



REPUBLIC OF THE PHILIPPINES  
**BUREAU OF THE TREASURY**  
INTRAMUROS, MANILA 2801

*Funding the Republic*

**January to July Fiscal Deficit Lower By P34.1 Billion  
Than Same Period Last Year**

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**July Fiscal Deficit at P17.0 Billion**

**16 August 2006, Manila, Philippines:** The January to July fiscal deficit of the National Government reached P48.5 billion, P34.1 billion lower than the deficit of P82.6 billion incurred during the same period last year. The lower deficit was a result of better revenue performance and restricted spending due to non passage of the 2006 proposed budget. Moreover, the first seven months deficit is just 39% of the full year target of P125 billion, as compared to last year's same period experience of 46% to full year target, thereby ahead by 7%. The National Government incurred a deficit in July amounting to P17.0 billion compared to the deficit of P15.1 billion for the same period last year.

Revenue collections reached P73.7 billion for the month of July. It grew by 11% over last year's level. For January to July, revenues were up by 20% compared to the same period last year of P455.2 billion. The cash collections of the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) for the month of July registered a growth of 19% and 53%, respectively compared to the same month last year. Actual cash collections for the month were recorded at P48.5 billion for BIR and P16.4 billion for BOC. For the January to July period, BIR and BOC cash collections reached to P360.0 billion and P108.9 billion, respectively. BTr income amounted to P41.5 billion. On a year on year, BIR and BOC registered a growth of 22% and 34%, respectively.

Actual disbursements in July amounted to P90.7 billion, 12% higher than same period last year. For January to July, total disbursements amounted to P593.2 billion, or 10% higher than the comparable disbursements in 2005.

Netting out the interest payments in the expenditures, the National Government recorded a primary surplus for the month amounting to P17.2 billion higher than the amount recorded last year. Cumulatively, the primary surplus amounted to P142.2 billion for the first seven months or 55% higher than the amount recorded last year.

### **Fiscal Performance**

January to July 2006

(In Billion Pesos)

	July Actual		Percent Growth 2006/2005
	2005	2006	
Surplus/(Deficit)	(15.1)	(17.1)	12.9
Revenues	66.2	73.7	11.3
Cash	66.0	73.2	11.1
Non-Cash	0.2	0.4	86.7
Expenditures	81.2	90.7	11.6
Cash	81.0	90.3	11.4
Non-Cash	0.2	0.4	86.7

	Jan-July Actual		Percent Growth 2006/2005
	2005	2006	
Surplus/(Deficit)	(82.6)	(48.5)	(41.2)
Revenues	455.2	544.7	19.7
Cash	450.3	535.1	18.8
Non-Cash	4.9	9.6	98.5
Expenditures	537.8	593.2	10.3
Cash	532.9	583.6	9.5
Non-Cash	4.9	9.6	98.5

## National Government Revenues

January to July 2006

(In Billion Pesos)

	July Actual		Percent Growth 2006/2005
	2005	2006	
Revenues	66.2	73.7	11.3
BIR	41.0	48.9	19.2
Cash	40.8	48.5	18.8
Non-Cash	0.2	0.4	87.5
BOC	10.7	16.4	53.1
Cash	10.7	16.4	53.2
Non-Cash	0.0	0.0	0.0
BTr	7.8	5.0	(35.6)
Other Offices	6.7	3.4	(49.0)

	Jan-July Actual		Percent Growth 2006/2005
	2005	2006	
Revenues	455.2	544.7	19.7
BIR	301.9	367.3	21.7
Cash	300.8	359.9	19.7
Non-Cash	1.1	7.4	577.8
BOC	82.9	111.1	34.1
Cash	79.1	108.9	37.6
Non-Cash	3.8	2.2	(40.4)
BTr	43.7	41.5	(5.1)
Other Offices	26.7	24.8	(7.1)

## National Government Expenditures

January- July 2006

(In Billion Pesos)

	July Actual		Percent Growth 2006/2005
	2005	2006	
Expenditures	81.2	90.7	11.6
ALGUs	12.9	12.6	(2.5)
Subsidy	1.4	0.7	(48.8)
Int. Payments	31.2	34.2	9.7
Equity	0.0	0.0	0.0
Net Lending	1.1	2.6	139.9
Others	34.4	40.1	16.5
Tax Exp Fund	0.2	0.4	86.7

	Jan-July Actual		Percent Growth 2006/2005
	2005	2006	
Expenditures	537.8	593.2	10.3
ALGUs	90.7	91.4	0.8
Subsidy	3.3	7.5	128.3
Int. Payments	174.3	190.7	9.5
Equity	0.1	1.0	1,521.7
Net Lending	3.3	10.1	205.8
Others	261.3	282.9	8.3
Tax Exp Fund	4.9	9.6	98.5

## NG Primary Surplus/(Deficit)

January-July 2006

(In Billion Pesos)

	July Actual		Percent Growth 2006/2005
	2005	2006	
Primary Surplus/ (Deficit)	16.1	17.2	6.6
Revenues	66.2	73.7	11.3
Expenditures (Net of IP)	50.1	56.5	12.9

	Jan-July Actual		Percent Growth 2006/2005
	2005	2006	
Primary Surplus/ (Deficit)	91.7	142.2	55.1
Revenues	455.2	544.7	19.7
Expenditures (Net of IP)	363.5	402.5	10.7