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MODERN ASPECTS OF DEVELOPMENT
OF BUDGET POLICY OF KAZAKHSTAN

Abstract. The scientific article offers an analysis of the modern budget policy of Kazakhstan and the selection of the main directions of its development. The author assessed the effectiveness of the budget policy of the Republic of Kazakhstan in the field of income, which allowed us to distinguish 2 groups of problems of development of the budget policy of Kazakhstan - the problems of implementing the budget based on results and problems of budget planning and forecasting. To solve these problems, recommendations were made to address the problems of fiscal policy in Kazakhstan.
Keywords: fiscal policy, state budget, revenues, taxes, transfers.

Introduction. In the conditions of a market economy, fiscal policy is one of the main instruments for regulating economic processes. Without an effective fiscal policy, it is impossible to overcome the consequences of the financial crisis, to ensure the implementation of the country's long-term development programs, as well as the growth of the population's well-being. Modern fiscal policy should effectively implement the redistribution of the results of economic growth and the use of national wealth, thereby creating incentives for the further sustainable development of society [1].

In his Message to the People of Kazakhstan "Strategy" Kazakhstan - 2050 ": New political course of the established state" President of the Republic of Kazakhstan N.A. Nazarbayev one of the important priorities of the modernization of macroeconomic policies called the improvement of budget policy:

"... even the most modern facilities become a burden for the budget if they require maintenance costs, but do not generate income and do not solve the problems of citizens of the country" [2].

Forming a fundamentally new system of state planning allows you to form a budget based on the goals and objectives of public policy and to allocate budgetary resources among administrators of budget programs, taking into account the achievement of specific results in accordance with the strategic goals, objectives and priorities. These issues are the focus of attention of many domestic and foreign scientists. The purpose of this article is to analyze and identify the main problems in the functioning of the budget process in the public administration of the Republic of Kazakhstan and to develop proposals for its improvement [3].

Achieving this goal is possible only through a centralized, based on the subordination of the interests of individual regions or areas to the interests of the state, the distribution of income and expenses between the levels of budgets. And there is such a mechanism for regulating intergovernmental relations: the types of revenues that are credited to the republican and local budgets, as well as expenses incurred in all areas of public services, are legally defined [4].

Methods. When writing the article, general scientific and special methods were used, such as: system analysis method; content analysis method; comparative analysis method; method of analysis and synthesis; method of systematic approach.

Results. Macroeconomic stability in Kazakhstan in 2000–2013 had a stimulating effect on economic development. This was the main factor in increasing the production of goods and services, and, consequently, the growth of revenues to the state budget and the National Fund. However, in 2014-2015, there was a deterioration of external factors for the development of the economy of Kazakhstan. There

was a general slowdown in economic growth in the world and an increase in geopolitical instability. The accumulated effect of external shocks began to influence not only the private sector, but also the revenue side of the state budget of the Republic of Kazakhstan [5]. In the structure of state budget revenues, the largest share is tax revenues.

Table 1 - Dynamics of revenues of the state budget of the Republic of Kazakhstan for 2015-2017, million tenge

Name	2015 г.	2016 г.	2017 г.	Changes 2017/ 2015	
				сумма	%
Total revenues	7 634 805	9 308 485	11 567 691	3 932 886	51,5
Tax revenues	4 883 913	6 023 263	6 810 851	1 926 938	39,5
Non-tax receipts	224 767	369 424	273 872	49 105	21,8
Proceeds from the sale of fixed capital	69 709	60 225	68 650	-1 059	-1,5
Receipts transfers	2 456 417	2 855 574	4 414 317	1 957 900	79,7
Source: Ministry of Finance of the Republic of Kazakhstan					

As can be seen from the data of table 1, the state budget revenues in 2017 amounted to 11,567.7 billion tenge, which is 51.5% more than in 2015. The amount of tax revenues is 58.9% of all revenues of the state budget, in 2017 they are observed to increase by almost 1 926.9 billion tenge, or 39.5%, while in 2016 they increased by 1 139.4 billion tenge or by 23.3% compared with 2015. A significant increase in tax revenues in 2017 was due to the high rates of economic development in Kazakhstan. Consider the dynamics and structure of tax revenues to the state budget of the Republic of Kazakhstan in table 2.

