SPECIFIC INTERACTIONS OF BUDGETARY SYSTEM IN ROMANIA

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Absreact: *Financial relations, as a very important domain of scientific investigations, appear as a result of value transfers to public money funds which are constituted in society, through the participation of taxpayers, individuals and legal entities, and from theese to various beneficiaries, transfers performed through money, without equivalent and by non-refundable title or even refundable, as the case, for the satisfaction of some collective/public or individual needs. The ensemble of those relations is synthesized throuh the bugetary system specific to each state. According to the law in force in our country (Public finance law no. 500/2002), the bugetary system represents an unitary complex of budgets, which includes a whole series of components or links. We mention, although, that the terminology relating to budget is not uniform – The Constitution uses the expression national public budget, which includes three components, and The Local public finance law no. 273/2006 uses the phrase local public funds, which include a lot more components. The current law of public finances also consecrates the concept consolidated general budget. Between the links or the components of unitary budgets systems there is a multitude of interactions, especially from those associated to some higher hierachical levels into those associated to lower hierachical levels. The goal is, in principle, the completing of resources, insufficient, to the latter for their balance – essential condition of local budgets execution. Such interactions are particulary highlighted by analysis of sources of income supply of the various components or subsystems of unitary budgets system or public financial funds, but not only.*

Key concepts: state budget, national public budget, unitary budgets system, public funding system, consolidated general budget, budgetary balance**,** broken down amounts and quotas**,** balancing subventions, balancing transfers

JEL Classification Codes: H61, H62, H63, H83

INTRODUCTION

The starting point in approaching this topic is the belief that a very important field of human society investigation is represented by the economic and social ratios or relations, respectively the correlations between the members of the society, as individuals or constituted in various communities - an essential component of them, in case of distribution relations, is represented by the ones with financial nature, which are dealt with by the science of finance, with all its ramifications, including public finances with the theory and practice of the budgetary system.

The budgetary system associated with public finances significantly influences the social reproduction process, especially the economic growth rate, the size of public and private consumption, gross capital formation, the volume and structure of the country's external economic relations, ultimately the general balance of economic and social development. The budgetary system specific to the public finances of a state also produces notable effects at international level by integrating in the complex system of the relations with financial organisms with a global, regional or subregional vocation.

The evolution of society is accompanied by essential transformations in all its components. The mutations in the field of public finances and in the budgetary system are both quantitative, and also structural and qualitative. Regarding the budgetary system in Romania, it should be noted that its evolution is deeply marked in the current stage by efforts to build a successful competitive economy, with all the diversity and complexity of social and other problems induced by the transition period to a new way of creating wealth. The budgetary system feels and takes over, more or less, all the shocks that shake the current Romanian society, including those of a sanitary or medical nature, such as the current one.

In our country, the budgetary system is a unitary system of budgets[1], which includes the state budget, state social insurance budget, special funds budgets, state treasury budget, budgets of autonomous public institutions, budgets of public institutions financed in whole or in part from budgetary resources (from the state budget, the state social insurance budget and the special funds budgets, as the case may be), the budgets of public institutions financed entirely from own incomes, the budget of funds from external loans contracted or guaranteed by the state and whose reimbursement, interest and other costs are provided from public funds, the budget of non-reimbursable external funds and local budgets[2].

CHAPTER 1. TERMINOLOGICAL EVOLUTIONS IN THE POST-DECEMBRIST PERIOD

We note that the terminology related to the budget is non-unitary, in the sense that there are differences between the constitutional terminology and the one used by the Public Finance Law and the Local Public Finance Law (no. 273/2006).

