THE BORROWING SYSTEM OF HUNGARIAN LOCAL GOVERNMENTS: LEGAL FRAMEWORK, ECONOMIC IMPACT AND FUTURE PROSPECTS

PÔŽIČKOVÝ SYSTÉM MAĎARSKÝCH MIESTNYCH SAMOSPRÁV: PRÁVNY RÁMEC, EKONOMICKÝ DOSAH A BUDÚCE VYHLIADKY

Evelin Anna Halmainé Horváth [1]

https://doi.org/10.33542/SIC2025-2-04

ABSTRACT
The borrowing system of Hungarian local governments plays a crucial role in ensuring financial stability while supporting local development. This study provides a comprehensive analysis of the historical development, the legal framework and the economic and social impact of local government borrowing in Hungary. The research highlights the legal foundations based on the European Charter of Local Self-Government and the Hungarian Basic Law, and emphasises the strict borrowing limits imposed to prevent financial imbalances. A comparative approach is used to examine the Hungarian system in relation to other European models, in particular those of the Visegrád countries, highlighting key similarities and differences. While financial stability and debt control are the main advantages of the current system, challenges such as centralisation, administrative burden and limited financial autonomy of local governments are also identified. The study examines alternative sources of financing, including European Union funds and national grant programmes, and assesses their role in reducing local government debt dependency. The findings suggest that future reforms should focus on increasing decentralisation, simplifying borrowing procedures, improving financial literacy and promoting the digitalisation of financial management. These measures could contribute to a more efficient and sustainable municipal financing system in Hungary, while maintaining fiscal discipline.

ABSTRAKT
Pôžičkový systém maďarských miestnych samospráv zohráva kľúčovú úlohu pri zabezpečovaní finančnej stability a zároveň podporuje miestny rozvoj. Táto štúdia poskytuje komplexnú analýzu historického vývoja, právneho rámca a ekonomických a sociálnych dopadov pôžičiek miestnych samospráv v Maďarsku. Výskum zdôrazňuje právne základy založené na Európskej charte miestnej samosprávy a maďarskom Základnom zákone, ako aj prísne limity pre pôžičky, ktoré majú zabrániť finančným nerovnováham. Pomocou porovnávacieho prístupu skúma maďarský systém vo vzťahu k iným európskym modelom, najmä k systémom krajín Vyšehradskej skupiny, pričom poukazuje na kľúčové podobnosti a rozdiely. Hoci finančná stabilita a kontrola dlhov sú hlavnými výhodami súčasného systému, identifikované sú aj výzvy, ako sú centralizácia, administratívna záťaž a obmedzená finančná autonómia miestnych samospráv.

1 Dr., University of Győr, Faculty of Law, Győr, Hungary
Univerzita v Győri, Právnická fakulta, Győr, Maďarsko.

Štúdia skúma alternatívne zdroje financovania, vrátane fondov Európskej únie a národných grantových programov, a hodnotí ich úlohu pri znižovaní závislosti miestnych samospráv na pôžičkách. Zistenia naznačujú, že budúce reformy by sa mali zamerať na zvýšenie decentralizácie, zjednodušenie pôžičkových postupov, zlepšenie finančnej gramotnosti a podporu digitalizácie finančného manažmentu. Tieto opatrenia by mohli prispieť k efektívnejšiemu a udržateľnejšiemu systému financovania miestnych samospráv v Maďarsku pri zachovaní fiškálnej disciplíny.

I. INTRODUCTION

In the context of local self-government and the adoption of laws, several levels of regulation can be distinguished, concerning the autonomy of local self-government. The highest level is provided by the European Charter of Local Self-Government, which regulates the rules of self-government and finances in a framework manner, as is typically pointed out in much of the literature[2] Nonetheless, as several authors point out[3], the implementation of the European Charter of Local Self-Government at the interstate level is an endeavor that is not without its challenges. However, none of the Visegrád countries — the Czech Republic, Poland, Hungary, and Slovakia — disputes the application of the Charter in principle.

Secondly, the constitutional framework governing local self-government autonomy and borrowing is delineated in the constitutional rules of the respective nation states[4]. In the context of Hungarian legislation, this provision is regulated in detail in the Basic Law. This phenomenon is therefore considered a distinctive Hungarian characteristic[5], however the relevance of the financial constitution in the visegrad states is not disputed[6], the importance of local governmental finances or budgets is usually not emphasised on the constitutional level. The concept of the financial constitution refers to the set of constitutional provisions and principles that establish the fundamental rules for public finances, including budgetary planning, fiscal responsibility, and the division of financial competences among different levels of government.[7] However, an analysis of the extant literature reveals a clear tendency to

[2] For details, see: PÁL Ádám (2023): *Financial Autonomy of Local Self-Governments Considering the European Charter of Local Self-Government*. Central European Academy Law Review https://doi.org/10.62733/2023.1.197-220.

[3] For details, see: RADVAN, Michal - MRKÝVKA, Petr - SCHWEIGL, Johan (2018): *Challenges of the Implementation of the European Charter of Local Self-Government in Czech Legislation*. Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/16.4.895-906(2018), HOFFMAN István (2018): *Challenges of the Implementation of the European Charter of Local Self-Government in the Hungarian Legislation.* Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/16.4.929-938(2018), RADWANOWICZ-WANCZEWSKA, Joanna - DĄBEK, Dorota (2018): *Challenges of the implementation of the European charter of local self-government in Polish legislation.* Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/16.4.971-982(2018).

[4] For details, see: PÁL Ádám - RADVAN, Michal (2024): *Constitutional Regulation of Local Financial Autonomy in the Visegrad Countries.* Studia Iuridica Lublinensia https://doi.org/10.17951/sil.2024.33.1.207-227 , ROMÁNOVÁ, Anna - RADVAN, Michal - SCHWEIGL, Johan (2019): *Constitutional Aspects of Local Taxes in the Slovak Republic and in the Czech Republic* Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/17.3.591-616(2019).

[5] For details, see: NAGY Zoltán (2022): Regulation of Public Finances in Light of Financial *Constitutionality*. In Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_5.

[6] For details, see: HULKÓ Gábor - RADVAN, Michal (2022): *Regulation of Public Finances in the Czech Republic in Light of Financial Constitutionality.* In Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_4 , HULKÓ Gábor – RADVAN, Michal: Regulation of Public Finances in the Czech Republic in Light of Financial Constitutionality. Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_4, ŠTRKOLEC, Miroslav: (2022): *Regulation of Public Finances in Slovakia in Light of Financial Constitutionality*. In Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_9, POPŁAWSKI, Mariusz – CHARKIEWICZ, Mariusz (2022): *Regulation of Public Finances in Poland in Light of Financial Constitutionality.* In Legal Studies on central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_6.

