finalize the creation of the interior design of the premises. The style allows to combine the atmosphere of natural materials with modern household appliances.

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## GOVERNMENT DEFICIT

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The state budget is the most important element of the financial system of an economically developed state. The state budget of a country is understood as a large monetary fund used by the government to finance general state activities.

From an economic point of view, the state budget defines the general financial relationships that arise in the process of spending, formation, and use of public funds by the central bank. When the state plans its revenues and expenditures, a problem arises such as a budget deficit, which is the excess of expenditures over the revenues of the state fund and is typical of many developed countries. An important measure of the deficit is GDP, which shows the value added in areas of the economy. Budget deficits are often caused by government regulation of the economic cycle and reflect the efforts and intentions of public authorities to make significant public investments in the development of certain sectors of the economy in order to obtain additional profits. But more often the deficit is an indicator of the reflection of the crisis in the economy of the country, changes in the financial and economic activity of economic entities, inefficiency of the tax system and disruption of the system of economic relations. This indicates the relevance of the problem of state budget deficit in the territories of the countries and the need to take rational measures to solve it.

The main reason for the formation of the deficit is considered to be the irrational distribution of received funds, as well as: an ineffective mechanism of taxation of economic entities, strengthening the fiscal function of the tax system;

a significant amount of shadow economic activity; emergencies (wars, natural disasters); political instability in countries, leading to GDP devaluation; aging and migration of nations.

It has been found that there is a direct link between the concepts of "budget deficit" and "public debt" because public debt is the result of a budget deficit. As budget deficits increase, so does public debt, which can eventually lead to a financial crisis. Because government budget deficits are highly dependent on the economic cycle, it is very difficult for the government to accurately determine the amount of future budget revenues and expenditures and to create a government budget.

More often than not, budget deficits have mostly negative consequences. The most common one is inflation, which slows down production processes. As a result, the value of the country's GDP and GNP declines, the national currency depreciates, and money circulation shrinks. As a consequence, this leads to economic crises in the country. There is also a positive effect of the excess of expenditures over revenues, but it is only temporary. Some countries deliberately adopt budget deficits to stimulate economic development. In world practice, a safe level of budget deficit is considered to be no more than 3% of GDP.

Currently, each state develops its own policies to prevent and eliminate state budget deficits. The most common ways are:

1. Reducing state expenditures.
2. Finding new sources of income and using them.
3. Tightening taxation, which, in turn, can lead to a reduction in production and a decline in the level of economic activity.
4. Increased production of money, which also has its negative side, because this process may well be the cause of inflation in the country.
5. The issuance of government loans.

The problem of government budget deficits will not be critical if properly managed. Approaches to eliminating deficits change over time, so there is no single way to solve the problem. Only a set of rational measures, will help to prevent or temporarily reduce the growth of the deficit, which will lead to the settlement of the economy.

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