According to the Romanian Constitution[3], the national public budget includes the state budget, state social insurance budget and local budgets of the communes, of the cities and of the counties. The Constitution consecrates the concept of „national public budget", which is no longer found in the laws that regulate the actual budget system (Law no. 500/2002 and Law no. 273/2006). The Law of public finances uses the concept „budget system" with the definition presented above, while the Law of local public finances gives up the definition of a special concept which covers the entire local budget spectrum – it prefers to use a neutral expression, without a meaning of its own, namely „local public funds". It is a notion that means the summation of all categories of budgets that can be found at local level, respectively the budgets of communes, cities, municipalities, sectors of Bucharest, counties, Bucharest, institutions financed entirely or partially from local budgets, public institutions financed entirely from own income, the budget of local and external loans and others.

The three concepts consacrated constitutional and legislative, namely „national public budget"; „Budgetary system" and „local public funds" have the same meaning in practice, respectively the esemble of all categories of budgets. All three concepts or phrases refer to the same phenomenon, but their content differs in the Constitution and in the laws governing the field of public finances. The Constitution shows that the national public budget consists of three

[1] Legea nr. 500 din 11 iulie 2002 privind finanțele publice, publicată în Monitorul Oficial al României nr. 597 din 13 august 2002, formă consolidată valabilă la data 11.09.2020, art. 2, pct. 38

[2] Idem, art. 1 alin. (2)

[3] Ediția a 4-a, rev., 2019, Universul Juridic, București, art. 138

components, while the two mentioned laws include in the budgetary system other components besides those listed.

It is appreciated, in the specialized literature, that this apparent contradiction can be easily solved by the historical interpretation of the law. The constitutional text has been unchanged since 1991, while the aforementioned laws were drafted more than a decade ago, even a decade and a half ago, taking into account the changes that have occurred as a result of the development of the budgetary field. The first post-December law of public finances no. 10/1991 used constitutional terminology, but the second law of public finances, no. 72/1996, introduced the expression „unitary budget system". Public Finance Law no. 500/2002 was in force at the time of amendment of the Constitution, by the law no. 429/2003, but the constitutional legislator did not operate the necessary and essential amendments to the article destined to the budgetary organization - the fact led to the perpetuation of the differences of terminology used in the budgetary legislation[4].

In the current regulation, the budgetary system of Romania is organized in a new conception, imposed by the market economy, giving up the formula of the single state budget, derived from the single national plan, instrument of excessive centralism, moving to a system of separate budgets, listed above, elaborated, approved and executed under conditions of full autonomy. This new conception was also consacrated in the two public finance laws prior to the Law no. 500/2002 (Law no. 10/1991 and Law no. 72/1996).

Law no. 500/2002 also cpnsacrated a new concept, namely „consolidated general budget", which includes all the mentioned budgets, but without including them organically, by summation. It is a concept that could create some confusion about the legislator's view / concept or opinion of the single budget at state level. We mention that this concept, namely the „consolidated general budget", although it seems to refer to a single budget, is in fact a concept in the field of accounting, the content of which refers to a way of assessment of the real size of general income and expenditure, through the operation of accounting consolidation, namely the elimination of transfers of amounts between two component budgets of the budgetary system, in order to avoid their double highlighting. In market economy states, public finances are considered to be the only area in which a precisely planned activity is required to establish for a given period, usually one year, all expenditures and revenues of the state, recorded in a detailed document, with mandatory character, called budget.

In other words, the unitary and correlated system of funds of financial nature is reunited in the general consolidated budget, which reflects at the level of the one-year period, the esemble of the revenues and expenditures of the state and other public law entities. Its construction exceeds the simple aggregation of component budget revenues and expenditures; it involves the elimination of double-entry which may occur as a result of transfers of resources between various links in the budgetary system, through the consolidation operation. This operation also includes the adjustments due to annual inflows of external loans and repayments of capital rates. Therefore, the consolidated general budget has three main components, namely the national public budget (state budget, local budgets and state social insurance budget), extra-budgetary funds (unemployment benefit fund, special health insurance fund and other funds) and transfers between budgets[5].

