

FORMATION INSTITUTION PRIVATE FARMS AS A COMPONENT OF AGRICULTURAL LAND USE

I.P. Kupriyanchyk, Ph.D., associate professor,

L.A. Sviridov, a graduate student

National University of Life and Environmental Sciences of Ukraine

Investigated the features of the functioning and development of private farms in market conditions, reveals inconsistency of legal norms of these farms. Proved that the introduction of personal peasant economy will help improve the legal norms of these farms to improve financial and credit policy of the state of their development and promote the competitiveness of small and medium agricultural enterprises.

Keywords: private farm, legal provision, share, agricultural land use institute

Formulation of the problem. In a country takes place process the establishment of organizational structures and agricultural land use, in particular, private farms. Private farms are the basis of physical and economic survival of rural residents, but consider them a priority form of management is now irrelevant. Due to differences in the structure and specialization of production farms do not compete with large farms. They produce labor-intensive agricultural products - vegetables, fruits, eggs, meat and milk. These products are produced on land on an area of 2 hectares, which is owned or leased, which is regulated by the Law of Ukraine "On a personal peasant economy"[2]

The size of land can be increased in the case of joining land share that is highlighted to terrain or inherited. In particular, in the structure distributed lands of farmland Ukraine 17.3%

distributed lands connected to a personal farm a total area of 4.7 million hectares. According to the current legislation of Ukraine private farm is not a subject of legal relationships, but only object to certain rights as a holistic land and property complex.

In the practice of these farms have questions about the mechanism of creating and legitimizing them for the purpose of acquiring the right of its members to pensions, state benefits, subsidies and exercise the right to become a participant in the competitive selection of farmers for public funds provided by national and regional programs and carry out external economic activities in accordance with the law.

Law of Ukraine "On a personal peasant economy" register of households conducted by local councils, however, not clear whether all family members living together automatically gain membership or separately filed applications? In the absence of a mechanism is not clear

how to terminate membership in it. Article 9 of the Act provides for members of the private farms obligatory state social insurance on a voluntary basis. Pensions of members of private farms and the payment of premiums for obligatory state pension insurance carried out in accordance with the law on pensions and compulsory state pension insurance. However, no mechanism of implementation.

There are some impropriety in the acquisition of ownership of land in subsidiary farming, namely one person, common property of spouses, common share ownership of the subsidiary farm. Article 5 of the law does not clearly state whether gratis land to the ownership of one member of management or everyone?

Subsidiary farming - a specific type of economic activity of citizens, which leads to the consolidation of existing land and agrarian law of Ukraine certain peculiarities of land rights that are provided for the conduct of these farms.

The above requires improvement of the legal provisions of these farms, improving financial and credit policy for their development, promoting the competitiveness of small and medium agricultural enterprises that it would be appropriate to summarize in a single law. Solving these problems is possible if the institution of private farm. Thereby personal peasant economy will take a legal subjectivity and the object of a holistic land property complex.

Analysis of recent research and publications. Formation and development of various forms of management, the efficiency of their operation are devoted S.M.Onysko,

M.H.Shulskoho, A.D.Yurchenka, VY Mesel-Veselyaka, MN Fedorov, M.Yu.Kulisha, however, problems of land use of private farms, the ability to adapt to the changing economic environment and proper legal support for their activities, require in-depth research.

The purpose of the article - to explore the peculiarities of the subsidiary farm, identify the inappropriateness in the law to justify their activities and the need for the institution of a subsidiary farm - a reliable mechanism for their effective development.

Presenting main material. One of the priorities of any state is its food security, a level of food security of the population, guaranteeing socio-political stability in the community, the survival and development of the nation and the private , family, sustained economic development. The need for food security involves state support of agricultural producers, especially small-scale agricultural producers. One such legal forms of agricultural production in Ukraine is a subsidiary farming. State regulation of these facilities is carried out by the legislative and regulatory acts, which regulated property, land and tax relationship.

