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## **COMPENSATORY FINANCING OF RECONSTRUCTION OF INFRASTRUCTURE FACILITIES OF UKRAINE IN THE POST- WAR PERIOD**

While most companies and supply chains showed a high degree of resilience and adaptability during the pandemic, the recovery and the recent developments linked to Ukraine's invasion have revealed a number of vulnerabilities, including in the energy sector, which must be tackled to protect our European way of life, maintain growth and improve resilience in the longer run. Instead, they confirm the need to accelerate the ongoing economic transformation [10].

The search for effective compensatory means for the cost of businesses related to the re-equipment of the factors of reproduction and introduction of new technologies, as well as the formation of an effective system of technoparks. This issue is complicated due to the gaps and fragmentary management decisions in the process of investments attraction, both on macro and micro levels. One of the most promising forms of compensatory financing for projects within is the use of the Tax Increment Financing (TIF) mechanism.

This issue updates the study of using the Tax Increment Financing (TIF) mechanism in financing of technoparks. Thus, D. Huddleston describes the application of the TIF method to the Wisconsin example, with an emphasis on the change in the structure of taxes received additionally from other budget [1, p. 11-17].

Authors in their study made efforts to identify the circumstances when the TIF project would be an effective means of developing municipal economies [6, p. 123]. T. Stinson and D. Huddleston calculated the financial sustainability of certain projects, based on the expected growth rates of property value [8, p. 241-248]. J. Klemański, along with financial aspects, assessed the effects of TIF in the political and legal field [2, p. 23-28]. J. Mean and M. Rosentraub analyzed the relationship between the increase in the property value and the application of TIF [7, p. 23-26].

The author notes that, among urban planners, tax increment financing (TIF) is a popular economic development financing tool. Using eighteen years of TIF district-level data, this study finds that TIF was most likely a fiscal boon for districts [6].

How to notice scientist B. Schneider the compensatory technology of «Tax Increment Financing» is a powerful and controversial force in American urbanism. Every state except Arizona currently allows it, as does the District of Columbia, and it has become the most popular incentive tool

for economic development in the United States as the federal government has decreased its urban development spending. TIF plays a role in megaprojects such as Chicago's Lincoln Yards and Amazon's HQ2 in Arlington, Virginia, as well as in smaller-scale neighborhood improvements, affordable housing, and transit projects. With its application in vastly different contexts across nearly every state, TIF is used to fund a broad range of projects. Currently, the method is most popular in post-industrial, Rust Belt cities and towns [4].

Tax Increment Financing (TIF) creates special tax districts around targeted redevelopment areas from which future tax revenues are diverted to finance infrastructure improvements and/or development. At the beginning of the TIF period, tax revenues in the TIF district going to general city services are frozen at a certain rate. All additional tax revenues go toward directly funding new development or servicing debts related to new development until the end of the TIF period, which usually lasts 20 to 30 years. Supporters say the new tax revenues generated by TIFs would not have taken place "but for" the investment that the TIF enabled, and that they are a valuable tool for neighborhood revitalization [4].

TIF is aimed to provide the investor with compensation through special funds replenished by tax revenues from incomes which were obtained after construction and putting into operation the infrastructure objects. The basis of this mechanism is redevelopment, financed by an investor who invests in construction and reimburses his expenses from the special fund, accumulating taxes paid by the owners of new consolidated facilities.

That is, TIF is a mechanism covering the investor's expenses into implementation of innovation projects from the budget by tax revenues from incomes which were obtained after construction and putting into operation the infrastructure objects. In fact, this is one of the variants to apply compensatory tax models for investment purposes across the regions. After all, the TIF envisages that the investor's costs put into the investment project will be compensated by a tax exemption calculated in the future [5].

We suggest to introduce the mechanism of TIF in development of technoparks, since has become the most popular form of manufacturing and commercial activity, which is they by trends and challenges in the real sector of the economy. We believe that globalization and the potential symbiosis associated with it are an expression of the benefits and opportunities that can be gained as a result of the joining forces and the competitive advantages of collaborating actors [9].

In the suggested mechanism, the methods of financing are identified. Methods and techniques that help to substantiate and control specific management decisions related to the search for financing, their rational structure and use of financial compensatory technology based on deferred tax payments (Tax Increment Financing – TIF) .

The possibility of attracting additional financial resources to development of technoparks through the technology of compensatory financing based on

deferred tax payments (Tax Increment Financing – TIF) was studied.

Based on the results of the study, proposals are presented on the formation of an investment mechanism for enterprises – institutional stakeholders of the technopark based on the principles of the TIF, using the structure, levers, tools, methods of financing measures. The coordination center of the technopark has been determined and the stakeholders of this integration formation have been proposed.

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