[7] ZS. TÓTH Balázs (2014): *A pénzügyi alkotmányosság aktuális kérdései*, In Pázmány Law Working Papers, 2014/25.

prioritize local taxes in the Visegrad countries[8]. This phenomenon can be attributed to the fact that the stringent lending regulations and restrictions are generally specific to Hungarian legislation.

The significance of this research is rooted in the observation that the prevailing rules of local government autonomy - provided that the European Charter of Local Self-Government has been implemented with appropriate legal guarantees - are primarily determined by the degree of financial autonomy of local governments. Therefore, the experience gained from Hungarian regulation on the borrowing rules in the case of local governments can serve as a valuable experience for the legal practice and legislation of the other V4 countries.

The financing system of local governments and its regulation are of paramount importance for the sustainability of public services and the development of local communities. In Hungary, to ensure the economic autonomy and financial stability of local governments, a strict and well-considered legal framework regulates the borrowing possibilities. The framework for this legal environment is provided by the European Charter of Local Self-Government, adopted by the Council of Europe in 1985, which enshrines the principles of local government autonomy and financial independence throughout Europe.

This study aims to provide a thorough analysis of the historical development, legal framework and socio-economic impact of Hungarian local governments' borrowing system. In this context, the regulatory environment of the Visegrád countries is examined in more detail to identify the distinctive features of the Hungarian model and potential areas for its development in light of international experience. A separate section explores the role of grants and European Union funds, which have become increasingly important in local government finance. These resources often substitute for borrowing and enable the implementation of projects that are strategically important for local communities, such as establishing early childhood institutions, renovating transport infrastructure and improving public spaces.

Methodologically, the analysis is grounded in a mixed approach. The core of this approach is comparative legal analysis, which enables the systematic exploration of municipal borrowing regulations in different jurisdictions, with a particular focus on the Visegrád countries. This is complemented by statistical methods that quantify the practical dimensions of borrowing, particularly the volume, structure and socio-economic consequences of municipal debt. Additionally, the study employs traditional legal scholarship methods, such as dogmatic analysis and normative interpretation, with due regard to historical and systemic contexts. A key element of the methodology is identifying convergences and divergences across the legal frameworks under review. This provides a basis for assessing the uniqueness of the Hungarian system and its potential for reform.

Against this background, the primary research question guiding the study is as follows: To what extent, if at all, does the Hungarian legal regulatory system concerning municipal borrowing restrict the economic decision-making autonomy of local governments?

[8] For details, see: RADVAN, Michal (2018): *Article 9 of the European Charter of Local Self-Government in the Czech Republic.* Financial Law Review , VARTAŠOVÁ, Anna - ČERVENÁ, Karolína (2022): *Real property tax in the countries of Visegrad Group–comparative view.* Studia Iuridica Lublinensia https://doi.org/10.17951/sil.2022.31.1.191-211, VARTAŠOVA, Anna (2021): *Komparácia systémov miestnych daní v krajinách Vyšehradskej štvorky (Comparison of Local Taxes Systems in the Countries of Visegrad Group).* SSRN Electronic Journal https://doi.org/10.2139/ssrn.3831209.

II. A COMPARATIVE OVERVIEW OF LOCAL GOVERNMENT BORROWING REGULATIONS IN EUROPE AND THE VISEGRÁD COUNTRIES

The European Charter of Local Self-Government (1985) is one of the Council of Europe's most important documents for safeguarding the autonomy of local authorities. Article 9 of the Charter explicitly states that local governments must have adequate financial resources of their own, which they are free to allocate as they see fit. It also states that local governments may borrow within their own sphere of competence, provided that the stability of the national economy is not endangered.[9]

This provision serves as a framework regulation throughout Europe, including Hungary. Based on the principles of the Charter, Member States define the financing and borrowing possibilities of local governments in their own national legislation. Hungary promulgated the Charter in 1997[10] and since then it has served as a fundamental pillar of the domestic system of local government financing.

While the Charter sets out these overarching principles, the practical implementation of local government borrowing rules varies significantly across European countries. These differences largely stem from divergent fiscal policies, degrees of local autonomy, and the design of financial control mechanisms at the national level.

In Germany, local governments enjoy greater financial autonomy and can borrow against their own revenues. However, they are subject to strict debt limits imposed at the federal level.

In France, while local governments are not required to obtain central approval for borrowing, the budget law stipulates that loans may only be used for investment purposes and that debt service may not exceed a certain proportion of the local government's own revenues.[11]

In Spain, local government borrowing was tightened after the 2008 financial crisis: the stability law requires local governments to maintain a balanced budget and to borrow only in exceptional circumstances, subject to strict central supervision.[12]

In Sweden, on the other hand, local governments have considerable freedom to borrow and the level of debt is determined by local decisions, provided that the budget balance is sustainable in the long term.[13]

These countries illustrate well that, in addition to a centralised model similar to Hungary's, there are many alternatives across Europe, ranging from systems that allow greater local autonomy to decentralised but strictly regulated models.

Turning to the Visegrád countries—Hungary, Poland, the Czech Republic, and Slovakia—these nations share historical and economic commonalities but exhibit notable divergences in their local government financing systems, especially regarding borrowing.

The borrowing opportunities available to Hungarian local governments are significantly constrained by a variety of legal and institutional factors. These factors will be discussed in detail in the subsequent sections. A salient feature of the prevailing regulatory framework is the predominance of prior approval requirements for the majority of borrowing transactions, a mandate that is typically executed by the central government. Although financing based on the municipalities' own revenues is permitted under certain conditions, such instances remain

9 Article 9 (8) of the European Charter of Local Government.

10 Act XV of 1997 in Hungary.

11 HASENBERGER, Hannah (2024): *The structuring conditions of local government financialisation in Europe: A comperative perspective* (https://journals.sagepub.com/doi/full/10.1177/0308518X241256546) (Download: 2025.02.15.) https://doi.org/10.1177/0308518X241256546.

12 CABASÉS, Fermín – PASCUAL, Pedro - VALLÉS, Jamie (2006): *The effectiveness of institutional borrowing restrictions: Emprical evidence from Spanish municipalities.* Public Choice 293-313.p. https://doi.org/10.1007/s11127-006-9116-y.

13 DR. VIGVÁRI András (2011): *Önkormányzati pénzügyek* (https://www.asz.hu/dokumentumok/t348.pdf) (Download: 2025.02.02).

relatively rare in practice. Consequently, the financial autonomy of local governments, particularly in relation to development-related investments, has been significantly diminished.

