логический методы анализа материалов. В ходе исследования были использованы законодательные и нормативные документы Российской Федерации и Республики Коми. Автор делает заключение, что бюджетная политика Республики Коми направлена на пять основные цели: достижение сбалансированности бюджета в условиях его дефицитности и падения доходов, безусловное исполнение принятых расходных обязательств, в первую очередь социально-значимых, выполнение соглашений с Минфином

России, финансовую поддержку муниципальных образований и реализацию концепции повышения эффективности бюджетных расходов через Программу оздоровления государственных финансов Республики Коми на 2017-2024 годы.

Ключевые слова: бюджетный кодекс, бюджет Республик Коми, доходы, расходы, дефицит республиканского бюджета, ковид-19.



Abbreviations:

MET – mineral extraction tax

PIT – personal income tax

STS – simplified taxation system

VIT – vocational income tax

Introduction

The article presents an analysis of the Komi Republic budget, a constituent entity of the Russian Federation, which is part of the Northwestern Federal District and Northern Economic Region. The capital of the Komi Republic is Syktyvkar. Administratively, the Komi Republic is divided into the following administrative-territorial units: eight cities of republican significance with subordinate territories (Syktyvkar, Vorkuta, Vuktyl, Inta, Pechora, Sosnogorsk, Usinsk, Ukhta) and 12 districts (Izhemsky, Knyazhpogostsky, Koigorodsky, Kortkerossky, Priluzsky, Syktyvkar, Sysolsky, Troitsko-Pechora, Udorsky, Ust-Vymsky, Ust-Kulomsky, Ust-Tsilemsky). Districts and territories subordinated to cities of republican significance are divided into administrative territories. According to the State Statistics Committee of Russia, the population of the republic is 820,473 people to the beginning of 2021. The population density is 2.00 people / sq. km. An important feature of the Republic is the abundance of forests, which occupy more than 70% of the territory. This is the reason for the location on the territory of the Komi Republic of one of the largest pulp and paper mills in Russia – JSC “Mondi Syktyvkar LPC”. According to the features of the geological structure, it is possible to distinguish the Polar-Circumpolar-Ural, Pai-Hoi-Yuzhno-Novozemelskaya, Pechora, Timan and Vyatka-Dvina metallogenic provinces. The state of the general geological study of the Komi Republic territory and the degree of exploration allow to single out only a limited range of minerals as the most significant for the national economy. These, in particular, include: coal, oil, natural gas, bauxite, gold and diamonds. Thus, the Komi economy is closely connected with the extraction and primary processing of minerals – oil, gas, coal, bauxite, gems, etc., wood processing and papermaking enterprises.

The study object is the Komi Republic as a subject of the Russian Federation.

The study subject is the Komi Republic budget.

The study purpose is to determine the accentuated directions of the Komi Republic budget policy.

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

- analyze the items of income and expenses of the budget of the Komi Republic,
- research non-programmatic spending directions of the Komi Republic,

- assess the sources of financing of the deficit of the republican budget of the Komi Republic. Historical, comparative, statistical and logical methods of material analysis were used to achieve the tasks.

In the course of the study, legislative and regulatory documents of the Russian Federation and the Komi Republic were used.

Analysis of budget revenue items of the Komi Republic

The formation of the revenue base of the Komi Republic budget for tax and non-tax revenues for 2021 and the planning period of 2022 and 2023 was realised according to the requirements of the Budget and Tax Codes of the Russian Federation on the basis of the forecast of social and economic development of the Komi Republic for 2021 and the period up to 2023, developed by the Ministry of Economy of the Komi Republic and approved by the Government Republic of Komi (*Order of the Government of the Republic of Komi No. 285-r*), in the conditions of the current legislation on taxes and fees and the budget legislation of the Russian Federation and the Komi Republic, as well as the legislation of the Russian Federation and the Komi Republic, establishing non-tax revenues.

The forecast indicators of 2021-2023 tax and non-tax income receipts were formed on the basis of information provided by the chief administrators of tax revenues of the Komi Republic budget – the Office of the Federal Tax Service for the Komi Republic (taxes) and the Office of the Federal Treasury for the Komi Republic (excise tax revenues on petroleum products and alcoholic beverages), as well as the chief administrators non-tax revenues of the republican budget of the Komi Republic. Revenue forecasts were calculated by the chief revenue administrators based on the methods of forecasting revenue receipts approved by them according to the requirements of the Budget Code of the Russian Federation.

