

## **Abstract**

Public income has a great importance in different countries, especially in the federal countries where the federal regimes consider it the backbone on which they based. Without the public incomes, the public authorities would be unable to practice their activities and roles on all levels.

This study deals with the organization of the public incomes in the constitution and laws of Iraq. Since the establishment of the federal regime in Iraq. The dispute started between the center and the other parts of the federation upon different points concerning the public incomes such as gaining the incomes, allocating them and distributing them.

The study attempts to recognize the defect points of organizing the public income in Iraq where the most important points are: the constitution does not refer the income issue, in general, and to the federal income, in particular, delivering the public income to the center, from all the federation levels, is not a transparent process, there is no sound or efficient system to allocate and distribute income among the federation unites, there is no special legislation to organize incomes and identify the self-income and the federal income, in addition to the weakness of observing the public income where the multiplicity of observing systems in Iraq results in weakening the observation.

The study depends on the scientific style and the comparative analytic method; the comparison was with Arab Emirates and Lebanon.

The study includes an introduction, three chapters and a conclusion.

The first chapter deals with the public incomes in the Iraqi constitution and legislations. The second chapter tackles the resources of the public incomes: federal and local. The third chapter is devoted to the constitutional bases of observing the public incomes.

The study concludes a number of important results that could be summarized as following: there is no clear legislative standard to distinguish the federal and the local public incomes, where the federal incomes should be distributed among the federations unites while the local income would be for the local unit, as a result the distribution process would be complicated and unbalanced, Kurdistan region is a perfect example. Iraq still adopts the traditional way to prepare the public budget ( articles budget) which had bad effect on organizing the public incomes as this way does not pay attention to the efficiency of using the public income as to observing aspect. Iraq depends mostly on petroleum to achieve its federal incomes and does not attempt to divers its resources. The financial and administrative corruption weakens the tax awareness for most people, who believe that the taxes are not use in the social services, which affects the tax income size.

The legislative authorities instruct some ministries to impose or amend the taxes and fees in a contrast with the articles(28) and(123) of the Iraqi constitution where the first indicates that the impose and amended must be according to an act and the second does not refer to ministry authorizing. The increasing dependence on the foreign loans to finance the federal budget results in increasing financial burdens for the coming generations and allowing the creditors to direct the state general policy. Imposing some financial duties by the governorates that are not organized within a region creates a confusion between the concepts of the political decentralization and the administrative decentralization. The different observing systems in Iraq( the federal financial observing department, the institution of integrity, the general inspector office, and the general institution of allocating the federal incomes), sometimes end to a serious contradiction. There are obstacles to achieve effective observing of the state properties where the accused employee does not subject to serious punishment by referring him to the judiciary authorities or to the institution of

integrity, and there is no legislation to prevent the double nationality individuals from assuming leading positions, which makes retrieving the smuggling money.

The most important recommendations are summarized as following:

The necessity to legislate an act to organize and distinguish the federal incomes and the self or local incomes to achieve fair allocation and to deal with the financial unbalance problem. To neglect the tradition method in organizing the public budget and adopt balancing the programs and performance by amending the Act of the financial administration and public debts No. 95 for 2004. To pay attention to the final accounts. The parliament should avoid putting the ( appended acts) that do not concern the public budget, especially the financial ones. To get use of the revenue incomes resulted from the non-sustainable petroleum resource by establishing a sovereignty fund to save part of the petroleum revenue for the coming generation, at the same time this fund could be used for the investment projects and lending the government. To improve the other income resources such as the industrial, agricultural and touristic in addition to tax incomes. The ministries should not impose fees or amend any act. The Iraqi legislators should enact laws to prevent the loans incomes save in the extremely necessity case. I case of borrowing for the investment projects, the sum should not deliver to Iraq directly, rather it should deliver to the party that would execute the project, so loaning parties would be the debtor, the creditor and executor. To amend the Act of the non-regionalized governorates No. 21 for 2008 to distinguish between the political decentralization and the administrative decentralization. To fill the legal gaps that allow the financial and the administrative corruption by put a legislation to prevent the double nationality individuals from assuming leading positions. T remove the investigation which the office of the corruptor conducts before referring him to the judiciary authors or to the institution of integrity. The

federal financial observing department and the institution of integrity should be unified under one title(The federal financial observing and integrity) to achieve more effectiveness in observing the state properties. To conceal the general inspector office as, legislatively, it had no administrative and financial independence where it subject to the minister`s instructions and orders. To amend the Act of the general institution of observing allocating the federal incomes to achieve the cooperation of the employees of the federal financial observing department as well.