CHAPTER 2. REVENUE FLOWS SPECIFIC TO THE UNITARY BUDGET SYSTEM

[4] Şaguna Drosu Dan, 2017, Drept financiar public, ediția a 6-a, Editura C.H.Beck, București, pp. 70-71

[5] Matei Gheorghe și colaboratorii, 2013, Finanțe publice, Editura Universitaria, Craiova, pp. 54-57

The main component of our budget system is the state budget. Its structure includes the budgets of numerous institutions and central bodies of power and state administration, such as the Romanian Presidency, Senate, Chamber of Deputies, General Secretariat of the Government, Supreme Court of Justice, Romanian Constitutional Court, ministries, Romanian Academy, Romanian Television and other public institutions that do not have hierarchically superior bodies. Its revenues, highlighted by sources of origin, are grouped into current revenues (fiscal and non-fiscal). The constituted resources are allocated, mainly, to the financing of expenditure on education, health, defense, strategic economic activities, scientific research, social protection, child allowances and state aid, other social-cultural and environmental protection activities. The state budget also makes transfers of resources to local budgets to balance them when their own resources are insufficient. Therefore, the state budget expenditures are structured on areas, and within them on current expenditures and capital expenditures or investments.

Local budgets are tools for planning and managing financial activity at the local level - they are developed as autonomous budgets. The structure of local budgets is the consequence of the way in which the our country's localities are organized, from an administrative-territorial point of view, in communes, cities, municipalities and the Municipality of Bucharest, counties. These budgets are powered with own revenues (from local taxes and fees and special purpose revenues) and *with means of balancing from the state budget in the form of quotas and amounts deducted from income tax and amounts deducted from value added tax*. If their own resources are insufficient, local budgets can borrow from the general current account of the State Treasury, to cover cash gaps, can benefit from special purpose transfers from the state budget or can resort to loans from commercial banks, from other credit or public lending institutions. The revenues thus constituted are intended to financing the specific actions of the state administration.

The state social insurance budget is elaborated and approved in the same framework and under the same conditions in which the state budget is drawn up and approved, but it is distinct from it and is approved by the Parliament by a separate law. An essential role in this process belongs to the Ministry of Labor and Social Protection and the National Pension House. The incomes of this budget are structured on six main resources, of which four are fiscal incomes and two are non-fiscal incomes. The expenditures of the state social insurance budget mainly concern the granting of pensions, the granting of social insurance benefits and aids, the references to spa treatment and rest, capital expenditures for some investments, etc.

The budgets of the special funds aim at solving problems of an economic and social nature and are powered by resources specifically allocated to these purposes. Such funds were widely used during the transition period, without prejudice to budgetary principles such as the principle of universality, the principle of unity and the principle of non-allocation of revenue. Public Finance Law no. 500/2002 sanctioned this practice - the only special purpose funds currently constituted and administered outside the state budget and the state social insurance budget are the budget of the Single National Health Insurance Fund and the budget of the Unemployment Insurance Fund. However, in the budgetary practice in our country there are other special funds, such as, for example, the Special Fund for Road Modernization, the Special Fund for the Development of the Energy System, the Special Fund for Reinsurance and others, but which are included in the state budget. It is debatable that the special revenues that feed these funds are not depersonalized according to the principle of budgetary universality, but receive a special destination through the expenditure part of the state budget.

The structure of a state's budgetary system is determined by its organizational structure, depending on which there are unitary states, such as Romania, France, Italy, Sweden, the

Netherlands, Spain, etc., and federal states, such as U.S.A., Switzerland, Canada, Austria, Germany, Brazil, Australia, India and others[6].

