

# **Budget instruments of the municipality for the support of small and medium-sized enterprises**

## **Summary**

Enterprises play a very important role in the country's economy, especially small and medium-sized enterprises, which is why it is so important to support them. Among the institutions undertaking the support of entrepreneurship, special attention is deserved by the municipality self-government and the budget instruments at its disposal, within which the income and expenditure instruments are listed. The use of these instruments entails financial implications on the revenue and expenditure side of the budget.

Given the specificity of income and expenditure instruments, as well as the municipality's pursuit of the rational acquisition and spending of funds, this doctoral dissertation formulates a research problem that concerns the identification of the importance of budgetary instruments in supporting entrepreneurship by the municipality.

The main goal of the work was: assessment of the range of application by the municipality of budgetary instruments supporting entrepreneurship.

The intention of the considerations constituting the subject of this doctoral dissertation was to verify the following research hypotheses:

Hypothesis 1: Budgetary instruments supporting entrepreneurship are used to a greater extent by urban municipalities rather than rural municipalities.

Hypothesis 2: Among the income instruments, reliefs and exemptions in local taxes and charges (without tax reliefs and statutory exemptions) have the greatest impact on the development of entrepreneurship.

Hypothesis 3: Among the expenditure instruments, expenditure on technical infrastructure has the greatest impact on the development of entrepreneurship.

Hypothesis 4: The difficult financial situation is the main barrier to the use of budgetary instruments to support entrepreneurship by the municipality.

For the purposes of achieving the assumed goals and verifying the formulated research hypotheses, the following research methods were used in the work: analysis of the literature on the subject, analysis of legal acts, descriptive and comparative methods, analysis of existing data, statistical analysis, analysis of the results of foreign research, and analysis of the results of my own research constituting the essential component of the dissertation, which include:

- a survey conducted among all municipalities in Poland using the CAWI technique,

- a focused group interview conducted among representatives of small and medium-sized enterprises,
- a survey conducted among representatives of the scientific community using the CAWI technique.

The research problem defined in the dissertation and the adopted goals determined the structure of the doctoral dissertation, which consists of an introduction, five chapters, and a conclusion. The first chapter presents the essence of supporting small and medium-sized enterprises. The aim of the second chapter was primarily to present the definition and classification of instruments for supporting entrepreneurship by the municipality. The next chapter concerns the subject of the municipality's budget as the basis for budgetary instruments supporting entrepreneurship. The fourth chapter is entirely devoted to the characteristics of budgetary instruments supporting entrepreneurship by the municipality. The aim of the fifth chapter is to present the results of both foreign research and the author's three studies.

On the basis of the results of own research, the assumed research hypotheses were verified. As a result, it was established that there are grounds for confirming both the first, second and third research hypotheses, and there are no grounds for confirming the fourth research hypothesis.

In addition, the deliberations made possible the formulation of a number of conclusions and the proposal of recommendations for municipalities in the field of supporting entrepreneurship with the use of budgetary instruments. For example, it was shown that among the income instruments, the highest percentage of municipalities used instruments resulting from their tax sovereignty. On the other hand, in the case of expenditure instruments, the highest percentage of municipalities used expenditure on technical and social infrastructure as well as expenditure on information and promotion. Moreover, when comparing the percentage of responses indicating the use of individual income and expenditure instruments, it can be observed that in the field of entrepreneurship support by a municipality, the use of income instruments is more common than the use of expenditure instruments.