Table 2 - Dynamics of receipt of taxes and payments to the state budget
of the Republic of Kazakhstan for 2015-2017, million tenge

Name	2015 г.	2016 г.	2017 г.	Changes за 2015-2017 гг.	
				сумма	%
Tax revenues, total, including:	4 883 913	6 023 263	6 810 851	1 926 938	39,5
CIT	1 224 645	1 437 365	1 538 785	314 140	25,7
IIT	598 807	691 778	750 212	151 405	25,3
social tax	464 674	530 440	576 607	111 933	24,1
VAT	944 438	1 495 682	1 664 699	720 261	76,3
excise taxes	161 068	205 231	255 994	94 926	58,9
other tax revenues	1 490 281	1 662 767	2 024 554	534 273	35,9
Source: Ministry of Finance of the Republic of Kazakhstan					

As can be seen from Table 2, tax revenues increase in 2017 compared to 2016, which is mainly due to the increase in the gross value added growth rate due to an improved forecast for world prices for oil, metals and solid minerals, and a number of other factors [6]. The overall dynamics of the growth of tax revenues to the state budget of the Republic of Kazakhstan can be seen in Figure 1.
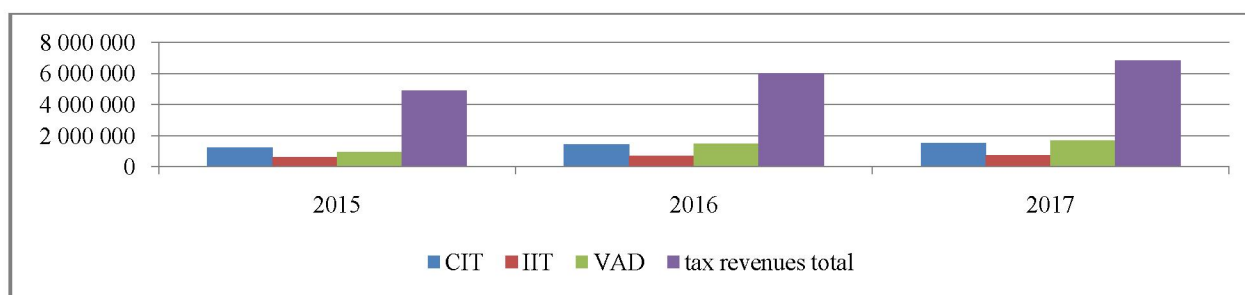

Figure 1 - Dynamics of tax revenues to the state budget of the Republic of Kazakhstan for 2015-2017, million tenge
Source: Ministry of Finance of the Republic of Kazakhstan

The increase in tax revenues of the following taxes had a significant impact on the increase in tax revenues to the state budget of the Republic of Kazakhstan in 2017 compared to 2015:
- CIT revenues increased by 324.1 billion tenge or 25.7%,
- revenues of personal income tax increased by 151.4 billion tenge or by 25.3%,
- social tax revenues increased by 111.9 billion tenge or 24.1%.

A very noticeable increase occurred in VAT receipts of 720.3 billion tenge. in 2017 compared with 2015 or by 76.3%. The growth in VAT is mainly due to the growth in VAT receipts on goods imported into the territory of Kazakhstan due to an increase in the volume of imports, mainly due to the decline in economic indicators in the Russian Federation.

Let us now consider in more detail the structure of tax revenues to the state budget of the Republic of Kazakhstan according to Figure 2.