It should note that in the that year, the dynamics of tax receipts and fees, non-tax payments were significantly influenced by the following main factors:

- the epidemiological situation associated with the spread of a new coronavirus infection, the restriction of the work of a significant part of organizations, a long period of non-working days from the end of March to mid-May 2020, the restriction of supply and demand;
- deterioration of the situation in the economy, a significant decrease in the price of Urals crude oil as a result of the termination of agreements on limiting production within OPEC, for gas, an increase in the exchange rate of foreign currency;
- measures taken at the federal and regional levels of state support for organizations and individual entrepreneurs (deferrals on taxes, payments for rent of state property, provision of preferential loans to small and medium-sized businesses and system-forming enterprises, support programs for the most affected industries).

The above factors had led to a significant reduction in tax and non-tax revenues to the Komi Republic budget in 2020, and would also retain their influence on the volume of revenue receipts to the Komi Republic budget in the near three-year perspective.

As a result, the volume of tax and non-tax revenues to the Komi Republic budget by the end of 2020 was estimated at 60014.2 million rubles, which was 16744.7 million rubles, or 21.8% lower than the level of receipts for 2019 (*Order of the Government of the Republic of Komi No. 382-r*).

Tax and non-tax revenues of the republican budget for 2021 were projected in 64,543.1 million rubles, for 2022 – 67,771.5 million rubles, for 2023 – 70,860.9 million rubles. The increase in receipts to the level of the previous year was 7.5%, 5.0% and 4.6%, respectively (*Resolution of the Government of the Republic of Komi No. 548*).

The main budget-forming revenue sources, as in previous years, remained the corporate income tax, personal income tax and corporate property tax, which together formed about 85-87% of the total tax and non-tax revenues of the republican budget.

It should also note that in 2020, the corporate income tax receipt had the most significant drop relative to the volumes planned in the budget. By the end of 2020, tax income was calculated in about 14,225.1 million rubles, which was 15,643.9 million rubles, or 2.1 times less than the level of 2019.

The decrease in income tax receipts in 2020 was mainly due to a decrease in receipts from the largest taxpayers of the oil and gas sector of the manufacturing industry, including those included in the banking sector.

Including the projected economic recovery for the planned period, income tax receipts were planned in 17,237.7 million rubles for 2021 (an increase of 21.2% relative to 2020), 18,447.2 million rubles for 2022 (an increase of 7.0% by 2021), 19,535.6 million rubles for 2023 (an increase by 2022 year by 5.9%) (*Resolution of the Government of the Republic of Komi No. 548*).

As for the personal income tax, in 2020 the PIT receipt was calculated in 17,942.1 million rubles, which was 488.6 million rubles, or 2.8% more than the level of 2019. For 2021, the PIT receipt was projected in 18,352.7 million rubles (with an increase of 2.3% by 2020), 18,909.6 million rubles for 2022 (with an increase of 3.0% by 2021), and 19,607.5 million rubles for 2023 (with an increase of 3.7% by 2022).

In 2020, the corporate property tax receipt was made in 20,089.4 million rubles, which was 286.9 million rubles, or 1.4% less than the level of receipts for 2019. The decrease in the 2020 receipts level was due to the abolition of the movable property tax from 2019.

In addition, in order to support small and medium-sized businesses in the deteriorating situation due to the spread of a new coronavirus infection, the corporate property tax rates for real estate objects, the tax base for which was defined as cadastral value, for small or medium-sized businesses registered in 2020 had been reduced from 2% to 1% in the Komi Republic at the location of the legal entity or its separate subdivision (*Law of the Republic of Komi No. 24-RZ*).

When calculating tax receipts for the forecast period 2021-2023, the expansion of the taxable base for corporate property tax in connection with the planned commissioning of new fixed assets as a result of the implementation of a number of major investment projects in the Komi Republic, including the prospects for the development of the republic, was taken into account.

For 2021, the corporate property tax receipt was planned in 20,531.3 million rubles (with an increase of 2.2% to the level of 2020), 20,972.4 million rubles (with an increase of 2.1% by 2021) for 2022, and 21,192.0 million rubles (with an increase of 1.0% by 2022) for 2023 (*Law of the Komi Republic dated November 28, 2019*)

In 2020, the receipt of beer excise taxes was equal to 245.1 million rubles, which was 1.6 million rubles, or 0.5% lower than the level of receipts for 2019. It is important to note that in 2020 there was a decrease in income from the main payer due to a reduction in the projected

taxable volume of beer sales, as well as including the indexation of rates established in the Tax Code of the Russian Federation.

