

## THE ROLE OF LEASING AGREEMENT IN AGRICULTURE OF UKRAINE

**A.S. OSAD'KO, *graduate student,***  
***Yaroslav Mudryi National Law University***

*The article is devoted to legal regulation of the leasing contract, with the participation of agricultural producers. Identified the advantages and disadvantages of using contract in agriculture of Ukraine.*

***Contract leasing, financial leasing, agricultural, agriculture.***

In the conditions of market economy of Ukraine, considerable actuality, acquires development of leasing activity in agriculture which above all things consists in the necessity of the technical retooling and update of capital assets of agricultural commodity producers, expansion of them material and technical base. Today, the leasing market in Ukraine has not received much attention. The majority of agricultural producers do not have available funds to purchase modern machinery, equipment, maintain it in working condition and other Use of technology that is obsolete leads to a significant reduction performance during the implementation of the agro-technological processes of cultivation of agricultural products. Therefore, it is the leasing agreement promotes technical upgrade of agricultural producers, increase of labour productivity, production of competitive agricultural products. The lease agreement in agriculture is the optimal legal form, and the use of it has several advantages: a) first, it allows a wholly-owned lending and the need for immediate full payment for the purchased machinery and equipment, which reduces the risk of non-

repayment of funds; secondly, for the lessee reduced physical depreciation of property and other.

The purpose of this article is to identify shortcomings and advantages of use of leasing contract with participation of agricultural producers, its role and search of ways of the decision of problems for further development of application of the lease agreement in agriculture.

In the Ukrainian legislation there are several definitions on the concept of leasing and leasing contract can be concluded that these definitions of the lease agreement are not identical. Thus, there is a need for clear definition of the contract of leasing of agricultural machinery, which would take into account the characteristics of agricultural activity at the conclusion of this contract and would eliminate contradictions in the current legislation. It appears that the contract of agricultural machinery leasing is a contract whereby the lessor undertakes to order (buy) the subject of leasing (facilities, equipment) from the seller (supplier) according to the conditions established by the lessee (agricultural producers), taking into account the specifics and conditions of agricultural production and transfer it to lessee (agricultural producers) for a specified period, during which amortized 75% from the equipment cost, subject to payment by the lessee periodic (seasonal) leasing payments, with the subsequent right of redemption of the leased object at the residual value.

So, given the above, the effective application of the lease agreement, resolve problems that prevent its widespread use in agriculture it is necessary: first, to match the norms of the legislation concerning the determination of the lease agreement and the principles of leasing activity. Secondly, duly encourage the spread of leasing operations. Third, to increase the term of lease agreements, because in the domestic practice prevail agreements medium-term actions unlike foreign companies, where the leasing transaction is in the long term.

The lease agreement plays a significant role in the agrarian sector is a promising legal form of investment in agriculture, that gives the chance to spend agricultural producers and upgrade their material and technical base.