

FINANCE AND ITS ROLE IN THE COUNTRY'S ECONOMY

D.J.Norboeva

Senior teacher of the department "Uzbek language and literature" of the Samarkand
Institute of Economics and Service

M.A.Malikov

Student of Samarkand Institute of Economics and Service
Student of group IK-423

***Abstract:** This article analyzes finance, the importance of finance for the state, and what its tasks are. Also, information on state budget revenues and state budget expenditures was provided.*

***Key words:** Finance, financial system, financial relations, functions of finance, state budget.*

We know that the stable and smooth development of the economy of any country depends on the effective organization of the flow of funds between the state, different regions and territories of the state, as well as between different layers of the population. Finance reflects the growth of the national economy and the well-being of the population, stimulates the reduction of production costs of enterprises and the increase of their competitiveness in the world market, shapes the production structure, inter-sectoral and regional ratios. As for what finance is, finance refers to the economic relations that arise from the creation, accumulation, distribution and redistribution or use of centralized and decentralized monetary funds. Finance means generating income and spending it. It is also said that finance as an economic category is a system of relations related to the use of funds and control over its movement. The material basis of finance is inextricably linked with money and it is the relationship related to money. The clear purpose of entering into financial relations with subjects is to ensure efficient and stable functioning of the economy and high growth rates. State finance - financial relations in the field of organization, distribution and spending of funds at the disposal of the state. Funds of state finance are spent for national interests and serve to fulfill the functions of the state. Currently, the role of state finance in the implementation of the economic and financial policy of the state is significant. It is a leader in ensuring reproduction processes, improving the material and spiritual well-being of the people, providing funds to state bodies, growing the country's economy, financing the national economy, the social sector, investing in the economy, social protection of the

population, ensuring national security, managing the state, and others. is a tool. The finances of all existing enterprises and sectors of the national economy are the main source of state finances and reserves of the financial system.

The concept of "financial system" is the result of the development of the concept of "finance" in a broad sense. The financial system consists of capital flows between individuals, governments, and businesses. The financial system has four main components: financial markets, financial assets, financial institutions and financial services. The financial system is an important element of the economic system.

Financial relations are a set of economic relations between the state, regions, networks, enterprises and organizations, and individual citizens in connection with the movement of funds. If we distinguish between financial relations, it differs by its objects and subjects. Only funds of funds that are formed and operate at different levels of the economy are the objects of these financial relations. However, the subject of financial relations includes all organizations, enterprises, legal entities and individuals, as well as citizens. Therefore, it is complex in composition.

Finance performs the following several tasks within the economy:

- Provision task;
- Distribution task;
- Promotion task;
- Control function.

Economic activity at the level of society requires the implementation of various processes and activities, in particular, the management of the country, the provision of defense capabilities, health care, and others. For this, first of all, it is necessary to provide them with financial resources. Provision of economic processes, projects and activities with monetary resources and providing services to it is provision.

The distribution of the gross national product created in the spheres of material production and the part of its national income between the state and the enterprises based on different district forms of ownership, among the regions of the country in the spheres of material production - this is the task of the distribution of finance.

First of all, implementation of the value of the created product through the process of distribution, and then through the mechanism of organization and spending of money funds - this is considered to be the stimulating task of finance.

Implementation of financial control through the system of financial responsibility of enterprises for compliance with financial discipline, collection of various taxes and provision of funds is the control function of finance.

The state budget is an annual plan of state revenues and expenditures, as well as the sources of their financial coverage. Each state has its own bipartite state budget. On

the first side, if we take the revenues coming to the budget, on the second side, the composition and amount of the main expenses are understood. The main budget indicators include: state budget revenues, direct taxes, indirect taxes, resource taxes and other revenues. The state budget expenditure indicator includes: Social sector and population social support costs, includes economic costs, financing of centralized investments and other costs.

Conclusion, we can understand finance as earning, increasing and spending it. Above we mentioned finance, what it is, the place of finance in the country and its tasks.

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