The territory of unitary states is divided into administrative-territorial units at the level of which state power and administration bodies function. At the central level, it functions the central bodies of the power of the state administration. Corresponding to this structure, there is a budgetary system organized on two stages or levels, namely the budget of the central state administration and the local budgets of the administrative-territorial units with legal personality. The central government budget, also called the state budget, ordinary budget or general budget, is powered by the main taxes and fees, supplemented, if necessary, by public loans. Objectives and activities of national and strategic interest are financed from this budget. Local budgets are fed with resources from their own incomes, but also through transfers from the state budget and even from public loans. From these budgets are financed a series of public services of local interest. *There are also expenditures whose funding is shared between the central budget link and the local budget link.*

The organizational structure of the federal states includes the federation, the components of the federation (states, provinces, lands, cantons or regions) and the administrative-territorial units specific to each component of the federation. The Federation has supreme bodies of federal power and administration that have powers both domestically, in the areas and limits provided by the constitution, and internationally. The members of the federation or its components have their own parliaments and governments, but have limited autonomy, in the sense that they have no powers in international relations. The administrative-territorial units, as subdivisions of the components of the federation, are led by the local bodies of power and state administration. The budgetary system in these states is organized in three stages and includes the budget of the federation, the budgets of the members or members of the federation and the local budgets. In general, the federal budget finances the maintenance and operation of federal authorities, national defense, diplomatic relations, and federal justice. The budgets of the members of the federation cover the expenses with the maintenance and functioning of their authorities, education, social security, roads. From the local budgets are financed the expenses related to the local authorities, public order, public lighting. *Here, too, there may be jointly funded public services, either from the federal budget and the budgets of the members of the federation, or from the budgets of the members of the federation and the local budgets.*

Resources and their destinations are distributed among the links of the budgetary system in each state according to the way in which the attributions between central and local authorities have been delimited, delimitation that evolves in time and space - the tendency is to decentralize and expand the competences of local bodies, but, as an exception, reverse phenomena may also occur. Resources are distributed between the links of the budget system according to the legal prerogatives established for each level - *it is also practiced the transfers of resources between the links of the budget system, in the form of broken down quotas, broken down amounts and additional quotas, subsidies and public loans*.

For the organization of public services at local level, the state can resort to one of several possibilities. One option is the assumption by itself of the responsibility of organizing the local administrative activity, setting up agencies, allocating resources, elaborating procedures - the administrative-territorial units are proclaimed a purely formal autonomy. Their budgets are dependent on the central budget, their own resources being insignificant. The system has the

[6] Văcărel Iulian, coordonator, 2007, Finanțe publice, ediția a VI-a, Editura Didactică și Pedagogică, R.A., București, pp. 518-519. Sub acest aspect există, însă, păreri diferite – Oprea Florin, 2011, Sisteme bugetare publice. Teorie și practică, Editura Economică, București, p. 66 și urm.

advantage of unitary organization of administrative activity, but ignores local peculiarities and often leads to an authoritarian bureaucracy. Another is the liberal solution of decentralization, leaving the management of public services to the elected local authorities, namely local councils, which have decision-making power and a certain financial autonomy. The advantage of the system is that it allows better adaptation of public services to local requirements. It should be noted that neither of the two options exists in its pure state. The relationship centralization - decentralization differs from one country to another depending on the level and particularities of economic development, the way of organizing the territory and public finances, of tradition - is, ultimately, a matter of optics.

Strengthening local autonomy is an universal concern, which is why its general issue is the subject of the European Charter of Local Self-Government[7], whose principles are: a) the right of local authorities to have dispose freely, within the framework of national economic policy, adequate own resources for the exercise of their duties; b) the proportionality of the financial resources of the local authorities with their responsibilities, within the limits of the law; c) the source of taxes and fees, in the proportions established at the level of local authorities, of at least part of the local financial resources; d) sufficient diversification and dynamics of the financial system through which the resources of local communities are procured, in order to follow the real evolution of the costs involved by the exercise of their own competences; e) the protection of financially weaker communities through adjustment procedures and other equivalent measures to correct the effects of the unequal distribution of resources and the financial burden on each community; f) consulting local authorities, in an appropriate manner, on how redistributed resources will be allocated; g) avoidance of allocating, as far as possible, of grants to local authorities to finance explicitly specified projects - so as not to distort the fundamental freedom of local authorities to establish their own policies in the field of competence, and h) access of local authorities to the national capital market in order to finance their own investment objectives. Some of these issues, such as the principle of local financial autonomy, the principle of solidarity, the principle of proportionality and the principle of consultation, are also found in the financial-budgetary legislation in our country.