For 2021, the beer excise taxes receipt was projected in 255.4 million rubles (with an increase of 4.2% to the level of 2020), 266.5 million rubles for 2022 (with an increase of 4.4% by 2021), 267.4 million rubles for 2023 (with an increase of 0.3% by 2022). In 2020, the revenue from excise taxes on alcoholic beverages was recorded in 1,569.2 million rubles, which was 16.0 million rubles, or 1.0% lower than in 2019. For 2021, revenue from excise taxes on alcoholic beverages was projected to 1,647.3 million rubles (with an increase of 5.0% by 2020), 1,871.8 million rubles for 2022 and 2023 (with an increase of 13.6% by 2021). Income from excise taxes on ethyl alcohol from food or non-food raw materials and alcohol-containing products was credited to regional budgets from January 1, 2020. In 2020, the revenue from excise taxes on alcohol accounts for 26.5 million rubles. For 2021, the revenue from excise taxes on alcohol was planned in 31 million rubles, in 34 million rubles annually for 2022-2023. Revenues from excise taxes on petroleum products in 2020 were calculated in the amount of 2,300.9 million rubles, which was 32.6 million rubles, or 1.4% lower than the 2019 receipts level. The decrease in revenue was due to a slowdown in economic processes, a reduction in demand for petroleum products and a decrease in their sales volumes in this regard. For 2021, revenue from excise taxes on petroleum products was projected to 2,665.2 million rubles (with an increase of 15.8% to the level of 2020), 3,260.7 million rubles for 2022 (with an increase of 22.3% to the level of 2021), 3,587.4 million rubles for 2023 (with an increase of 10.0% to the level of 2022).

The main reason for the significant increase in planned revenues from excise taxes on petroleum products was the increase in the differentiated standard of deductions established by the Federal Law on the Federal Budget for the next fiscal year and the planning period, in order to implement the national project *Safe and High-Quality Highways*.

The transport tax was planned based on the assessment of the expected income for the current year, including the amount of tax rates on vehicles, the dynamics of the number of vehicles of organizations, information on tax benefits and preferences provided for by the Tax Code of the Russian Federation and the Law of the Republic of Komi *On Transport Tax*, information on the presence of arrears (overpayments) on tax in the payers context and the tax collection level.

The 2020 transport tax receipt was 1,169.1 million rubles, which was 38.2 million rubles less than the receipts for 2019, or 3.2%. The decrease in revenues was due to the measures taken by the Government of the Russian Federation to support certain sectors of the economy in the face of a deteriorating situation as a result of the spread of a new coronavirus infection by extending or postponing the tax payment, as well as the exemption of certain socially oriented organizations from paying tax. For 2021, the transport tax receipt was projected to 1,184.8 million rubles (with an increase of 1.3% by 2020), 1,187.7 million rubles for 2022 (with an increase of 0.2% by 2021), 1,190.0 million rubles for 2023 (with an increase of 0.2% by 2022).

Revenues from excise taxes on petroleum products and transport tax were the main revenue sources of the Road Fund of the Komi Republic. For 2021, the projected volume of tax and non-tax revenues of the Road Fund was 4,159.1 million rubles, 4,775.9 million rubles for 2022, 5,112.0 million rubles for 2023.

The calculation of the forecast of tax receipts levied in connection with the STS receipts was made by the Federal Tax Service of the Komi Republic under the current legislation. When forming the forecast indicators, the following was taken into account.

In order to maintain the stability of the social and economic situation in the Komi Republic in the context of the deterioration of the situation due to the spread of a new coronavirus infection, in 2020, the Government of the Komi Republic introduced a number of additional measures aimed at state support for small and medium-sized businesses operating in the Komi Republic, including in order to reduce the tax burden on business in the Komi Republic. One of the measures, for the period 2020-2022, was a reduction double the tax rates for organizations and individual entrepreneurs applying the simplified taxation system, from six to three percent if the object of taxation was income, and from 15 to 7.5 percent if the object of taxation was income reduced by the amount of expenses (*Law of the Republic of Komi No. 24-RZ*). The relevant law applies to legal relations that have arisen since January 1, 2020.

In addition, the STS's receipts level was influenced by measures to support small and medium-sized businesses adopted by the Government of the Russian Federation, in the form of extending the terms of STS payment, exemption from payment of advance STS payments to certain categories of taxpayers employed in the sectors of the Russian economy, most affected by the deterioration of the situation as a result of the spread of a new coronavirus infection. The above-mentioned measures to support small and medium-sized businesses led to a significant decrease in the STS's receipts level in 2020.