The financing system for Polish local governments is considerably more flexible than that of Hungary; however, it remains subject to strict budgetary constraints. Local governments are permitted to engage in borrowing activities, provided that they remain within the debt limits established by national regulations. These borrowing capacities are subject to further restrictions in the form of debt thresholds linked to the gross domestic product (GDP) and detailed fiscal rules designed to ensure long-term financial sustainability. Moreover, Polish municipalities benefit from access to European Union funds and frequently secure supplementary financing through borrowing mechanisms that complement these EU resources.

The borrowing system applicable to Czech local governments is generally more balanced, although certain regulatory limitations remain in place. In contrast to the practices observed in certain other jurisdictions, local authorities in England are not obligated to obtain the prior approval of the central government for decisions regarding borrowing. Nevertheless, it is imperative that they adhere to debt rules that establish clear fiscal boundaries. The regulatory framework in place permits municipalities to borrow in proportion to their own-source revenues, thereby granting them a higher degree of financial flexibility. Moreover, the Czech model empowers both local and regional governments to implement autonomous fiscal strategies, thereby facilitating long-term economic planning and enhancing local financial autonomy.

In the context of Slovakia, the regulatory framework governing local government borrowing occupies a position between the more restrictive Hungarian model and the more flexible Czech approach. Local governments are permitted to incur debt, provided that they maintain a balanced budget in accordance with statutory requirements. Although no prior approval from the central government is required, the Ministry of Finance exercises oversight of borrowing activities in order to monitor fiscal compliance. Moreover, debt ceiling regulations are in place to ensure that local authorities do not exceed levels of indebtedness considered fiscally sustainable under national legislation.[14]

To summarise, while borrowing practices vary across the Visegrád countries, Hungary is distinctive due to its mandatory central government approval for most borrowing transactions. This is in contrast to the other states, which do not have this requirement. This reflects a more centralised approach aimed at balancing local autonomy with fiscal stability.

III. THE EVOLUTION AND REGULATORY FRAMEWORK OF LOCAL GOVERNMENT BORROWING IN HUNGARY

Following the transition to democracy in Hungary, local governments were granted a relatively high degree of financial autonomy. The operation of local governments was regulated by Act LXV of 1990 (Ötv.), which allowed local governments to borrow without the need for central government approval.

In the preceding legal paradigm, the borrowing regime for local governments was distinguished by a considerably elevated degree of financial autonomy. Municipalities were permitted to incur debt freely, provided that such borrowing was supported by their own-source revenues and consistent with available market financing opportunities. The state exercised minimal oversight, reflecting a strong emphasis on the operational independence of local

[14] VARTAŠOVÁ, Anna – BUJŇÁKOVÁ, Mária - HULKÓ Gábor - CSÖRGITS Lajos (2024): *Engineering Structures and Their (non)Taxation by Slovak Real Property Tax (in the V4 Context)*. Gdańskie Studia Prawnicze 1/2024 82-97.p.https://doi.org/10.26881/gsp.2024.1.06.

governments. It is important to note that the central government did not provide guarantees for loans contracted by municipalities. As a result, the responsibility for debt repayment rested exclusively with the local governments themselves.[15]

These challenges necessitated a fundamental rethinking of the regulatory framework governing local government borrowing. By the mid-2000s, the unrestricted ability to borrow was causing increasing problems. The main reasons were: excessive indebtedness, as local governments often borrowed for infrastructure development without adequate collateral. The widespread use of short-term loans, which led to local governments often borrowing at high interest rates and with short maturities. In addition, a certain percentage of local governments borrowed in foreign currencies (Swiss francs, euros), which led to significant additional burdens due to exchange rate fluctuations, especially during the 2008 economic crisis.[16]

To address these issues, the government completely overhauled the local government financing system in 2011. This led to the creation of the current legal regulations (Mötv., Áht.). In order to resolve the situation, the government decided in 2013 to take over the debts of local governments (debt consolidation).

The process took place in two stages:

- In 2013, the state took over the entire debt of municipalities with less than 5,000 inhabitants.
- In 2014, 40-70% of the debt of municipalities with more than 5,000 inhabitants was consolidated, taking into account the debt-bearing capacity of local governments.[17]

As a result of the consolidation, the total debt of local governments decreased by about 1,300 billion forints. The measure significantly eased the financial burden on local governments, but also introduced stricter financial regulations. The financing system of local governments has been transformed, with greater reliance on central resources.[18]

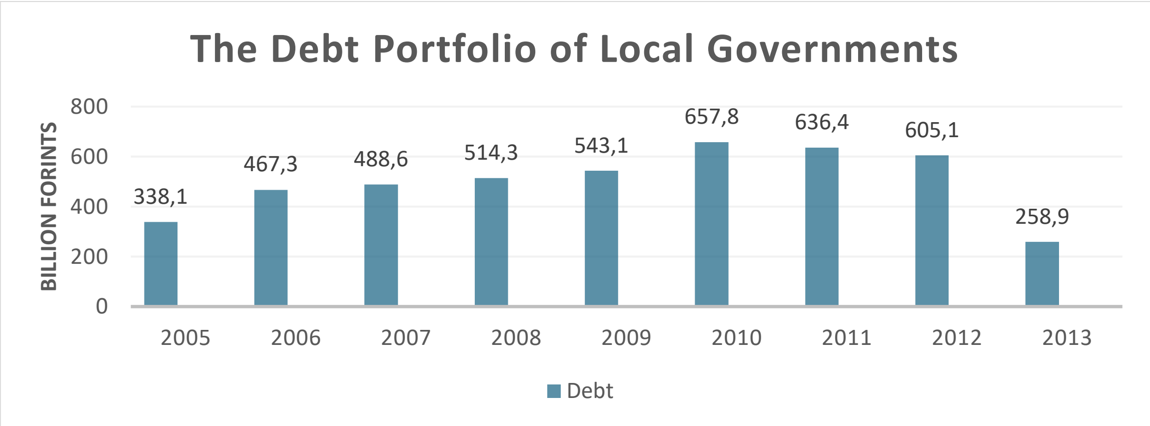

Figure 1: Trends in the Loan Portfolio of Local Governments[19]

---

[15] BENCSIK András (2017): *A helyi önkormányzatok (pénzügyi) autonómiájáról*, PRO PUBLICO BONO – Magyar Közigazgatás, 2017/1, 56-69.p.

[16] HALMOSI Péter (2005): *Az önkormányzati hitelfelvétel lehetőségei az Európai Unió országaiban* (https://acta.bibl.u-szeged.hu/5654/1/gtk_2005_097-105.pdf) (Download: 2025.01.25).

[17] HOFFMAN István – BALÁZS István (2018): *Az önkormányzatok pénzügyi helyzete és finanszírozása 2010 után*, Új Magyar Közigazgatás, 2018/3.