The organization of local public finances is decisively determined by the organizational structure of the state, characterized, in turn, by a great diversity of systems. The literature estimates that the best known models that have influenced the administrative organization of European states are the French model, the German model and the British model[8]. Regardless of the organizational model, decision-making / legislative bodies and administrative / management or executive bodies in the financial field act at each organizational level of the territory. Each administrative-territorial unit has its own financial body that manages the finances of the respective local authorities.

The territorial structure of public finances in our country is in line with the organization of the territory into administrative-territorial units (counties, municipalities, cities and communes). The bases for the unitary organization of local public finances are laid by the Law of Local Public Administration, which includes a special chapter for the administration of public finances and whose provisions are based on those of the Constitution. The specific regulations regarding the field of public finances are included in Law no. 500/2002 and Law no. 273/2006, as well as in the annual laws for the adoption of the state budget. Each commune, city, municipality, sector

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[7] Adoptată la Strasbourgh în 15 octombrie 1985, a intrat în vigoare la 1 septembrie 1988. România a semnat Carta la 4 octombrie 1984 şi a ratificat-o prin Legea nr. 199 din 17 noiembrie 1997, publicată în Monitorul Oficial al României, Partea I, nr. 331 din 26 noiembrie 1997, cu excepția art. 7, paragraful 2 din acest instrument juridic european

[8] Văcărel Iulian, coordonator, Lucr. cit., pp. 592-593; Matei Gheorghe și colaboratorii, Lucr. cit., p. 296

of Bucharest, Bucharest and county draws up an annual budget in conditions of autonomy. Subordination relations are excluded between these budgets. The local financial bodies that function at the level of each administrative-territorial unit, cover, through their activity, the entire territory of the country and fulfill financial attributions in all localities. The sphere of action and the extent of their responsibilities differ depending on the organizational level - thus, the General Directorates of Public Finance at county and Bucharest Municipality level and Financial Administrations at the level of municipalities, sectors of Bucharest, cities and communes. The striking reality of the last decades is the rapid growth of local public spending in all countries of the world - the average annual growth rate of local public spending is higher than the average annual growth rate of gross domestic product and state general spending[9].

The revenues of local colectivities budgets, according to the legislation in force, are grouped, in principle, in own revenues, assigned revenues, transfers and loans.

Own revenues are those that should, normally, be predominant and ensure genuine autonomy for local authorities. In their structure we distinguish fiscal revenues and non-fiscal revenues (domain and operating revenues). Fiscal revenues consist of local taxes and fees and have their share in their own revenues. Among the fiscal revenues, direct taxes clearly predominate in relation to indirect ones - the direct taxes that feed the local budgets are the real type taxes (on buildings and lands). The most numerous and varied category of local budget revenues is represented by local taxes (on means of transport, on professions freely exercised, for issuing authorizations, driving licenses, etc.). Local authorities usually have a certain patrimony, from which they can obtain certain incomes, which vary in relation to the size of the patrimony and to the way of its exploitation and management. These are, first of all, the products of the private domain of the local communities in the form of rents for buildings, land leases, grazing taxes, receipts from leasing of hunting and fishing rights, forest exploitation incomes, securities incomes and others - less often these are exceptional revenues from the sale of part of this patrimony (the amounts collected are, as a rule, sources of financing for investments). Local authorities can also generate revenues from the public domain - exclusively operating revenues (from authorizations for occupation of public domain for electricity and gas distribution, for underground transportation or stoppage of hydrocarbons, for taxi parking, temporary occupation of street spaces, taxes for stays in spas, billboards and advertising and others). To the domain incomes are added certain operating incomes in the form of taxes for the services provided - it represents the price of the economic or social service brought by the community (water supply, sanitation services, urban transport, some cultural services, etc.).