Thus, the STS's volume receipts to the 2020 Komi Republic budget were 775.8 million rubles, which was 329.5 million rubles, or 29.8% less than the receipts level for 2019. For 2021, STS receipts were projected to 803.7 million rubles (with an increase of 3.6% by 2020), 881.6 million rubles for 2022 (with an increase of 9.7% by 2021), 1,512.9 million rubles for 2023 (with an increase of 1.7 times by 2022 due to the termination of the validity period of the reduced rates).

VIT was introduced on the territory of the Komi Republic from July 1, 2020 according to the Law of the Komi Republic No. 23-FZ of May 8, 2020. 2020 VIT's receipts were calculated in 0.2 million rubles. The 2021-2023 VIT's receipts volume under the current tax legislation was projected to 3.5 million rubles annually.

In 2020, the MET's receipts were calculated at 309.1 million rubles, which was 205.0 million rubles, or 1.7 times lower than the receipts level for 2019. The main reason for the decrease in MET's revenue was a reduction in the tax rate, including the deflator coefficient for MET in coal mining. For 2021, the MET's receipt in 311.6 million rubles (with an increase of 0.8% to the level of 2020), 315.1 million rubles for 2022 (with an increase of 1.1% by 2021), 319.6 million rubles for 2023 (with an increase of 1.4% by 2022).

Non-tax revenues of the 2021-2023 Komi Republic budget were planned on the basis of information provided by the chief revenue administrators – state authorities (state bodies) of the Komi Republic, as well as federal authorities that were the chief administrators of revenues to the Komi Republic budget.

The volume of gratuitous receipts from other budgets of the Russian Federation budgetary system was formed, including inter-budgetary transfers from the federal budget according to the draft Federal Law on the Federal Budget for 2021-2023, submitted to the State Duma of the

Federal Assembly of the Russian Federation. The projected volume of gratuitous receipts amounted to 10507339,1 thousand rubles for 2021, 7,931,866,9 thousand rubles for 2022, 7,996,739,2 thousand rubles for 2023, including gratuitous receipts from the federal budget: 9,155,635,5 thousand rubles for 2021, 6,959,560.4 thousand rubles for 2022, and 6,228,243.3 thousand rubles for 2023. The total revenue of the Komi Republic budget amounted to 75,050,394,5 thousand rubles for 2021, 75,703,352,5 thousand rubles for 2022, and 78,857,677,3 thousand rubles for 2023.

Analysis of expenditure items of the Komi Republic budget

When considering the budget in terms of expenditures, special attention should be paid to the provisions of Order No. 247 of the Ministry of Finance of the Komi Republic dated September 30, 2020 *On Approval of the Methodology for Planning Budget Allocations of the Republican Budget of the Komi Republic for the Next Financial Year and Planning Period* and the main parameters approved by the Government of the Komi Republic.

According to the above-mentioned by-law, the budget parameters for expenditures are formed based on the following priorities:

- implementation of regional projects within the framework of the national development goals set by the President of Russia;
- fulfillment of social obligations affecting the interests of the population;
- consolidation of budget funds to ensure the implementation of priority spending areas.

The total volume of inter-budget transfers provided for by the draft budget law amounted to 27,932,254.9 thousand rubles for 2021, 26,232,594.1 thousand rubles for 2022, 26,854,032.2 thousand rubles for 2023, of which:

- subsidies to local budgets: 3,715,107.9 thousand rubles for 2021, 2,782,003.5 thousand rubles for 2022, 2,726,003.6 thousand rubles for 2023;
- subsidies to local budgets: 6422870,5 thousand rubles for 2021, 6,088,608.3 thousand rubles for 2022, 6,771,099.4 thousand rubles for 2023;
- subventions to local budgets: 16,978,962.1 thousand rubles for 2021, 17,007,016.3 thousand rubles for 2022, 17,001,963.2 thousand rubles for 2023;
- subventions to the federal budget of the Russian Federation: 2604,5 thousand rubles for 2021, 6,000 thousand rubles for 2022 and 2023 annually;
- other inter-budget transfers to local budgets (excluding subsidies): 497,472.8 thousand rubles for 2021, 38,250.0 thousand rubles for 2022 and 2023 annually;
- inter-budget transfers to the budget of the Pension Fund of the Russian Federation: 33,000 thousand rubles annually;
- inter-budget transfers to the budget of the territorial compulsory health insurance fund: 282,237.1 thousand rubles for 2021, 277,716.0 thousand rubles for 2022 and 2023 annually (*Order of the Ministry of Finance of the Komi Republic No. 247*).

