

Off-Budget Pension Fund

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Abstract: The article contains information about the nature of the Off-Budget Pension Fund of the Republic of Uzbekistan, its stages of formation, structure, and goals.

Keywords: Pension, social protection, fund, state pension provision, benefit, length of service.

After gaining independence, the Republic of Uzbekistan paid great attention to the social support of the population. Along with ensuring the employment of the population and creating sufficient working conditions, the state also took care of those who were unable to work, and the policy of gradually and consistently improving the system of allowances and pensions was carried out. The social protection of citizens is determined by the constitution. The off-budget Pension Fund under the Ministry of Finance of the Republic of Uzbekistan occupies a special place in the pension system of the Republic of Uzbekistan. Particular attention is paid to the financial stability of the extra-budgetary pension fund under the Ministry of Finance of the Republic of Uzbekistan, to the regulatory and legal framework, and to the material and technical strengthening of the local population service units. Optimization of citizens' pension expenses, target spending of funds and control over pension payments will be strengthened. The procedure for the formation of this fund is defined in the tax code.

A pension fund is a fund that creates the necessary financial base for the implementation of state-guaranteed social protection for the population, provides funds for the payment of pensions and allowances in the amounts specified by law. The Pension Fund in Uzbekistan was established for the first time on January 14, 1991, as the branch of the Republic of Uzbekistan of the former USSR Pension Fund. Later, after the independence of Uzbekistan, on August 4, 1993, it was transformed into the Social Insurance Fund under the Cabinet of Ministers of the Republic of Uzbekistan. By the decision of the Cabinet of Ministers of the Republic of Uzbekistan on December 27, 1996, "On the establishment of a pension fund under the Ministry of Social Security of the Republic of Uzbekistan", it was transferred to the Ministry of Social Security. Later, from January 1, 2001, it was transformed into an off-budget pension Fund. Since January 1, 2010, it has been operating as an off-budget pension fund under the Ministry of Finance.

The main tasks of the off-budget pension fund are as follows:

- to carry out constant analysis and monitoring of the appointment of pensions and their recalculation on a systematic basis, to ensure the strictly targeted use of the funds directed to the pension provision of citizens;
- to organize the state pension provision of citizens in accordance with the procedure established by law, assign pensions, social allowances, compensation payments and other payments to citizens, ensure the recalculation of the amounts of pensions and other payments;
- organization of full financing and payment of pensions and other payments, keeping accounts and reports on them;

- organization of collection of funds paid to pensions due to disability at work or occupational disease from guilty legal entities and individuals in accordance with the established procedure;
- organization of medical and labor expertise services.

The goals of the off-budget pension fund are to achieve timely and accurate provision of financing measures for strong social protection of the population, improvement of the management structure in the state-guaranteed pension system, mandatory contribution to income, and ensuring the complete collection of funds and deductions.

On September 3, 1993, the Law "On State Pension Provision of Citizens" was adopted, and this Law establishes the constitutional rights of citizens of the Republic of Uzbekistan to social security in the event of old age, complete or partial loss of working capacity, and in case of lack of breadwinners. "issuance, determined the unified system of state pensions, their appointment, calculation, recalculation and payment procedure. This law "became important in defining the procedure for using extra-budgetary pension fund funds. For information, this law was last amended in 2022.

In accordance with the Law "On State Pension Provision of Citizens", to ensure the timely payment of pensions, as well as to fund the costs of paying social insurance benefits and other pensions assigned by social security bodies from the funds of the Pension Fund; allowances for children with disabilities, elderly and incapacitated citizens who do not have the right to state pension provision; temporary disability benefits, including pregnancy and maternity benefits; allowances given when a child is born; funeral allowances; in accordance with the legislation, other payments are provided with funds from the Pension Fund. Funds of the pension fund are formed from the insurance contributions of enterprises, institutions and organizations, compulsory insurance contributions from the wages of citizens, as well as from the sums established by the law and other deductions established by the law from the members of individuals and farms without being a legal entity.

The main expense of the pension fund is, of course, the state pension. There are three types of state pensions in the Republic of Uzbekistan. They are old-age pension, the disability pension and the survivor's pension.

An old-age pension is a pension paid to the population who have reached a certain age (men are 65 years old, women are 60 years old) and have completely or partially lost their ability to work. Age pension is divided into two categories:

- Appointed on a general basis;
- Pension on a preferential basis.

A general old-age pension is a pension granted to men when they reach the age of 60 and have at least 25 years of work experience, and to women when they reach the age of 55 and have at least 20 years of work experience.

Preferential pensions can be classified as follows:

- a list of industries, institutions, jobs, professions, and positions that give the right to receive a pension regardless of age;
- the list of productions, institutions, jobs, professions, positions and indicators that give the right to receive a pension with the general fixed age reduced by 10 years;
- a list of industries, institutions, jobs, professions, tasks and indicators that give the right to receive a pension with the general age reduced by 5 years.
- the right to receive a pension with the common age reduced by one year;

- people with hypophyseal dwarfism (lilliputs) and people with body structure disproportion have the right to receive a pension with the general retirement age reduced to 15 years: men have at least 20 years of work experience; women get at least 15 years of service.

A disability pension is awarded in connection with a long-term or temporary loss of working capacity (disability).

The survivors' pension consists of monthly payments from the pension fund, the amount of which depends on the salary of the deceased breadwinner and the number of dependent family members.

Provision of pensions to citizens of the Republic of Uzbekistan living outside the territory of the Republic is carried out on the basis of international agreements of the Republic of Uzbekistan. Foreign citizens and stateless persons permanently residing in the Republic of Uzbekistan have the same right to pension as citizens of the Republic of Uzbekistan.

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