The assigned revenues are regulated, ordinarily, by the normative acts approving the state budget or local budgets, having applicability on one or more budgetary exercises. *Depending on the technical processes by which it is made it takes the following three forms: a) the allocation for the benefit of local budgets of taxes or fees that are, in fact, revenues of the state budget; b) quotas broken down in favor of local budgets from certain taxes of a general nature - are percentage shares of certain taxes with a general spread (usually, but not limited to, income and profit tax) that are transferred for the benefit of local authorities for balancing their budgets, and c) additional quotas to certain general taxes - are percentages that are added to those based on which the amount of tax due to the state budget is calculated.*

Transfers or subsidies come from the state budget, collected by it by tax, then distributed to local authorities to compensate for the insufficiency of their own resources. There are two types of transfers or grants, namely: a) conditional transfers - intended to finance the performance of certain activities or the provision of certain equipment by local authorities, and b) unconditional

[9] Matei Gheorghe și colaboratorii, Lucr. cit., p. 297 și urm.

transfers - granted in a global sum, based on distribution keys (sometimes difficult to decipher) that local authorities can freely use. The trend is to expand unconditional transfers that offer full freedom in the use of resources. According to the purpose for which they are allocated, there are operating grants (global operating grant and special purpose grants) and equipment or investment grants, which have also undergone an accentuated process of globalization (a global equipment grant is applied, but specific equipment subsidies, too).

In Romania, in the conditions of promoting the autonomy of the local communities, the sources of constituting the revenues of the local budgets have diversified, approaching considerably those practiced in the democratic states. The main categories of income, as regulated by the Law on Local Public Finances, are own revenues (current tax and non-fiscal revenues, capital revenues, special purpose revenues and assigned revenues), transfers, donations and sponsorships, and internal and external loans .

Current revenues consist mainly of fiscal revenues, the most important being those that come from direct taxes of real type (taxes on buildings and lands owned by individuals or legal entities, the tax on the use of state-owned land, the tax on means of transport and others), from the tax on the profit of the local subordinating economic agents and, to a lesser extent, from indirect taxes (performance tax, inheritance and stamp duty, etc.). Non-fiscal current revenues refer to payments from the net profit of local subordinating economic agents, payments from public institutions representing revenues generated by them from specific activities, as well as various other revenues (from concessions and rents, capitalization of confiscated goods, fines, charges, damages and other sources).

Capital income is that which is obtained from the capitalization of goods belonging to public institutions and income from the sale of housing built from state funds, and the amounts procured in this way are sources of investment financing.

Special purpose revenues are represented by special taxes established by local councils for the operation of local public services, depreciation related to fixed assets belonging to public services that carry out economic activities, amounts resulting from the sale of goods belonging to the private domain of administrative-territorial units and other revenues, which are used to make investments within the competence of public administration authorities.

The assigned revenues take the form of quotas deducted from the income tax collected from the state budget within each administrative-territorial unit.

Transfers take the form of amounts deducted from state budget revenues (income tax and value added tax) and special purpose transfers (grants) from the state budget and other budgets. The amounts deducted from some revenues of the state budget are approved annually, by the State Budget Law, and aim to ensure the budgetary balance of local authorities. Special purpose transfers (subsidies) from the state budget are approved by the State Budget Law and are intended to finance investment projects that benefit from external financing, to which the Romanian Government also contributes, according to agreements with international financial bodies, refurbishment of power plants thermal and electric heating, paving of communal roads, water supply, etc. *However, local budgets receive subsidies from other budgets such as those from the unemployment insurance budget to finance temporary employment programs or those from county council budgets to finance day centers for child protection.*

The internal and external loans that can be contracted or guaranteed by the local public administration authorities, in short, medium and long term, serve two objectives, namely the financing of public investments of local interest and the refinancing of the local public debt. The loans are approved by the local councils, the county councils and the General Council of the

Municipality of Bucharest, with the vote of at least half plus one of the number of councilors, and may be guaranteed or unsecured by the Government. There is also a debt limit, in the sense that the total annual debt cannot exceed 30% of the total own revenues of local budgets, including the shares deducted from the income tax.