Inter-budget transfers to local budgets for 2021 are presented in the appendix (*Fig. 1*).

The volume of budget allocations of the Komi Republic Road Fund was planned in 4,615,464.8 thousand rubles for 2021, 4,779,321.3 thousand rubles and 5,192,778.4 thousand rubles for 2022 and 2023, respectively.

The draft targeted investment program of the Komi Republic for 2021 and the planning period of 2022 and 2023 provides for budget investments in 2021 in 3,469,621.3 thousand rubles, 3,705,109.1 thousand rubles in 2022, 2,475,538.3 thousand rubles in 2023, including:

- capital construction objects of state property of the Komi Republic – 2,406,009.3 thousand rubles for 2021, 2,079,992.4 thousand rubles for 2022, 1,325,570.0 thousand rubles for 2023;
- the construction of public roads of regional or inter-municipal significance of the Komi Republic – 264,184.1 thousand rubles for 2021, 420,886.1 thousand rubles for 2022, 114,506.0 thousand rubles for 2023;
- capital construction objects of municipal property – 799,427,9 thousand rubles for 2021, 1,204,230.6 thousand rubles for 2022, 1,035,462,3 thousand rubles for 2023 (*Order of the Ministry of Finance of the Komi Republic No. 247*).

According to the *Draft List of Investment Projects* implemented on the principles of public-private partnership at the expense of the Investment Fund of the Komi Republic for 2021 and the planning period of 2022 and 2023, as well as a long-term period, in the Komi Republic, it was planned to continue the implementation of the concession agreement for the construction and reconstruction of the Syktyvkar–Ukhta–Pechora–Usinsk–Naryan-Mar highway on the site of the village Malaya Pera – village Irael – village Kager with funding 1,305,000 thousand rubles in 2021, 1,307,000 thousand rubles in 2022, 13,100 thousand rubles in 2023, and it is also planned to implement new projects under concession agreements to create new places in educational institutions with funding in 273,663.3 thousand rubles in 2021, 409,488.7 thousand rubles in 2022, and 570,878,7 thousand rubles in 2023.

Within the framework of these concession agreements, it was planned to implement the following projects:

- Financing, design, construction and operation of a secondary school in Syktyvkar, Komi Republic;
- Financing, design, construction and operation of a secondary school in the city of Ukhta, Komi Republic;
- Financing, design, construction and operation of a unified educational complex located in the rural settlement of Madmas, Ust-Vymsky district of the Komi Republic;
- Financing, design, construction and operation of a unified educational complex located in the village of Vylgort Syktyvkar district of the Komi Republic.

It was expected that in 2021 expenditures would amount to 89.1 billion rubles, while the republican budget of the Komi Republic would receive 79.5 billion rubles, which would entail a deficit of 9.6 billion rubles.

At the same time, the growth of the Komi Republic state debt would amount to 9.4 billion rubles in 2021, 9.8 and 8.3 billion rubles in 2022 and 2023, respectively. The expected growth was due to an increase in the total volume of expenditures of the republican budget of the Komi Republic in 2020 by the amount of budget allocations aimed at providing financial support for measures related to preventing the impact of the deterioration of the economic situation on the development of economic sectors, with the prevention and elimination of the consequences of the spread of the new coronavirus infection COVID-19, resulting in the need for additional

government borrowing in order to financing of the budget deficit with maturities in the coming years.

Initiative budgeting remains one of the tools for increasing efficiency and at the same time involving society in the budget process. On the territory of the republic, this project was called the *People's Budget*. For 2021, 266.6 million rubles were provided to implement the project, which was almost 2 times more than in 2020. The financing of the *People's Budget* project is presented in the appendix (*Fig. 2*). The structure of the republican budget expenditures for 2021 is presented in the appendix (*Fig. 3*).

The volume of financial support to implement Komi Republic state programs amounted to: 82,081,524.4 thousand rubles for 2021, 80,757,399.4 thousand rubles for 2022, and 81,900,543.1 thousand rubles for 2023, including state programs of the Komi Republic (*Table 1*).