[18] DR. CSÖRGITS Lajos (2013): *A magyar helyi önkormányzati rendszer átalakítása* – Doktori értekezés 227-230. p.

[19] VÉRTESY László (2015): *Magyarázat a Magyarország helyi önkormányzatairól szóló törvényhez.*

The impact of these measures was felt both economically and socially. The financial management of local governments became much more transparent. As a result, it became easier to maintain a balanced budget, leading to a more stable state budget. The measures contributed to sustainable governance, although in many cases they caused short-term difficulties. These difficulties manifested themselves at both the local government and societal levels. For local governments, autonomy was reduced, and for society, this was often felt in the form of a reduction in the number of development projects or their temporary suspension.[20]

Following the reform efforts and debt consolidation, a new regulatory framework was established to ensure long-term fiscal discipline and alignment with European standards. In Hungary, the rules governing local government borrowing are closely aligned with the principles set out in the European Charter of Local Self-Government. The current legal framework is based on three main levels:

1. The Fundamental Law of Hungary (2011)
2. Act CLXXXIX of 2011 on Local Governments (Mötv.)
3. Act CXCV of 2011 on State Finances (Áht.)

The Fundamental Law enshrines the financial responsibility of the state budget and local governments. This is achieved through the balance, sustainability and transparency of the state budget.[21]

It is also stipulated that local governments may only incur debt or engage in debt-generating transactions with the prior consent of the government. An exception to this rule applies if otherwise provided by law.[22]

This regulation significantly tightened the previous system, which had allowed local governments greater freedom in borrowing. The aim of the new system is to maintain control over local government debt and ensure the stability of the national budget.

The Local Government Act (Mötv.) regulates the activities and responsibilities of local governments and establishes the basic framework for local government. From the perspective of local government financing, an important provision is that local governments may assume various financial obligations, but only within the limits of their own revenues.[23] In addition, the law reinforces the provision in the Basic Law that makes debt-creating transactions by local governments subject to prior approval by the government.[24] Without the government's approval, local governments may only take out liquidity loans that must be repaid within the same fiscal year.[25]

The Act on State Finances (Áht.) is also based on the provisions of the Basic Law, but introduces additional detailed regulations. When entering into financial obligations, it requires compliance with the Budget Act, local budget regulations and the financial capacity of the local government.[26] However, an exception to the requirement of prior approval by the Government is made for obligations based on the local government's own revenues.[27]

[20] HOFFMAN István (2017): *A helyi önkormányzatok pénzügyi autonómiája Magyarországon – realitás és lehetőség*, Közgazdasági Szemle, 2017/7-8. p.
[21] Article N of the Fundamental Law of Hungary.
[22] Article 34, Paragraph 5 of the Fundamental Law of Hungary.
[23] Mötv. 111.§ (1).
[24] Mötv. 111.§ (2).
[25] Mötv. 114.§.
[26] GYURITA Erzsébet Rita– HULKÓ Gábor – KÁLMÁN János – KIRÁLY Péter Bálint – LAPSÁNYSZKY András (2023): *Általános közigazgatástan* Universitas-Győr Nonprofit Kft. 313.p.
[27] Áht. 45.§.

In practice, this legal environment translates into a multi-stage borrowing process, the main steps of which are detailed below. The above rules are subject to strict control, as local governments are required to submit their debt management plans to the government and the Hungarian State Treasury on an annual basis.[28]

This means that, while in principle local governments retain a degree of financial autonomy, in practice their borrowing capacity is severely restricted. The purpose of the authorisation system is to ensure the stability of the state budget and to prevent excessive indebtedness.

Local government borrowing is strictly regulated to prevent excessive debt growth while ensuring support for local development.

The Borrowing Process:

1. Determining the need to borrow:
   Local authorities must first determine why borrowing is necessary and whether the proposed development or project is financially justified. This is usually linked to a long-term development plan.
2. Preparing and approving the budget:
   Local governments must prepare a detailed budget that includes the purpose of the loan, the expected return and the expected costs. The budget must fully reflect the financial sustainability of the project and be approved by the representative body.
3. Obtain loan offers from financial institutions:
   Before borrowing money, local governments usually seek quotes from several banks or financial institutions. Offers are compared on the basis of interest rates, terms and conditions.
4. Government approval process:
   If the local government intends to secure the loan with a government guarantee, the relevant government authority (e.g. the Ministry of Finance) must evaluate the loan application. In such cases, central government approval is also required.
5. Contract signing and loan disbursement:
   Once the local government and the bank agree on the terms, the loan agreement is signed. The loan amount is disbursed once all legal requirements have been met.
6. Loan repayment and monitoring:
   Local governments include loan repayments in their budgets. The State Audit Office regularly monitors whether local governments comply with borrowing rules and maintain financial sustainability.[29]

The following table summarises the main advantages and disadvantages of the current system, supported by practical considerations. The effectiveness of the regulation must be evaluated in terms of financial stability and transparency. The current regulatory framework functions well for larger, centrally supported projects, but the rules governing smaller local developments can be cumbersome and impose an administrative burden on local governments. Furthermore, the transparency of the central government and the independence of local decision-making processes should be strengthened within the system.

Below, I provide a comprehensive of the advantages and disadvantages of the system, supplemented by practical examples.

---

[28] Áht. 50.§.

[29] SÁGI Judit (2015): *A bankszféra szerepe és érdekeltsége a helyi önkormányzati kincstári rendszerek kialakításában és működtetésében* (https://prosperitas.uni-bge.hu/wp-content/prosperitas-upload/a-bankszfera-szerepe-es-erdekeltsege-a-helyi-onkormanyzati-kincstari-rendszerek-kialakitasaban-es-mukodteteseben-200.pdf) (Download: 2025.01.30.).

Advantages	Disadvantages
The system prevents over-indebtedness of local governments.	Local governments are unable to respond quickly to economic opportunities.
Government control helps prevent financial mismanagement.	Development is often delayed by lengthy approval processes.
Local governments cannot take on unsustainable levels of debt.	Centralised control reduces the autonomy of local governments.
Government guarantees ensure the viability of major investments.	The system is less competitive than decentralised models in other countries.

Based on the above advantages and disadvantages, it is clear that the Hungarian local government borrowing system is based on strong centralisation, which ensures stability but may hinder economic development and the autonomy of local governments.[30]

IV. ALTERNATIVE FINANCING SOURCES FOR LOCAL GOVERNMENTS

Financing options for local governments are not limited to borrowing. Alternative sources of finance, such as grant schemes, European Union funding or national development programmes, offer significant opportunities for local development. These resources not only reduce the debt burden of local governments, but also contribute to sustainable governance and improve the quality of life in local communities.