According to Art. 1 of the Law of Ukraine "On a personal peasant economy" stipulates that personal farm - is economic activity that is carried out without a legal entity natural person private or persons who are family or family relationship and living together, to meet personal needs through the production processing and consumption of agricultural products, the implementation of its surplus and providing services using personal

property of the farm, including in the field of rural green tourism. However, the activities associated with operating a farm not related to business activities. In 2007, the state target program of development of Ukrainian villages by 2015 anticipated measures aimed at effective development of farms, namely:

1) a system of purchase orders for agricultural products in private households with long-term contracts;

2) providing microcredit subsidiary farms and associations through the Support Fund farms;

3) improving institutional and legal mechanisms for the creation of associations of private farms for sharing and efficient use of land;

4) the formation of cooperative associations to promote the concentration of livestock production in private farms to produce high quality raw materials and safe for human health of livestock products, expansion of infrastructure procurement, increased marketability of livestock production by 1.5 times;

5) improve provision of private farms breeding young stock;

6) envisaged surcharge for heifers purchased these farms;

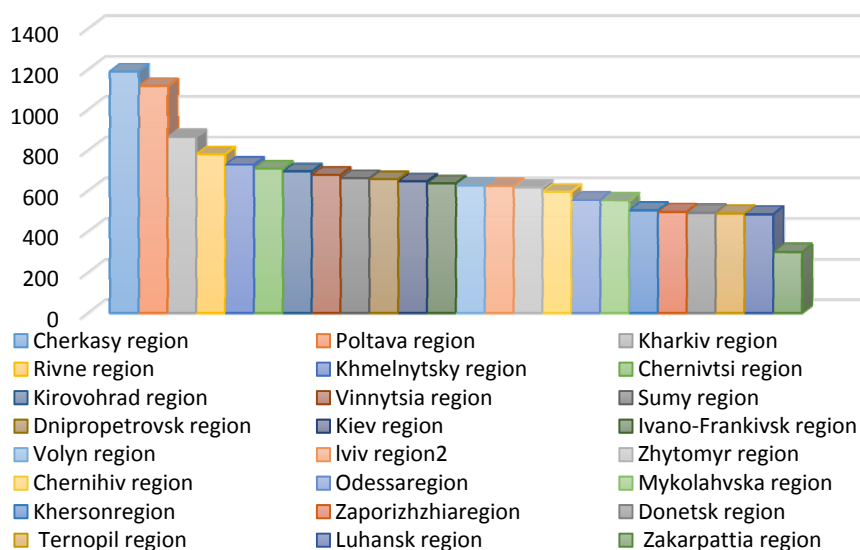
7) the involvement of persons employed in private farms to participate in the system of compulsory state social insurance and voluntary pensions.

However, the Law of Ukraine "On a personal peasant economy" provides that its members are persons who independently provide themselves with work, and according to the Law of Ukraine "On Employment" considered occupied, provided that this economy is their main workplace. Such

restrictions do not believe are legitimate and those that limit the rights of peasants and deprived of social protection, guaranteed. In fact, the Law of Ukraine "On a personal peasant economy" refers members of the private farms to the category of self-employed persons and provides for the procedure of registration of private farms. Members of these households deprived of the right of acquiring the status of unemployed and realize the right to social protection against unemployment of circumstances beyond their control, the right to security in cases of complete, partial or temporary disability.

In addition, the legislation does not include that income in these households is seasonal and depends on weather and other conditions, and therefore does not guarantee the stability of earnings of the subsidiary farm. But the fact of employment is not a sufficient criterion for national financial aid for unemployment. This private farms determine the volume of agricultural surpluses, which they want to implement on your own. Because it is impossible to clearly establish the level of profit that creates obstacles in implementing mechanisms to protect members of private farms.