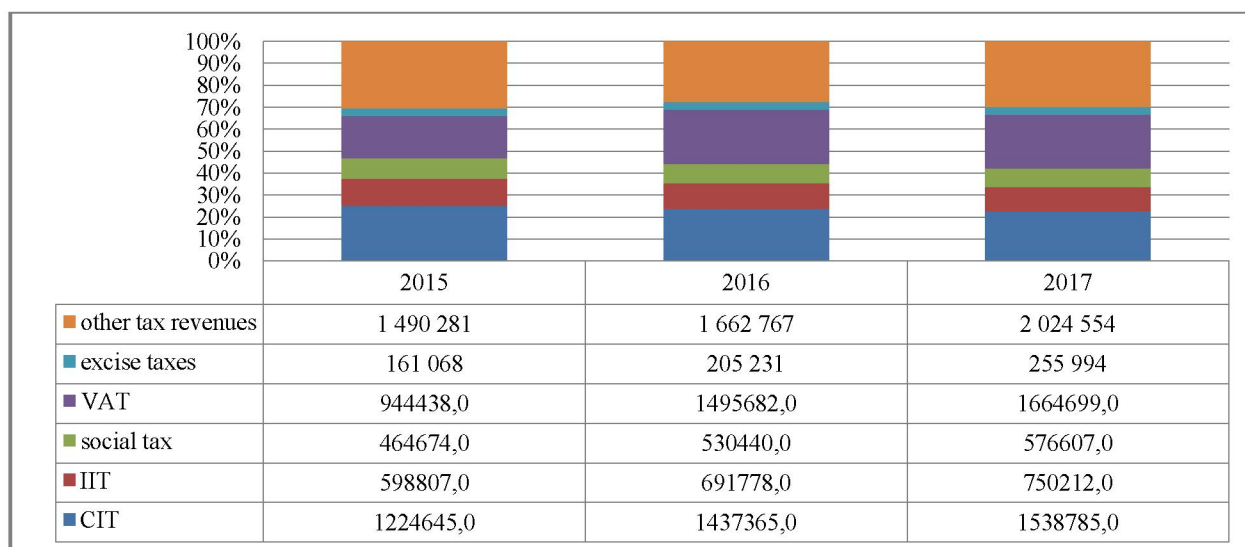|	2015	2016	2017
■ other tax revenues	1 490 281	1 662 767	2 024 554
■ excise taxes	161 068	205 231	255 994
■ VAT	944438,0	1495682,0	1664699,0
■ social tax	464674,0	530440,0	576607,0
■ IIT	598807,0	691778,0	750212,0
■ CIT	1224645,0	1437365,0	1538785,0

Figure 2 - Structure of tax revenues to the state budget in 2015-2017,%

Source: Ministry of Finance of the Republic of Kazakhstan

From the data of Figure 2, it can be seen that in 2017 the main share of budget revenues is VAT - 24.4%, followed by CIT - 22.5%, and the PIT - 11%, social tax - 8.5%. In addition, the overall structure of tax revenues has changed significantly over the past five years.

Thus, the share of corporate income tax to total tax revenues in 2015 was 25.1%, in subsequent years its share in the structure of tax revenues was noticeably reduced to 23.9% in 2016 and to 22.6% in 2017 [7].

The share in tax revenues of individual income tax to general tax revenues is also reduced. So, if in 2015 it was 12.3%, in 2016 it decreased to 11.5% and in 2017 to 11%. The share in social tax tax receipts to total tax revenues in 2015 was 9.5%, in 2016 - 8.8% and in 2017 - 8.5%. The share of value added tax in 2015 was 19.3%, in 2016 - 24.8% and in 2017 - 24.4%. The share of excise taxes to total tax revenues in 2015 was 3.3%, in 2016 it was 3.4% and in 2017 - 3.8%.

Thus, the analysis of the structure of revenues shows an increase in the share of value added tax and the stability of excise taxes. Changes in the share of corporate income tax and individual income tax are due to macroeconomic factors [8].

In general, over the past five years, the tax authorities of the Republic of Kazakhstan have done a lot of work to strengthen the budget revenues. Amendments have been made to the Tax Code for the preservation of a number of rates, incentive measures are provided for, and an excise policy on tobacco has been determined. An export customs duty on oil was introduced, a mechanism for distributing import duties of the Customs Union was developed and successfully implemented, and the discipline of paying taxes and customs duties was generally strengthened [9]. Consider the following sources of income of the state budget of the Republic of Kazakhstan - proceeds from the sale of fixed capital and receipts of transfers [10-15].

Dynamics of proceeds from the sale of fixed capital and receipts of transfers to the state budget of the Republic of Kazakhstan in 2010-2016 shown in table 3.