The following section provides a thematic overview of the most relevant alternative funding sources, beginning with European Union programmes and continuing with national grant schemes.

European Union grants: EU funds, such as the Regional Development Fund or the Social Fund, offer significant opportunities for local authorities. These funds are particularly suitable for funding larger projects, such as the development of transport networks, environmental investment or social inclusion programmes. EU grants often require local authorities to contribute their own resources, which can be an alternative to borrowing.[31]

European Union funding is of paramount importance to local governments, especially in the 2021-2027 programming period. EU funding not only supports major infrastructure developments, but also provides support in areas such as education, healthcare, environmental protection and digital transformation.

When using EU funds, local governments need to develop a coordinated development strategy that aligns local needs with EU priorities. This contributes to long-term planning and sustainable governance.[32]

Examples of successful projects: Many Hungarian local governments have successfully applied for EU funding in recent years. For example, Debrecen's new transport hubs and Pécs' green energy projects were implemented with EU support. These projects not only improved local transport networks and environmental conditions, but also helped to revitalise the local economy.

[30] STECNÉ BARATI Izabella (2011): *Önkormányzati politika és finanszírozás* (https://dtk.tankonyvtar.hu/bitstream/handle/123456789/3284/24_Onkormanyzati_politika_es_finanszirozas.pdf) 51-55.p. (Download: 2025.02.01).

[31] A fejlesztési politika általános áttekintése | Ismertetők az Európai Unióról | Európai Parlament (Download: 2025.02.11).

[32] KOPONICSNÉ GYÖRKE Diána: *Az EU 2021–2027-es többéves pénzügyi keretének hatása a vidékfejlesztésre.* Közép-Európai Közlemények, 13. (2020), 1–2, 369–379.p.

Grant schemes are one of the most important alternative sources of funding for local governments. Grants offer local governments the opportunity to implement various development projects (e.g. infrastructure development, education, environmental protection) with the help of external funds. The main advantage of grant systems is that the funds are non-repayable, i.e. they do not increase the debt burden of local governments.

The Hungarian government has launched several domestic programmes to support local governments, the most notable of which is the Hungarian Village Programme. Primarily targeting rural development, the programme enables local governments to implement infrastructure projects, expand public services, and carry out community initiatives, with the overarching aim of improving the quality of life in rural areas and stimulating the local economy.

Under the programme, local governments can apply for projects such as the renovation of roads, the modernisation of kindergartens and schools, or the creation of community spaces. The programme aims to improve the quality of life for rural residents and boost the local economy. Its success can be seen in the significant developments that have already taken place in many small and medium-sized towns.

Other national programmes: The Ministry of National Development and other state institutions have launched several additional programmes to enable local governments to carry out development projects. One example is the Urban Development Programme, which focuses on improving urban infrastructure and public services.[33]

Alternative funding sources offer many benefits to local governments, but they also present challenges.

A significant benefit of alternative funding sources, including grants and European Union financing, is their role in preventing the accumulation of public debt. It is evident that, due to the non-repayable nature of these resources, the financial burden is alleviated on local governments and fiscal sustainability is preserved. Moreover, the implementation of such funding mechanisms by municipalities facilitates the execution of long-term development projects, with the overarching objective of enhancing the quality of life within local communities. In many cases, EU and national programmes explicitly prioritise initiatives with significant environmental and social benefits, including investments in renewable energy, energy efficiency, and measures designed to foster social inclusion and cohesion.[34]

Notwithstanding the advantages inherent in alternative funding mechanisms, local governments must also be cognisant of the challenges that such mechanisms engender. The application procedures for grant schemes, particularly those financed by the European Union, are frequently complex, bureaucratic, and time-consuming, posing significant administrative burdens on municipal authorities. Furthermore, numerous funding programmes stipulate co-financing obligations, compelling local governments to allocate their own financial resources to qualify for external support. This predicament is further exacerbated for municipalities grappling with budgetary constraints. The successful implementation of large-scale development projects necessitates robust project management capacities, often requiring additional personnel, expertise, and institutional infrastructure that may exceed the existing resources of local administrations.[35]

[33] Modern_falvak_program_töosz_v1 2 (2).pdf (Download: 2025.02.02).

[34] KOVÁCS János - SZABÓ Péter (2020): *Az Európai Uniós források hatékonysága a helyi önkormányzatoknál.* Közép-Európai Közlemények 45-60.p.

[35] NAGY Eszter (2019): *A fenntartható fejlesztés és az alternatív finanszírozási források szerepe a helyi önkormányzatoknál.* Magyar Közigazgatás 22-35.p.

In light of both the opportunities and constraints associated with alternative financing tools, it is essential to evaluate their long-term strategic implications for local governance. Alternative sources of financing, such as grant schemes, European Union funding or domestic development programmes, offer significant opportunities for local governments. These resources not only reduce the debt burden of local governments, but also contribute to sustainable governance and improved quality of life in local communities. However, the complexity of application procedures and the requirement for co-financing can pose additional challenges for local governments. In the future, simplifying grant systems and improving the project management capacity of local governments could be crucial for a more efficient use of resources.

V. ECONOMIC AND SOCIAL IMPACTS OF THE HUNGARIAN LOCAL GOVERNMENT BORROWING SYSTEM

Changes to the rules governing local government borrowing in Hungary have had, and may continue to have, significant economic and social consequences. The ability to borrow provides local governments with the means to finance local public services and infrastructure development. However, excessive debt, poor financial management or poorly planned investments can also pose economic risks.

The borrowing activity of local governments has the potential to generate a range of positive economic impacts at both the local and regional levels. The utilisation of loans for financing essential infrastructure projects has been a recurring phenomenon. These projects encompass the construction and modernisation of roads, schools, hospitals, and other public services. These infrastructure projects, in turn, contribute indirectly to local economic development. Large-scale investment initiatives, including transport upgrades and urban regeneration efforts, frequently result in the creation of direct employment opportunities and stimulate the local economy by engaging small and medium-sized enterprises. Furthermore, when managed effectively, such developments have the potential to enhance the administrative capacity of local governments, leading to more efficient service delivery and an overall improvement in the quality of public administration.

