

# Revenue policy

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Revenue Policy Revenue Policy The extent to which the government, through local government, achieves development milestones heavily relies on how effectively it allocates its revenues. Budgeting is crucial for resource allocation to a given action plan over a specified duration. Governmental entities usually apply priority-based budgeting technique to align revenue expenditure policy with community values. Unlike traditional budgeting, priority-based budgeting appraises community goals and centers on financing initiatives and activities geared towards achieving such goals for the benefit of the entire society (Moryl, 2010). Government budgets are usually limited by the amount of revenue obtained from various sources such as taxes among others, thus the need to tie expenditures close to community needs and goals.

Aligning revenue policy with community values ensures that revenue is expended on the most urgent needs of the society. It ensures that development activities aimed at achieving the objectives of the community. According to Morgan, Robinson, Strachota & Hough, James (2014), administrators in public office “ should recognize and honor community calls for government response and services” (P. 216). Revenue policy aligned with community values enable the government to focus on the preferences of citizens and focus more on how to provide the community with what the citizens want most (Moryl, 2010). Revenue policy alignment with community values also ensure that appropriate tax policies are implemented, taking different economic backgrounds of citizens (Devas, Blore & Slater, 2012). As such, it is significant to align revenue policy with the values of the society in order to ensure that the preferences of the citizens are met and that the overall development objectives and activities to further such objectives are

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adequately funded. Aligning revenue policy with community values enables the government to focus on the overall welfare of the community.

#### References

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