Non-programme spending directions of the Komi Republic

The non-programme component of expenditures in the draft budget law was formed in 2,574,709.1 thousand rubles for 2021, 4,873,658.2 thousand rubles for 2022, and 5,323,386.6 thousand rubles for 2023 and represented by the following areas:

1. Maintenance and support of the activities of Komi Republic state bodies, executive authorities and individual state institutions, with funding 1,163,164.8 thousand rubles for 2021, 1,163,603.9 thousand rubles for 2022, 1,169,921.3 thousand rubles for 2023, including:

- Komi Republic state bodies: the Office of the State Council of the Komi Republic, the Control and Accounting Chamber of the Komi Republic, the Election Commission of the Komi Republic, the Constitutional Court of the Komi Republic;
- Komi Republic executive authorities: Permanent Representative Office of the Komi Republic under the President of the Russian Federation, Representative Office of the Komi Republic in the North-Western region of the Russian Federation, Administration of the Head of the Komi Republic, Ministry of Justice of the Komi Republic, Committee of the Komi Republic on Procurement;
- Komi Republic state institutions, the functions and powers of the founder of which are performed by the Komi Republic executive authorities:
 - State Institution of the Komi Republic “Center for Ensuring the Activities of the Administration of the Head of the Komi Republic”;
 - State Institution of the Komi Republic “Executive Directorate of the Public Chamber”;
 - State Budgetary Institution of the Komi Republic “Comfort”;
 - State Budgetary Institution of the Komi Republic “Auto Farm”;
 - State Autonomous Institution of the Komi Republic “Cultural and Business Center of the Komi Republic in Moscow”;
 - State Institution of the Komi Republic “Administrative Support Center”;
 - State Institution of the Komi Republic “Department for Ensuring the Activities of the Representative Office of the Komi Republic in the North-Western Region of the Russian Federation”.

2. Inter-budgetary transfers to municipal budgets, funding 1,078,454.3 thousand rubles for 2021 (including 949,906.6 thousand rubles of the subsidies to support measures to ensure the

balance of local budgets, 12,855.8 thousand rubles of the subventions for the All-Russian Population Census 2020), 54,074.3 thousand rubles for 2022, and 49,296.3 thousand rubles for 2023.

3. Reserve funds were planned in the following amounts: 307,674.1 thousand rubles for 2021, 3,651,352.2 thousand rubles for 2022, 4,099,553.2 thousand rubles for 2023, including:

- implementation of the Law of the Republic of Komi *On State Guarantees to Persons Holding Certain Public Positions of the Komi Republic*, in 32,696.9 thousand rubles annually;
- reserve of the Government of the Komi Republic in 17,072.0 thousand rubles annually;
- reserve to increase labor costs in 257,905.2 thousand rubles for 2021;
- conditionally approved expenses for the planning period of 2022 and 2023 in 3,601,583.3 and 4,049,784.3 thousand rubles, respectively.

4. Other expenses:

- measures to ensure the mobilization preparation of the economy of the Komi Republic in 619.5 thousand rubles annually for 2021-2023;
- fulfillment of obligations in Komi Republic securities circulation in 20,880.1 thousand rubles for 2021, in 92 thousand rubles and 80.0 thousand rubles for 2022 and 2023, respectively;
- execution of judicial acts on claims against the Komi Republic (treasury) in 3,916.3 thousand rubles annually.

Sources of financing the deficit of the Komi Republic budget

In the planned period of 2022 and 2023, the financing of the deficit of the republican budget of the Komi Republic and the repayment of the republic's debt obligations will be realised with the involvement of state borrowings. The placement of Komi Republic government securities in 2021 was envisaged in the amount of 10,000,000 thousand rubles. In 2022 and 2023, the placement of government securities of the Komi Republic is not provided.

The volume of budget allocations allocated for the repayment of Komi Republic government securities, the nominal value of which is indicated in the currency of the Russian Federation, amounted to 4,876,300.0 thousand rubles in 2021, will amount to 1,238,000 thousand rubles in 2022 and 5,000,000 thousand rubles in 2023.

Thus, as of the end of 2021, the balance of obligations on Komi Republic state securities amounts to 21,238,000 thousand rubles, as of the end of 2022 and 2023, it will amount to 20,000,000 and 15,000,000 thousand rubles, respectively.

The attraction of loans from credit institutions in 2021 was provided in 19,640,500 thousand rubles (including the repeated use of credit funds on the terms of a revolving credit line in 13,400,000 thousand rubles within 2021), will provide 23,725,000 thousand rubles in 2022 (including the provision for repeated use of credit funds on the terms of a revolving credit line within 2022 in the amount of 4,000,000 thousand rubles) and 17,460,000 thousand rubles in 2023.

Repayment of loans attracted from credit institutions was provided in 14,900,000 thousand rubles in 2021 (including the provision for repeated use of credit funds on the terms of a revolving credit line in 13,400,000 thousand rubles within 2021), will provide in 12,340,500

thousand rubles in 2022 (including the provision for repeated use of credit funds on the terms of a revolving credit line in 4,000,000 thousand rubles within 2022) and 3,850,000 thousand rubles in 2023.

