

Abstract

The thesis deals with the concept of financial systems of municipal budgets, especially in relation to different categories of municipalities and its size. The aim is to analyze the current legal regulation in this field and suggest legislative changes that could improve its existent state.

The first chapter provides the theoretical basis for the subsequent analysis as well as for the recommendations presented in further chapters. Basic terms important to municipally policy, independent competence of municipalities and delegated powers of municipalities are defined here together with the basic principles of municipality finance system.

The second chapter deals with the regulation of main sources of income of municipally budgets in the Czech Republic. The content of this chapter is concerned to legislation in Act on Budgetary Allocation of Taxes, Act on Local Fees, Act on Property Tax and legal regulation of subsidies. This chapter contains the characteristics of each individual income, presents a critical evaluation of its main advantages and disadvantages in relation to municipalities finance and a short summary of the issue.

The third chapter outlines from the previous parts of the thesis and presents an analysis of selected municipalities of different categories and size. Analysis completes the whole thesis. Its purpose consist in practical insight into the functioning of incomes of local budgets and examination of existing differences between different size categories of municipalities and their evolution in time.