Notwithstanding the potential benefits, local government borrowing is also associated with significant economic risks. Excessive indebtedness has the potential to compromise the long-term financial stability of municipalities, particularly in cases where repayment obligations cannot be met in a timely and sustainable manner. The necessity to allocate a considerable proportion of the local budget to debt servicing can result in substantial fiscal constraints, frequently leading to reductions in essential public services. Such reductions have the potential to have an adverse effect on the quality of life of local residents. Furthermore, the implementation of large-scale development projects funded through borrowing carries heightened corruption risks, especially in cases where institutional oversight is weak or ineffective. The absence of transparent coordination between lending institutions and local decision-makers has the potential to heighten the vulnerability of such projects to mismanagement and the misuse of public funds.[36]

It is evident that local government borrowing can also yield significant social benefits. The enhancement of public services financed through these resources has the potential to contribute directly to an improvement in the quality of life for residents, especially in socioeconomically disadvantaged areas. Furthermore, when local authorities manage borrowed funds with transparency and clearly communicate the objectives of their borrowing, there is an increased

[36] TÓTH Tamás (2019): *Az önkormányzatok eladósodásának alkotmányos és pénzügyi jogi korlátai*, Pénzügyi Szemle, 2019/1.

opportunity for meaningful community engagement. This inclusive approach fosters greater resident participation in local decision-making processes, thereby strengthening democratic governance at the municipal level.[37]

VI. CHALLENGES AND FUTURE DIRECTIONS

The Hungarian local government borrowing system faces a number of challenges that will require further attention and development in the future. These challenges affect not only the maintenance of financial stability, but also the efficiency of local governments and the development of local communities. It is important to take into account the strengths and weaknesses of the system, as well as international best practices, when defining future directions.

One of the main challenges is to strike a balance between central control and local autonomy. The current system is highly centralised, which ensures financial stability but limits the flexibility of local governments. In the future, it would be beneficial to develop a model that preserves stability while increasing local autonomy, allowing local governments to respond more quickly and flexibly to local economic and social needs.

The complexity of borrowing procedures and administrative burdens also pose significant challenges, particularly for smaller municipalities. Under the current system, local governments must navigate lengthy and often overly complicated approval processes that can hinder investment and development. Simplifying and digitising these processes in the future could significantly reduce the administrative burden. For example, the introduction of online platforms where local governments can more easily and efficiently manage borrowing transactions could improve the effectiveness of the system.[38]

Lack of financial awareness and training is another major challenge. Financial managers and decision-makers in local governments often lack adequate financial skills, which can lead to unsustainable debt levels or poorly planned projects. In the future, the provision of broader financial training and advice would be crucial to ensure that local governments manage their finances responsibly and avoid financial risks.[39]

A prime exemplar of such a balanced model is the German local government borrowing system, which operates in a decentralised yet well-regulated framework. In Germany, local governments are granted relatively extensive autonomy with regard to borrowing, particularly for investment purposes. It is important to note that the process of borrowing does not require the explicit authorisation of the central government. Instead, it is subject to oversight by municipal audit offices (Kommunale Prüfungsämter) and state-level audit institutions (Landesrechnungshöfe), which ensure sound financial management at the local level. This configuration facilitates expedited decision-making and more adaptable implementation of local priorities, while concurrently ensuring fiscal prudence.[40] For Hungary, adapting certain elements of this system – especially for smaller-scale investments – could offer a way to ease administrative constraints without compromising financial stability. For instance, in instances where a municipality can demonstrate both a sustainable debt level and a well-prepared project

[37] VASVÁRI Tamás (2020): *Hardening the budget constraint: Institutional reform in the financial management of Hungarian local governments.* Acta Oeconomica 2020/4 571-592.p.

[38] BODNÁR Eszter (2021): *Az állami beavatkozás lehetőségei az önkormányzati pénzügyekbe az Alaptörvény és az Áht. tükrében*, Közjogi Szemle, 2021/1.

[39] RODRÍGUEZ, Andrés – EZCURRA, Pose - EZCURA, Roberto(2010): *Does decentralization matter for regional disparities? A cross-country analysis.* Journal of Economic Geography 619-644.p. https://doi.org/10.1093/jeg/lbp049.

[40] KUHLMANN, Sabine - WOLLMANN, Hellmut (2019): *Introduction to Comparative Public Administration: Administrative Systems and Reforms in Europe*. Cheltenham, UK: Edward Elgar Publishing. pp. 75-130. pp. https://doi.org/10.14712/1803-8220/23_2019.

plan, a streamlined approval process or conditional autonomy could be introduced, as is the case in Germany.

External economic factors such as inflation, interest rate increases or energy price fluctuations also pose significant challenges for local governments. These factors can have a direct impact on loan repayments and the stability of local budgets. In the future, it will be important to prepare for these risks, for example by creating more flexible loan structures or building up reserves.[41]

Corruption and lack of transparency remain persistent problems, especially in larger investments. The risk of corruption in municipal projects can be reduced by increasing transparency and strengthening oversight mechanisms. Involving the public in decision-making and making project plans available to the public can help reduce corruption.

Among future directions, decentralisation and increased local autonomy stand out. Developing a model that allows local governments greater flexibility in borrowing, while maintaining financial stability[42], would allow for faster and more flexible decision-making. For smaller projects in particular, it may be worth streamlining government approval processes to allow local governments to adapt more easily to rapidly changing economic conditions.[43]

Digital transformation and process simplification will continue to be crucial. Digitising and streamlining borrowing processes could significantly reduce administrative burdens and speed up decision-making. For example, introducing online platforms where local governments can manage borrowing transactions more easily and quickly could make the system more efficient.[44]

Improving financial education and advice is another important direction for the future. Providing more financial training and advice to local governments can help them manage their finances more responsibly and avoid unsustainable debt levels. Making local budgets more transparent and involving communities in decision-making can also help to raise financial awareness.

Increasing government guarantees and support could also be an important opportunity in the future. Increasing government guarantees and support can help local governments to make larger investments, particularly in infrastructure and transport. This could help boost local economies and improve the quality of public services.[45]

Finally, prioritising environmental and social development will be key in the future. Projects that contribute to sustainable development, such as green energy, environmental protection or social inclusion, are likely to become increasingly important. EU funds and national grant schemes offer significant opportunities in these areas, which should be better exploited.[46]

---

[41] GAJDUSCHEK György– HAJNAL György (2010): *A magyar önkormányzati rendszer reformjának dilemmái,* Közgazdasági Szemle, 241–267.

[42] HULKÓ Gábor - KÁLMÁN János - LAPSÁNSZKY András (2025*): The politics of digital sovereignty and the European Union's legislation: navigating crises* Frontiers in political science. 1-9. pp. (Download: 205.04.25.) https://doi.org/10.3389/fpos.2025.1548562.

[43] BASKARAN, Thushyanthan – FELD, Lars P. (2013): F*iscal decentralization and economic growth in OECD countries: Is there a relationship?* Public Finance Review 421-445.p. https://doi.org/10.2139/ssrn.1441152.

[44] OECD (2020): *Digital Govenrment in Hungary.*

[45] HULKÓ Gábor – KÁLMÁN János - LAPSÁNSZKY András (2023): *Sustainability Objectives and Central Banks,* Chemical engineering transactions 331-336. pp. (Download: 2024.04.28.) 10.3303/CET23107056.