Thus, as of the end of 2021, the balance of debt on loans attracted from credit institutions amounted to 15,190,500 thousand rubles, as of the end of 2022 and 2023, it will amount to 26,575,000 and 40,185,000 thousand rubles, respectively.

In 2021, 2022 and 2023, it was planned to attract and repay within one financial year a budget loan to replenish the balance of funds on the unified account of the Komi Republic budget in 5,389,424.5, 5,621,827.2, and 5,869,886.6 thousand rubles, respectively. Attraction of budget loans from the federal budget in 2021, 2022, and 2023 is not provided. Repayment of budget loans attracted from the federal budget is envisaged in 2021, 2022, and 2023 in 346,754.1 thousand rubles annually according to the terms of the concluded agreements.

Thus, as of the end of 2021, the balance of debt on budget loans amounted to 6,503,838.9 thousand rubles, as of the end of 2022 and 2023, it will amount to 6,157,084.8 and 5810330.8 thousand rubles, respectively. In 2021-2023, the provision of budget loans from the republican budget to local budgets is not provided.

The volume of refunds on loans granted to local budgets amounted to 89,498.8 thousand rubles in 2021, it will amount to 127,502.6 thousand rubles in 2022 and 104,202.8 thousand rubles in 2023.

In addition, in order to ensure the implementation of the principle of budget balance, it is envisaged to change the balance of funds on the accounts for the accounting of the Komi Republic budget.

Conclusion

Summing up, it can be concluded that the Komi Republic budget policy is aimed at:

1. Achieving budget balance in conditions of its scarcity and falling revenues;
2. Rejection of new, but unconditional fulfillment of accepted expenditure obligations, primarily socially significant;
3. Implementing the agreements with the Ministry of Finance of the Russian Federation (on measures for social and economic development and improvement of public finances of the Komi Republic; on restructuring of budget loans);
4. Financial supporting municipalities;
5. Implementing the concept to increase the efficiency of budget expenditures through the Program of improvement of Komi Republic public finances for 2017-2024.



