

**2.2.2. Taxes and public budgets**[Dokumenty](#) > [English](#) > [Election program](#)

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**2.2.2. Taxes and public budgets**

We consider income and expenditure of public budgets one of the most important implements of realization of our program. The basic evaluation of decision-making is its contribution to the effectiveness of economic development as a condition of social development. Therefore we want to re-structure the existing tax system in two ways.

The first way is to grant temporary advantages under clear and unified rules which will prevent a bureaucratic misuse of funds or corruption with regard to state officers. These advantages would support company competitiveness in the manner outlined below and limit the tendency to spend on representation or to spend excessively. The rules would also include a legally-established support of non-profit organizations, i.e. the ones that invest all profits back into the original purpose of their activities.

The second way is based on decentralization by increasing the share of municipalities and regions in the tax proceeds from their regions, i.e. on limiting the share of the centre. This will bring a greater stability to the budget incomes of the municipalities and regions.

A long-term balanced budget on the central level - with the autonomy of regional and local budgets and the lowest possible rate of reallocation - is the prospective goal of the government. Temporary and short-term budget deficits may be used only for the below stated purposes of the structural and industrial strategy, and for investments into transport, energy and telecommunication infrastructure, not for further use. Acceleration and re-orientation of the economic growth towards export and restructuring and modernization is a vital necessity for us if we are not to fall behind the EU countries or spend our time trying to catch up with them for the next 50 years. This acceleration brought also by the active economic strategy of the State is also the basic element of larger incomes based on the increase of tax proceeds without the increase of tax rates.

Substantial savings of budget expenses can be achieved by the rationalization of expenses on the part of the state administration. The transfer of a maximal volume of budget funds to the lowest possible level of self-government will moreover reduce wasting the funds of tax payers since we can rely on increased transparency and thus increased possibilities of public control of separate budget chapters. The shares in the thus far centrally reallocated budget income will contribute to the income of municipalities and regions based substantially on the income tax and depending on the economic effectiveness of the municipality or region. The economic competencies of the regions and municipalities can also be reinforced by extending the volume of their property including shares of the companies in their area.