

# REGIONAL GOVERNMENTS' FINANCING

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## **Abstract**

In this article I would like to emphasize a funding problem of governing authorities. After decentralization of public administration in 2001, governing regions were given a lot of new competences. There are two types of them. Firstly, there are powers which are carried out only by governing authorities. Secondly, when the state could not carry out some powers, it can transfer to a region or a village (town). Difficulties which are becoming more and more severe roots from the fact that politicians transmitted more competences than a governing region can carry. It is caused mainly by inappropriate financial model. What I am going to show is which concrete taxes are the sources devoted to regional governments and if there are other sources options to make regions more independent from state.