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Appendix

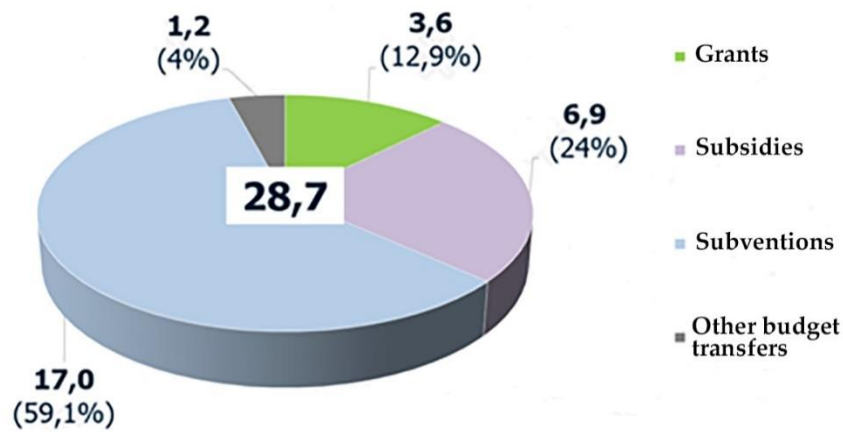


Figure 1. Inter-budget transfers to local budgets for 2021

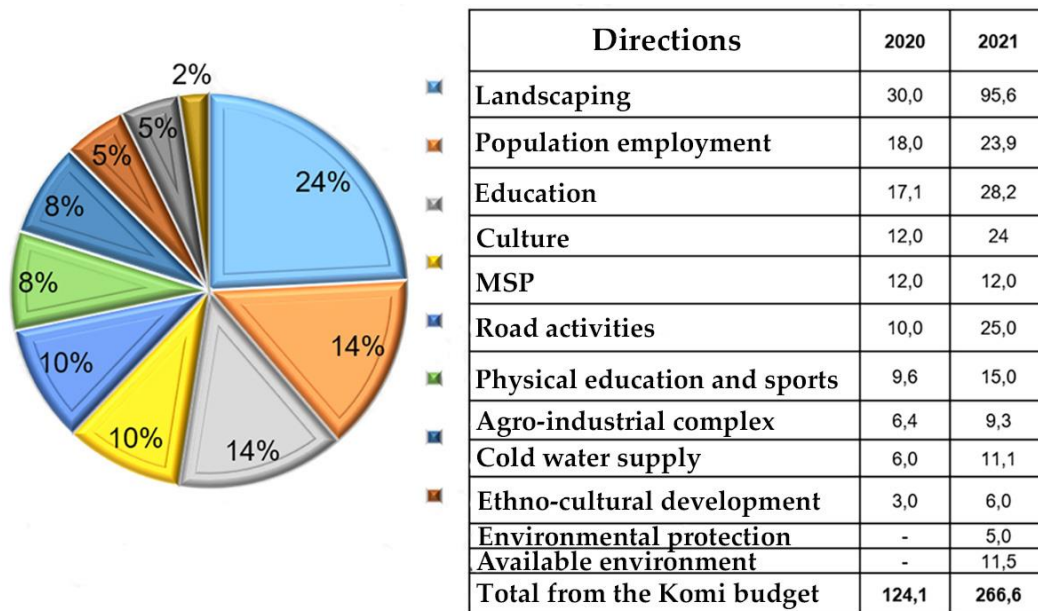


Figure 2. Financing of the "People's Budget" project

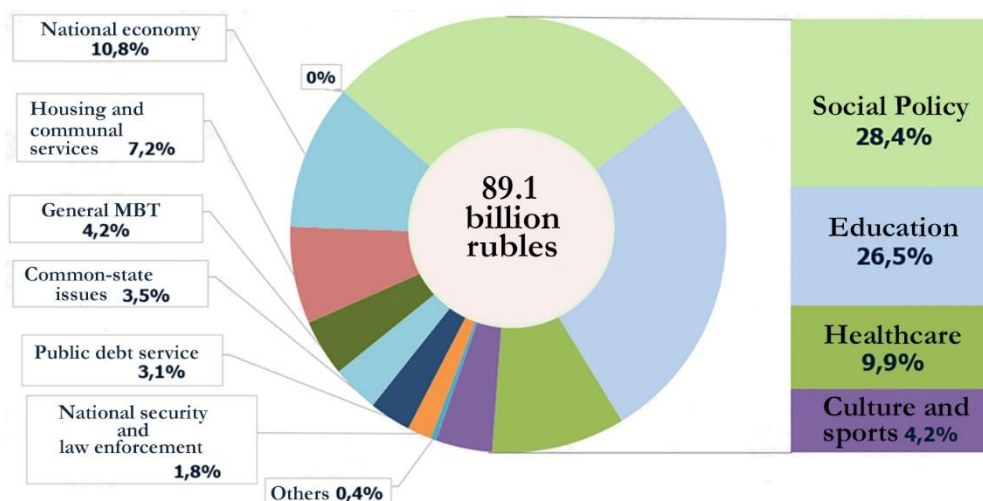


Figure 3. The structure of the republican budget expenditures for 2021

Table 1. The volume of financial support to implement Komi Republic state programs

Name of the state program	Amount, thousand rubles		
	2021	2022	2023
Development of Healthcare	15,476,515.7	16,091,982.6	15,578,249.4
Development of Education	23,339,334.6	23,331,938.8	23,044,314.8
Social Protection of the Population	13,364,885.2	14,086,280.9	13,787,665.9
Development of Construction, Provision of Affordable and Comfortable Housing and Utilities for Citizens	6,685,423.5	3,341,399.6	4,083,282.4
Promotion of Employment	1,154,385.3	908,846.7	897,693.5
Protection of the Population and Territories from Emergency Situations, Fire Safety and Prevention of Terrorism and Extremism	1,421,727.0	1,528,829.7	1,601,962.7
Development of Culture and Tourism	2,665,638.5	2,711,653.1	3,485,432.2
Development of Physical Culture and Sports	1,251,201.1	905,111.0	638,269.1
Economic Development	276,602.8	279,069.5	350,923.8
Industrial Development	222,842.1	128,795.0	124,295.0
Information Society	1,557,458.4	2,142,040.5	2,153,954.9
Development of the Transport System	5,578,686.9	5,624,161.8	5,934,461.2
Development of Agriculture and Regulation of Agricultural Products, Raw Materials and Food Markets, Development of the Fisheries Complex	1,462,595.3	1,877,680.1	2,182,172.3
Reproduction and Use of Natural Resources and Environmental Protection	394,963.2	288,332.2	240,517.8
Forestry Development	834,394.2	919,890.1	924,892.6
State Property Management	225,774.6	230,340.3	223,452.3
Public Finance and Public Debt Management	5,776,387.8	5,962,649.4	6,250,605.1
Ensuring Public Order and Countering Crime	392,708.2	398,398.1	398,398.1