[46] UNITED NATIONS (2015): *Transforming our world: The 2030 Agenda for Sustainable Development.*

VII. CONCLUSION

The central research question guiding this study was as follows: Does the Hungarian legal regulatory system concerning municipal borrowing restrict the economic decision-making autonomy of local governments, and if so, to what extent?

In light of the analysis that has been presented, the answer is unambiguous.The prevailing legal framework, typified by a markedly centralised, three-tier regulatory system, imposes substantial constraints on the financial autonomy of local governments in Hungary, most acutely affecting smaller municipalities. While the system has been successful in ensuring fiscal stability and protecting against excessive indebtedness, it has been at the expense of local flexibility and responsiveness.

This state of affairs does not fully align with the principle of financial autonomy enshrined in the European Charter of Local Self-Government, which stipulates that municipalities should be endowed with adequate financial resources and genuine discretion over their utilisation. Despite the fact that Hungarian legislation formally refers to the Charter, its practical implementation remains limited. The following essay will provide a comprehensive overview of the relevant literature on the subject.

International comparisons – particularly among the Visegrád countries – demonstrate that other countries have successfully developed regulatory models that strike a balance between fiscal stability and local autonomy. The prevailing Hungarian system is characterised by an excessive centralisation of power, a feature that, while serving to ensure stability, impedes the flexibility and efficiency of local economic decision-making processes. The following essay will provide a comprehensive overview of the relevant literature on the subject.

Consequently, the findings of this study emphasise the necessity for reforms that seek to achieve a more equitable balance between fiscal discipline and local autonomy, in addition to enhancing the capacity of local governments to respond effectively to economic and social challenges. The preceding chapter provides a comprehensive discussion of these detailed policy recommendations and strategic directions. The following essay will provide a comprehensive overview of the relevant literature on the subject.

The borrowing system of Hungarian local governments is a complex and dynamically evolving mechanism. This phenomenon is indicative of the prevailing discord between the imperative for financial stability and the aspiration for local development opportunities. It is imperative that this balance is understood if future developments in the regulatory framework are to be successfully achieved. The following essay will provide a comprehensive overview of the relevant literature on the subject.

In conclusion, it is evident that the Hungarian municipal borrowing system necessitates continuous evaluation and adaptation in order to meet the evolving economic and social needs of local communities. The strengths and limitations identified through this comparative analysis provide a foundation for shaping a more responsive and sustainable system moving forward.

KEY WORDS

Local government borrowing, municipal finance, European Charter of Local Self-Government, financial regulation, decentralisation, Hungary, Visegrád countries, fiscal stability, public debt management, alternative sources of finance.

KĽÚČOVÉ SLOVÁ

zadlžovanie miestnych samospráv, obecné financie, Európska charta miestnej samosprávy, finančná regulácia, decentralizácia, Maďarsko, krajiny Vyšehradskej skupiny, fiškálna stabilita, riadenie verejného dlhu, alternatívne zdroje financovania

Supported by the EKÖP-24-3-I-SZE-3 UNIVERSITY RESEARCH FELLOWSHIP PROGRAM of the Ministry for Culture and Innovation from the source of the National Research, Development and Innovation Fund.

BIBLIOGRAPHY

1. A fejlesztési politika általános áttekintése | Ismertetők az Európai Unióról | Európai Parlament
2. Act CLXXXIX of 2011 on Local Governments (*Mötv.*). https://net.jogtar.hu /jogszabaly?docid=A1100189.TV
3. Act CXCV of 2011 on State Finances (*Áht.*)
4. Act LXV of 1990 on Local Governments (*Ötv.*)
5. BASKARAN, Thushyanthan - FELD, Lars P. (2013): F*iscal decentralization and economic growth in OECD countries: Is there a relationship?* Public Finance Review https://doi.org/10.2139/ssrn.1441152
6. BENCSIK András (2017): *A helyi önkormányzatok (pénzügyi) autonómiájáról*, PRO PUBLICO BONO – Magyar Közigazgatás, 2017/1
7. BODNÁR Eszter: *Az állami beavatkozás lehetőségei az önkormányzati pénzügyekbe az Alaptörvény és az Áht. tükrében,* Közjogi Szemle, 2021/1
8. CABASÉS, Fermín - PASCUAL, Pedro - VALLÉS, Jaime (2006): *The effectiveness of institutional borrowing restrictions: Emprical evidence from Spanish municipalities.* Public Choice https://doi.org/10.1007/s11127-006-9116-y
9. COUNCIL OF EUROPE: (1985). *European Charter of Local Self-Government*. Strasbourg.
10. DR. CSÖRGITS Lajos (2013): *A magyar helyi önkormányzati rendszer átalakítása* – Doktori értekezés
11. DR. VIGVÁRI András (2011): *Önkormányzati pénzügyek* (https://www.asz.hu/dokumentumok/t348.pdf)
12. Fundamental Law of Hungary (2011).
13. GAJDUSCHEK György – HAJNAL György: *A magyar önkormányzati rendszer reformjának dilemmái*, Közgazdasági Szemle
14. GYURITA Erzsébet Rita – HULKÓ Gábor – KÁLMÁN János – KIRÁLY Péter Bálint – LAPSÁNYSZKY András (2023): *Általános közigazgatástan* Universitas-Győr Nonprofit Kft.
15. HALMOSI Péter (2005): *Az önkormányzati hitelfelvétel lehetőségei az Európai Unió országaiban* (https://acta.bibl.u-szeged.hu/5654/1/gtk_2005_097-105.pdf)
16. HASENBERGER, Hannah (2024): *The structuring conditions of local government financialisation in Europe: A comperative perspective* (https://journals.sagepub. com/doi/full/10.1177/0308518X241256546) (Download: 2025.02.15.) https://doi.org/ 10.1177/0308518X241256546
17. HOFFMAN István – BALÁZS István: *Az önkormányzatok pénzügyi helyzete és finanszírozása 2010 után*, Új Magyar Közigazgatás, 2018/3.
18. HOFFMAN István (2018): *Challenges of the Implementation of the European Charter of Local Self-Government in the Hungarian Legislation.* Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/16.4.929-938(2018)

