



L. Mashkovska,

Candidate of Law Sciences,
Senior Lecturer of the department of social and human sciences and law,
Uman National University of Horticulture

THE CONCEPT AND PECULIARITIES OF THE SUBSIDIARY ENTERPRISE

There are several types of business entities, the legal status of which is not defined, and they have some features of the enterprise. The mentioned entities are the subsidiary enterprises which have the right to be organized due to norms of some acts of legislation. An important feature that characterizes the legal status of the entity of economic law is the subsidiary enterprises and their economic competence. However, for a complete description of their legal status there are also important the other features that have an impact on the amount of that jurisdiction and its character.

Enterprises have the leading position among the business entities. This is due to specific economic and social functions of the enterprise in the economic system, for example the functions of commodity producer who satisfies the social needs in products, labor and services.

However, despite the absence of the direct regulations of the legal status of

the subsidiary enterprises there are no formal barriers to their establishment and activities.

The term «subsidiary enterprise» is used in some departmental acts. Thus, a subsidiary enterprise is defined as an enterprise that is controlled by the parent (holding) company.

It is appropriate to provide in the norms of the current legislation the following statements: to give the definition of subsidiary enterprise: the general one and the definitions of its individual types – the unitary subsidiary enterprise and the corporate subsidiary enterprise; to define the main features of a subsidiary enterprise, including some of its species; to articulate the concept of the law of full economic management and the law of operational control of legal regime of property of subsidiary enterprise and to anticipate the cases of subsidiary responsibility of the controlling (parent) company for the obligations of the subsidiary enterprise.