The preoccupation with defining the particularly complex relations that outline the sphere of the budgetary system resulted in the distinction of the definitions promoted by the legal norms and of the definitions formulated by the doctrine. Regarding the first category of definitions, those contained in the Romanian Public Finance Laws published in the post-December period should be mentioned, although the first definition of the budget was given in our country by the Finance Regulation from November 20th, 1860, promulgated by Mr. A.I. Cuza in application of the Paris Convention of August 7th, 1858.

According to Law no. 10/1991, the activity on public finances included the elaboration and execution of the national public budget, which included the budget of the central state administration, local budgets and the state social insurance budget, the establishment and collection of state taxes, fees and other state revenues and the use of financial means of the legislative power bodies, judicial and executive powers; it also included control over the use of material and financial means belonging to autonomous administrations, public institutions and over the state's share capital in companies.

According to Law no. 72/1996, the Public Finance Law which repealed Law no. 10/1991, the public financial resources were constituted on account of taxes, fees, contributions and non-fiscal revenues, taken from legal and natural persons taking into account their economic potential and other criteria established by law. Public financial resources were constituted and managed through an unitary system of budgets, namely the state budget, the state social insurance budget, local budgets, special funds budgets, the state treasury budget and the budgets of other autonomous public institutions, under the conditions of financial balance. Public expenditures were dimensioned and distributed by destinations and authorizing officers in accordance with the objectives of the country's economic and social development strategy and the immediate priorities set by the competent public authorities.

Law no. 500/2002 establishes the principles, the general framework and the procedures regarding the formation, administration, commitment and use of public funds, as well as the responsibility of the public institutions involved in the budgetary process. The law does not formulate a clear, precise definition of the budgetary system, and the notion will emerge from the systematic interpretation of the law[10]. Definitions formulated by doctrine[11] belong to reputable public finance specialists in developed countries and in our country.

CONCLUSIONS

The study elaborated on the specific interactions of the budgetary system in post-socialist Romania is placed, from our point of view, in the context of one of the most complex problems facing human society, namely the relations or relationships generated by the formation and use of money / financial funds of an economic nature in connection with the needs of the people as individuals and the public ones to human communities as a whole. Those relations affect all aspects of economic and social and other life. The main instrument used for this purpose, especially in an organized state-type system, is the budget, because, through it, the functions of public finances are fulfilled. At different stages of human society evolution, the budget is known

[10] Şaguna Drosu Dan, Lucr. cit., pp. 75-76
[11] Idem, p. 77

under various definitions and names, depending on certain considerations. In Romania, for instance, in the post-december period, a series of concepts are used such as national public budget, budget system, local public funds, general consolidated budget, but not only. The budget is regulated by the Constitution and the financial-budgetary legislation (public finance law, local public finance law). Sometimes the public budget or the state budget is confused / assimilated with public finances. In Romania, the general consolidated budget includes a system of budgets or public financial funds, between which a series of financial / monetary resources are developed, especially from the components located on the upper organizational levels to the components located on the lower organizational levels. All this is reflected in the way their resources / incomes are formed, especially in order to balance those who have insufficient resources to fulfill / exercise all the attributions assigned to them. The central problem is the balancing of local budgets, because the consolidation of the autonomy of the administrative-territorial units is particularly acute. Various balancing methods are currently used, such as split amounts and broken down quotas, balancing transfers and subsidies, but they are still insufficient to properly fulfill the role of local budgets. In the study, such reports are analyzed / presented in detail. Finally, we analyzed the complexity of the relations that outline the sphere of the budgetary system, starting from the distinction of the definitions promoted by the legal norms from those formulated by the doctrine, aspects that result from the consulted bibliography.

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