19. HOFFMAN István: *A helyi önkormányzatok pénzügyi autonómiája Magyarországon – realitás és lehetőség,* Közgazdasági Szemle, 2017/7-8. p https://mkogy.jogtar.hu/jogszabaly?docid=99000065.tv https://net.jogtar.hu/jogszabaly?docid=A1100195.TV
20. HULKÓ Gábor - KÁLMÁN János - LAPSÁNSZKY András: *Sustainability Objectives and Central Banks,* Chemical engineering transactions 331-336. pp. (Download: 2024.04.28.) 10.3303/CET23107056
21. HULKÓ Gábor - KÁLMÁN János - LAPSÁNSZKY András: *The politics of digital sovereignty and the European Union's legislation: navigating crises* Frontiers in political science . 1-9. pp. (Download: 205.04.25.) https://doi.org/10.3389/fpos.2025.1548562
22. HULKÓ Gábor - RADVAN, Michal (2022): *Regulation of Public Finances in the Czech Republic in Light of Financial Constitutionality.* In Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_4
23. HULKÓ Gábor – RADVAN, Michal: Regulation of Public Finances in the Czech Republic in Light of Financial Constitutionality. Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_4
24. KOPONICSNÉ GYÖRKE Diána: *Az EU 2021–2027-es többéves pénzügyi keretének hatása a vidékfejlesztésre.* Közép-Európai Közlemények, 13. (2020),
25. KOVÁCS János - SZABÓ Péter (2020): *Az Európai Uniós források hatékonysága a helyi önkormányzatoknál.* Közép-Európai Közlemények
26. KUHLMANN, Sabine - WOLLMANN, Hellmut (2019): *Introduction to Comparative Public Administration: Administrative Systems and Reforms in Europe*. Cheltenham, UK: Edward Elgar Publishing. https://doi.org/10.14712/1803-8220/23_2019
27. modern_falvak_program_töosz_v1 2 (2).pdf
28. NAGY Eszter (2019): *A fenntartható fejlesztés és az alternatív finanszírozási források szerepe a helyi önkormányzatoknál.* Magyar Közigazgatás
29. NAGY Zoltán (2022): Regulation of Public Finances in Light of Financial *Constitutionality*. In Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_5
30. OECD (2020): *Digital Govenrment in Hungary*
31. PÁL Ádám - RADVAN, Michal (2024): *Constitutional Regulation of Local Financial Autonomy in the Visegrad Countries.* Studia Iuridica Lublinensia https://doi.org/10.17951/sil.2024.33.1.207-227
32. PÁL Ádám (2023): *Financial Autonomy of Local Self-Governments Considering the European Charter of Local Self-Government*. Central European Academy Law Review https://doi.org/10.62733/2023.1.197-220
33. POPŁAWSKI, Mariusz – CHARKIEWICZ, Mariusz (2022): *Regulation of Public Finances in Poland in Light of Financial Constitutionality.* In Legal Studies on central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_6
34. RADVAN, Michal - MRKÝVKA, Petr - SCHWEIGL, Johan (2018): *Challenges of the Implementation of the European Charter of Local Self-Government in Czech Legislation*. Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/16.4.895-906(2018)
35. RADVAN, Michal (2018): *Article 9 of the European Charter of Local Self-Government in the Czech Republic.* Financial Law Review https://doi.org/10.4467/22996834flr.17.011.9039

36. RADWANOWICZ-WANCZEWSKA, Joanna - DĄBEK, Dorota (2018): *Challenges of the implementation of the European charter of local self-government in Polish legislation.* Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/16.4.971-982(2018)
37. RODRÍGUEZ, Andrés - EZCURRA, Pose – EZCURRA, Roberto (2010): *Does decentralization matter for regional disparities? A cross-country analysis.* Journal of Economic Geography https://doi.org/10.1093/jeg/lbp049
38. ROMÁNOVÁ, Anna - RADVAN, Michal - SCHWEIGL, Johan (2019): *Constitutional Aspects of Local Taxes in the Slovak Republic and in the Czech Republic* Lex Localis: Journal of Local Self-Government https://doi.org/10.4335/17.3.591-616(2019)
39. SÁGI Judit (2015): *A bankszféra szerepe és érdekeltsége a helyi önkormányzati kincstári rendszerek kialakításában és működtetésében* (https://prosperitas.uni-bge.hu/wp-content/prosperitas-upload/a-bankszfera-szerepe-es-erdekeltsege-a-helyi-onkormanyzati-kincstari-rendszerek-kialakitasaban-es-mukodteteseben-200.pdf)
40. STECNÉ BARATI Izabella (2011): *Önkormányzati politika és finanszírozás* (https://dtk.tankonyvtar.hu/bitstream/handle/123456789/3284/24_Onkormanyzati_politika_es_finanszirozas.pdf)
41. ŠTRKOLEC, Miroslav (2022): *Regulation of Public Finances in Slovakia in Light of Financial Constitutionality*. In Legal Studies on Central Europe https://doi.org/10.54171/2022.zn.ropfatilofc_9
42. The Fundamental Law of Hungary (2011) https://net.jogtar.hu/jogszabaly?docid=A1100425.ATV
43. TÓTH Tamás: *Az önkormányzatok eladósodásának alkotmányos és pénzügyi jogi korlátai*, Pénzügyi Szemle, 2019/1.
44. UNITED NATIONS (2015): *Transforming our world: The 2030 Agenda for Sustainable Development*
45. VARTAŠOVÁ, Anna - BUJŇÁKOVÁ, Mária - HULKÓ Gábor – CSÖRGITS Lajos (2024): *Engineering Structures and Their (non)Taxation by Slovak Real Property Tax (in the V4 Context)*. Gdańskie Studia Prawnicze 1/2024 https://doi.org/10.26881/gsp.2024.1.06
46. VARTAŠOVÁ, Anna - ČERVENÁ, Karolína (2022): *Real property tax in the countries of Visegrad Group–comparative view.* Studia Iuridica Lublinensia https://doi.org/10.17951/sil.2022.31.1.191-211
47. VARTAŠOVA, Anna (2021): *Komparácia systémov miestnych daní v krajinách Vyšehradskej štvorky (Comparison of Local Taxes Systems in the Countries of Visegrad Group).* SSRN Electronic Journal https://doi.org/10.2139/ssrn.3831209
48. VASVÁRI Tamás (2020): *Hardening the budget constraint: Institutional reform in the financial management of Hungarian local governments.* Acta Oeconomica 2020/4
49. VÉRTESY László (2015): *Magyarázat a Magyarország helyi önkormányzatairól szóló törvényhez*
50. ZS. TÓTH Balázs (2014): *A pénzügyi alkotmányosság aktuális kérdései*, In Pázmány Law Working Papers

CONTACT DETAILS OF THE AUTHOR
Halmainé dr. Horváth Evelin Anna
ORCID: 0000-0002-2298-9839
PhD-student
University of Győr, Faculty of Law,
Department of Public Administartion and Finance,
H-9026, Győr, Egyetem tér 1., Győr, Hungary
Phone number: +36307366576
E-mail: horvathevelinanna@protonmail.com