Table 3 - Dynamics of receipts from the sale of fixed capital and receipts of transfers to the state budget
of the Republic of Kazakhstan in 2015-2017, million tenge

Name	2015	2016	2017	Changes 2017/2015	
				сумма	%
I. INCOME	7 634 805	9 308 485	11 567 691	3 932 886	51,5
Proceeds from the sale of fixed capital	69 709	60 225	68 650	-1 059	-1,5
Receipts transfers	2 456 417	2 855 574	4 414 317	1 957 900	79,7
Source: Ministry of Finance of the Republic of Kazakhstan					

Proceeds from the sale of fixed capital at the end of 2017 amounted to 68.7 billion tenge, which is 1.1 billion tenge less than the 2015 figure. Proceeds from the sale of fixed capital occupy an insignificant share in the state budget revenues (0.59% at the end of 2017). For transfers, the plan is 100% complete. During the reporting period, in order to finance budget development programs, a guaranteed transfer to the republican budget from the National Fund of the Republic of Kazakhstan was raised in the amount of KZT4,414 billion.

Along with the proceeds from the sale of fixed capital, the amounts of official transfers are reflected in revenues at all levels of the budget system. The total amount of transfers increased in the analyzed period from 2,456.4 billion tenge in 2015 to 4,414.3 billion tenge in 2017. The increase was due to an increase in the size of the guaranteed transfer from the National Fund due to the appreciation of the US dollar. In general, it can be noted that in 2017 the revenue part of the state budget of the Republic of Kazakhstan was maximum for the entire period under consideration (2015-2017).

The effectiveness of the regional budget policy is largely predetermined by the regional policy, which is developed taking into account the state programs and the development features of certain regions and cities of Kazakhstan.

There is also a trend of a relative decline in the share of own revenues of local budgets (without official transfers from a higher budget, formed on the basis of the tax payment distribution standard) (Figure 3).
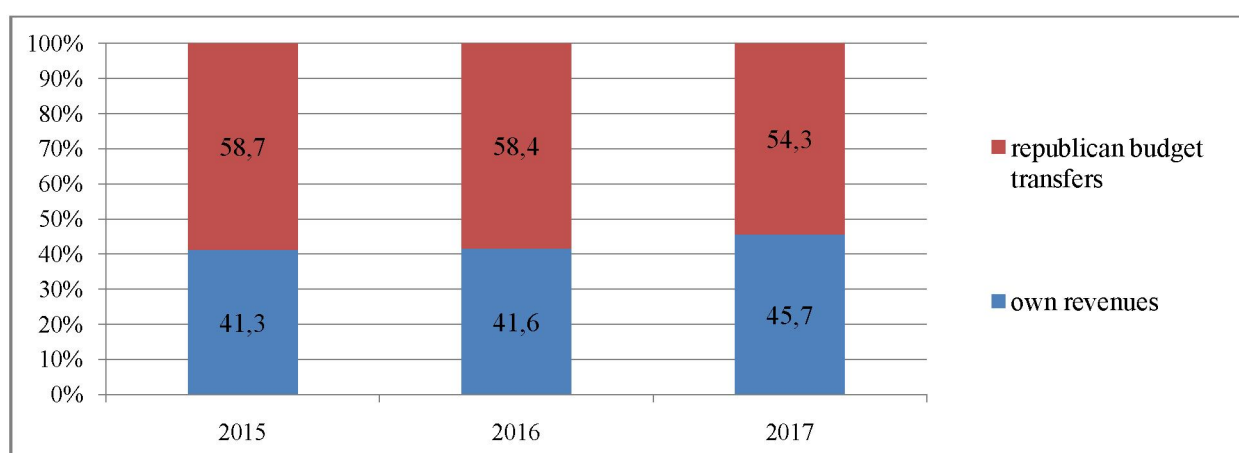

Figure 3 - Shares of own revenues and transfers from the republican budget in local budget revenues, in%

From Figure 5 it is clear that since 2015, the share of own revenues of local budgets has grown by only 4.4%. The weakness of own sources of replenishment of local budget revenues determines the high degree of dependence of the majority of regions on the republican budget. In 2017, the share of transfers from the republican budget amounted to 54.3% of the total income of local budgets. Subventions from the republican budget in 2017 increased compared to the previous period by 45,447 million tenge or 5.3%.