As of January 1, 2015 the amount of rent in Ukraine totaled 664 UAH / ha (or \$ 30). For example, in the Netherlands -1536 \$ / ha in the US - 347\$ / ha in Poland - 219 \$/ ha, Romania -120 \$ / ha and the United Kingdom - \$ 480 / ha. Ukraine has signed 4.8 million rental contracts land shares (shares) in monetary terms the annual rent for these contracts is 12.5 billion UAH.

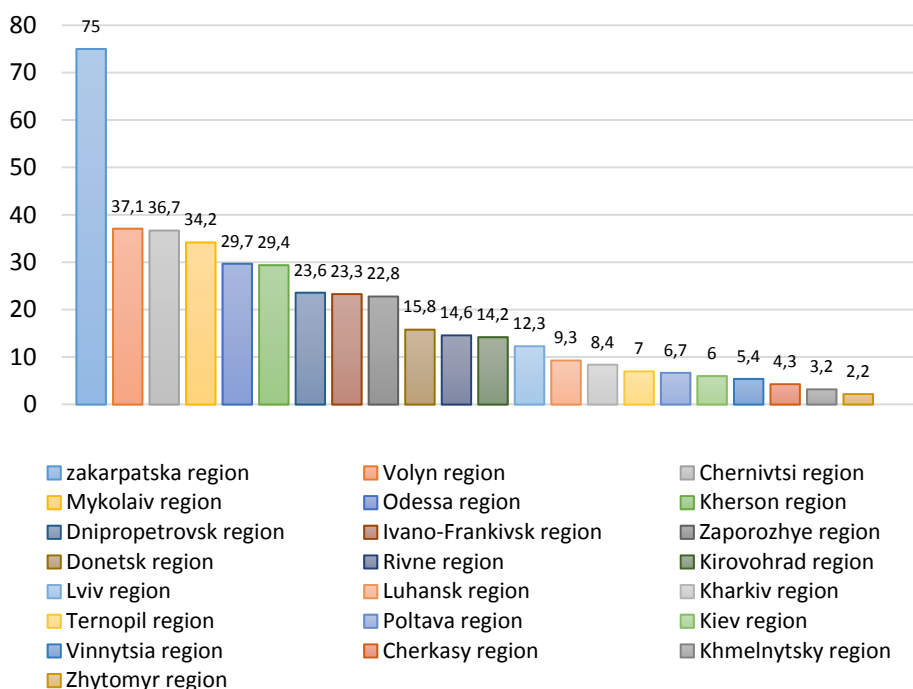


The rent of land share in Ukraine at 1.014.2015 year

According to the State Service of Geodesy, Cartography and Cadaster 1 million peasants attached land shares (17.3%) to private farms (non-corporate) with a total area of 4.7 million hectares, which prevents small and medium farms in obtaining state support and social security (providing long-term target loans, subsidies, introducing favorable tax regime). Because of this problem with the definition of such assistance and the scope of its implementation. Independently farm their own land wish to land owners in the area of 1.2 million hectares. The structure of the agricultural land Ukraine Distributed by way of using them is as follows: 62.1% - leased under the agreement; 20.6% are not used or used without documentation; 17.3% - connected to private farms. Share Distributed lands attached to private farm without a legal entity, % (2015).

Therefore, the formation and functioning of the institution subsidiary farm in Ukraine is urgently needed because the state does not encourage landowners and land users to rational use of land is not conducive to the improvement of legislation in this area. So no unresolved legal and formation institution subsidiary farm leads to latency on legal ownership and use of land by peasants.

Not resolved at the legislative level for subsidiary farming land size. Indeed, Article 121 of the Land Code of Ukraine set the maximum amount of land that is acquired in the property free of charge in the manner of free privatization of land area of 2.0 hectares. However, the minimum size of land for its maintenance available. In addition, it is determined by the authorized body of state power and local self-government in its sole discretion without considering the needs of private farm.



