

Bijzondere Financieringswet in een notendop (met een illustratie voor het jaar 2009)

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ABSTRACT

Through peaceful and democratic reforms, Belgium has been transformed from a unitary to a federal state. Many competences have been transferred to the Communities and the Regions. Belgium's fiscal federalism arrangements ensure that the Communities and the Regions receive the means necessary to exercise their fields of jurisdiction. This paper contributes to understanding the different financial arrangements for the Communities and the Regions.

The funding of the French-speaking and Flemish Communities is almost exclusively based upon grants from the federal government. Tax autonomy is non-existent for the Communities. The complexity of the financial arrangements results from the different and sometimes over time changing horizontal allocation formulas.

The Regions also receive federal grants. But contrary to the Communities the Regions do have full fiscal autonomy, with respect to 12 taxes. Moreover they have the possibility of establishing additional taxes or granting rebates on the portion of personal income tax attributed to them. However, financial transfers from the federal government remain the cornerstone of the financing of the Regions. The variety both of federal grants and horizontal allocation formulas has resulted in a complex financing system for the Regions.

Keywords: state reform, fiscal autonomy, fiscal federalism, allocations

JEL Classification code: H61, H71, H77