Thus, today the main problem of local budgets is the lack of own financial assets. The current method of calculating transfers of a general nature does not allow regions to increase their own resources. The application of the principle in which revenues exceeding the projected amount of local budget expenditures are withdrawn to the republican budget has a negative effect - restraining the initiative of local authorities and reducing interest in building up their own taxable base and increasing tax collection [5].

To cover the costs associated with the implementation of the overall fiscal policy, it is necessary, accordingly, to increase cash flow to the state budget. In order to understand what incomes depend on, we will conduct a correlation analysis.

Based on the essence of the state budget revenues, we have taken a set of socio-economic variables:

U- state budget revenues;

X1 - GDP;

X2 - the average monthly nominal wage;

X3 - tax revenues.

To reveal the closeness of the relationship between variables, a correlation analysis was performed. The results of the analysis in table 5.

The matrix of the Cedokk scale correlation coefficients shows that the variables are multicollinar between themselves and it is necessary to switch to a new dimension - chain growth rates and again carry out correlation analysis. The obtained transformed data correspond to the law of normal distribution. Highly correlated with the value (+, - 0,7) are missing.

Table 4 - Correlation Matrix for Growth Rate

	Revenue growth rate	GDP growth rate	Growth rate Average monthly wage	Growth rate tax revenues
Revenue growth rate	1			
GDP growth rate	0,662057594	1		
Growth rate Average monthly wage	0,584858052	0,687871655	1	
Growth rate tax revenues	0,84586946	0,955863183	0,668704987	1
Calculated by the author				

According to the results of the correlation matrix, it can be seen that the highest income relationship is observed with a factor - tax revenues (r = 0.84). This connection is explained by the fact that tax revenues are one of the main components of budget revenues. In turn, tax revenues correlate quite strongly with other factors: GDP (r = 0.95) and average monthly wage (r = 0.66).

Revenues have a moderate relationship with the GDP factor (r = 0.66) and the average monthly wage (r = 0.58). The relationship of income and average monthly wages can be explained by the fact that the higher the wages of the population, the more income they bring to the budget through paying taxes, buying goods and services, etc.

So, according to the initial data, a functional relationship exists between the state budget revenues and such factors as: the volume of GDP, the average monthly nominal wage and tax revenues to the budget. Checking the data for normal distribution revealed that the null hypothesis was rejected.

The coefficient of determination in the analysis is 93%, that is, 93% of changes in deposits are explained by variable signs, and 2% are unaccounted factors. The overall R-squared correlation coefficient is 0.97, indicating a close relationship between the resultant and factor signs.

Check the regression equation for adequacy:

1) Fisher's actual criterion is 60.63025, which exceeds the tabular value: F fact> F tabl (2.93);

2) Student's actual criterion exceeds the critical value, which indicates the significance of the model:

a) t_f=7,034 >t_t = 0,0001;

б) t_f =1,910 >t_t = 0,0001;

в) t_f=9,745 >t_t = 0,0001

3) The Durbin – Votsan criterion is 2.15 above the critical (the critical value is 0.76): 2.15> 0.76, there is no autocorrelation.

4) Test on the normal distribution of deposits according to the criterion of Shapiro-Wilk:

a) state budget revenues = 0.774877, p-value 9.42973e-011;

b) GDP volume = 0.7715637, p-value 9.52496e-01;

c) the average monthly salary = 0.774905, p-value of 9.44679e-01;

d) tax receipts = 0.714441, p-value 2.26362e-012.

In all cases, the normal distribution of factors is confirmed, due to the fact that the Shapiro-Wilk criterion is larger than the p-value, the null hypothesis of the normal distribution is accepted.

Thus, the correlation – regression analysis revealed the factors that most affect the state budget revenues: GDP, average monthly wages and tax revenues. According to regression statistics, the significance of three factors was confirmed. According to the results of the analysis was the equation of multiple regression:

$$Y = 225 + 2{,}81X_1 + 0{,}563X_2 + 1{,}28X_3$$

Growth of X1 - GDP by 1%, ceteris paribus will lead to an increase in state budget revenues by 2.81% for 2010-2017. The growth of X2 - the average monthly nominal wage by 1%, ceteris paribus, caused a rise in state budget revenues by 0.563%. The growth of X3 - tax revenues by 1%, ceteris paribus, caused an increase in state budget revenues by 1.28%.

