

The government public budgeting become the main tool of public finance management in improving the application of good governance, because the public budgeting is the numerical itemization expressing for government philosophy and priorities as well as political, economical, and social program for incoming year. Accordingly, the study has started to check-out which way of that kind of budgeting is better than others to visualize the practices of good governance. Virtually, the budgeting of output – outcome " which is the newest form of budgeting management" has been proved to be the best mechanism or entrance to support and enhance the application of good governance principles (transparency, participation, and accountability). Moreover, this type of budgeting can support the improvement of the good management mechanisms of public finance and consequently the public sector governing and the whole state public administration. The main recommendation of this study is the switching to the form of output– outcome budgeting is necessary and putting up the legal, economical, and administrative requirements to actualize it in order to improve the practices of good governance for different countries and especially in Iraq.