Share distributed lands, attached to personal subsidiary farms without legal entity, % (2015)

Also, the legislation is not barred to increase the area of land under cultivation for the implementation of this activity by getting land rent, inheritance, selection in nature (on ground) land share unit. Tax Code (p. 165.1.24. Art. 165) provides that the proceeds from the sale of own agricultural products (grown, killed, caught, gathered, produced, processed and / or recycled) directly to an private on land granted her in the amounts established by the land Code of Ukraine for subsidiary management and / or land (share) allocated in kind (on location), the aggregate amount does not exceed 2.0 hectares. However, the size of land referred to in the second paragraph of this point and the amount allocated in nature (on ground) land shares (shares) that are not used (leased serviced), are not included. Tax

Code (paragraph 4 P. 165.1.24. Art. 165) provides that in case of exceeding the size of land including for personal peasant economy (over 2.0 hectares), income from the sale of agricultural products subject to taxation in general practice. However, this economy is not the financial statements, and scores of proceeds from his sales of agricultural products made by its members (private s) who did not submit a declaration (required by law).[5,6]

So loopholes in legislation to resolve legal employment of members of subsidiary farms artificially hinders the formation and economic development of these farms. In addition, existing legislation on the regulation of economic activities of the subsidiary farm does not allow public authorities to successfully solve the problems of the peasantry by

legislative norms which are treated differently.

In addition, the state does not fund the development of private farms. Currently ICF "Community Wellbeing." during 20 years provides resources to support farms, providing free heifers peasant families, helps them to unite in cooperatives, cooperative associations, cooperative dairy factories to build more. And investing huge resources in training farmers, cooperatives, farmers. The case involves different kinds of partners, advisory services, technical assistance projects, international organizations and foundations, educational and science. And even the government can not make partner.

Private farms are the most common form of agricultural business family type management in the agricultural sector.

Conclusion. Consequently, persons who have acquired ownership, lease or other land rights for land plots for private farms, must comply with the requirements of the land and environmental legislation on the rational use and protection of areas available to them to achieve highly effective and ecologically safe agricultural land. Significant changes must undergo institution subsidiary farm in terms of legal regulation and institutional support for the protection of entrepreneurship, to ensure fair competition in the labor market and the protection of people, namely economic and social protection of citizens involved in economic activities; state support, taxation; legal support of farms in terms of land use.

We consider it appropriate land for personal farming to provide up to 2.0 hectares and restore institute ancillary

sector with allocation of land up to 0.6 hectares.

In the article problems require complex solution with the assistance of the state, because they require not only legal settlement, but also innovation in all spheres: economic, environmental, educational, cultural and other, including:

- economic incentives for improving soil fertility;
- providing soft loans for the purchase of equipment;
- organization providing state farms breeding young stock of cattle and poultry feeds, seeds, fertilizers, plant protection agents;
- creation of the village consultative advisory services to help farming;
- introduction of rural agricultural service cooperatives to provide services on the harvesting, storage, processing and marketing of agricultural products, and sharing technical vehicles;
- introduction of compulsory state social insurance and pension provision;

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Досліджено особливості функціонування та розвитку особистих селянських господарств в ринкових умовах, розкрито неузгодженість правових норм діяльності цих господарств. Доведено, що запровадження інституту особистого селянського господарства дасть змогу удосконалити правові норми діяльності цих господарств, покращити фінансово-кредитну політику держави з їх розвитку та сприятиме конкурентності малих і середніх сільськогосподарських підприємств.

Ключові слова: особисте селянське господарство, правове забезпечення, пай, сільськогосподарське землекористування, інститут

Исследованы особенности функционирования и развития личных крестьянских хозяйств в рыночных условиях, раскрыто несогласованность правовых норм деятельности этих хозяйств. Доказано, что введение института личного крестьянского хозяйства позволит усовершенствовать правовые нормы деятельности этих хозяйств, улучшить финансово-кредитную политику государства по их развитию и будет способствовать конкурентности малых и средних сельскохозяйственных предприятий.

Ключевые слова: личное крестьянское хозяйство, правовое обеспечение, пай, сельскохозяйственное землепользование, институт