According to the results of the correlation and regression analysis, a forecast of the state budget revenues in the future for 3 years was made. Theresultsofthe forecast in table 5.

Table 5 - Forecast Values

Years	State budget revenues, thous. tenge
2018	8 654 242 152
2019	9 421 563 425
2020	10 254 863 479
Calculated by the author	

Based on the calculations, it can be concluded that the state should focus on improving the country's fiscal policy and focus its attention on a more efficient and rational use of public resources in general.

In the modern concept of the budget should be a reliable tool for the implementation of economic and social policies of the Government of the Republic of Kazakhstan. And the most important task at this stage is to ensure its transparency for all members of society. It is necessary to ensure that the state budget becomes a means of stabilizing public finances. It should be turned into a reliable support and guarantor for all beneficiaries defined by law.

At the same time, it is worth noting the shortcomings of budget planning in the conditions of global instability and "difficult to maintain" price increases, which led to the fact that in the reporting year there was no increase in social expenditures of the republican budget in real terms (in other words, a separate part of them was depreciated). Repeated budget adjustments have a negative impact on its planning and execution. In our opinion, with repeated adjustments and adjustments, such indicators as the minimum pension and the subsistence minimum should have been revised[16–19].

Discussions. Thus, we can conclude that the macroeconomic situation in the country as a whole had a positive impact on the execution of the state budget for 2017. The specified basic parameters of revenues and expenditures of the state budget are fulfilled. At the same time, separate reserves of increasing tax and non-tax revenues to the budget, as well as improving the efficiency of using budgetary funds were not used. The main problems of formation and execution of the state budget, in our opinion, are expressed in the shortfall in tax payments to the budget, depending on budget revenues from the commodity sector of the economy, the problems of intergovernmental relations [20].

The solution to the problems of fiscal policy in Kazakhstan is seen in the following areas:

- introduction of project management,

- improving the processes of obtaining complete and reliable information on a regular basis about the implementation of government tasks and the management of budget funds by various departments,

- definition and removal of duplicate functions and programs of state bodies,

- improving the system of state financial control,

- Compliance with legislation in the field of civil service reform and the fight against corruption [21].

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ҚАЗАҚСТАННЫҢ БЮДЖЕТТІК САЯСАТЫНЫҢ ДАМУЫНЫҢ ҚАЗІРГІ АСПЕКТІЛЕРІ

Аннотация. Ғылыми мақалада Қазақстанның заманауи бюджет саясатын талдау және оны дамытудың негізгі бағыттарын таңдау қарастырылған. Автор Қазақстан Республикасының бюджеттік саясатының нәтижелілігіне баға берді, бұл Қазақстанның бюджет саясатын дамыту мәселелерінің 2 топтарын - бюджетті жоспарлау мен болжаудың нәтижесі мен міндеттеріне негізделген бюджетті іске асыру проблемаларын анықтауға мүмкіндік берді. Осы проблемаларды шешу үшін Қазақстандағы салық-бюджет саясатының мәселелерін шешу бойынша ұсынымдар жасалды.

Түйін сөздер: фискалдық саясат, мемлекеттік бюджет, кірістер, салықтар, трансферттер.

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СОВРЕМЕННЫЕ АСПЕКТЫ РАЗВИТИЯ БЮДЖЕТНОЙ ПОЛИТИКИ КАЗАХСТАНА

Аннотация. В научной статье предлагается анализ современной бюджетной политики Казахстана и выбор основных направлений ее развития. Автором проведена оценка эффективности бюджетной политики Республики Казахстан в области доходов, что позволило выделить 2 группы проблем развития бюджетной политики Казахстана - проблемы реализации бюджета по результатам и проблемы бюджетного планирования и прогнозирования. Для решения этих проблем были даны рекомендации по решению проблем фискальной политики В Казахстане.

Ключевые слова: Фискальная политика, государственный бюджет, доходы, налоги, трансферты.

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