



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

*Funding the Republic*

**First Semester Fiscal Deficit at P 31.5 Billion  
Better Than Program by P 58.9 Billion**

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**National Government Achieves Fiscal Surplus  
Three Months in a Row  
June Fiscal Surplus at P12.7 B**

**17 July 2006, Manila, Philippines:** The January to June fiscal deficit of the National Government reached P31.5 billion, registering an over performance of P58.9 billion compared with the program of P90.4 billion. The P90.4 billion deficit ceiling for the first semester is about 72% of the full year program. The favorable fiscal performance can be attributed to the P15 billion excess over the first semester revenue program of P456.0 billion and lower than expected expenditures by P43.9 billion.

The P15 billion excess in revenues for the first semester can be attributed to the P17.8 billion better than program performance by the Bureau of the Treasury by P11.9 billion, Bureau of Customs by P5.0 billion and P0.9 billion by Other Offices.

Revenue collections reached P81.3 billion for the month of June. It grew by 30.6% over last year's level. For January to June, revenues were up by 21.1% compared to the same period last year of P389.0 billion. The cash collections of the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) for the period January to June registered a growth of 19.8% and 35.2%, respectively compared to the same period last year.

Actual cash collections for June were recorded at P45.4 billion for BIR and P17.5 billion for BOC. For the first semester period, BIR and BOC cash collections reached to P311.4 billion and P92.5 billion, respectively. BTr income amounted to P36.5 billion. On a year on year, BIR and BOC registered a growth of 22.1% and 31.3%, respectively.

## Expenditures

National Government expenditures reached P546.4 B, or P43.9 B lower than programmed expenditures for the first semester and grew by 10% over the same period last year.

## Primary Balance

Netting out the interest payments in the expenditures, the National Government recorded a primary surplus for the month amounting to P25 billion, higher than the amount recorded last year. Cumulatively, the primary surplus amounted to P125.1 billion for the first semester or 65.5% higher than the amount recorded last year.

## Fiscal Performance

January to June 2006

(In Billion Pesos)

	June Actual		Percent Growth 2006/2005
	2005	2006	
Surplus/(Deficit)	0.2	12.7	5043.5
Revenues	62.2	81.3	30.6
Cash	62.0	75.3	21.4
Non-Cash	0.2	6.0	2791.8
Expenditures	62.0	68.6	10.7
Cash	61.8	62.6	1.4
Non-Cash	0.2	6.0	2791.8

	Jan-June Actual		2006 Jan-June Program	Program vs Actual	Percent Growth 2006/2005
	2005	2006			
Surplus/(Deficit)	(67.5)	(31.5)	(90.4)	58.9	(53.3)
Revenues	389.0	471.1	456.0	15.0	21.1
Cash	384.4	461.8	450.9	10.9	20.4
Non-Cash	4.6	9.2	5.1	4.1	99.1
Expenditures	456.5	502.6	546.4	(43.9)	10.1
Cash	451.9	493.3	541.3	(47.9)	9.2
Non-Cash	4.6	9.2	5.1	4.1	99.1

## National Government Revenues

January to June 2006

(In Billion Pesos)

	June Actual		Percent Growth 2006/2005
	2005	2006	
Revenues	62.2	81.3	30.6
BIR	38.7	50.4	30.0
Cash	38.6	45.4	17.6
Non-Cash	0.2	5.0	2984.0
BOC	12.6	18.5	46.6
Cash	12.6	17.5	39.0
Non-Cash	0.0	1.0	2115.2
BTr	7.4	9.9	32.7
Other Offices	3.4	2.5	(26.2)

	Jan-June Actual		2006 Jan-June Program	Program vs Actual	Percent Growth 2006/2005
	2005	2006			
Revenues	389.0	471.1	456.0	15.0	21.1
BIR	260.9	318.4	321.2	(2.8)	22.1
Cash	260.0	311.4	318.6	(7.2)	19.8
Non-Cash	0.9	7.0	2.6	4.4	704.6
BOC	72.2	94.8	89.7	5.0	31.3
Cash	68.4	92.5	87.2	5.3	35.2
Non-Cash	3.8	2.2	2.5	(0.3)	(40.3)
BTr	35.9	36.5	24.6	11.9	1.6
Other Offices	20.0	21.4	20.5	0.9	6.9

## National Government Expenditures

January- June 2006

(In Billion Pesos)

	June Actual		Percent Growth 2006/2005
	2005	2006	
Expenditures	62.0	68.6	10.7
ALGUs	14.0	12.9	(7.7)
Subsidy	0.0	0.3	797.4
Int. Payments	11.7	12.3	5.3
Equity	0.0	0.0	0.0
Net Lending	0.3	1.8	408.4
Others	35.7	35.3	(1.2)
Tax Exp Fund	0.2	6.0	2791.8

	Jan-June Actual		2006 Jan-June Program	Program vs Actual	Percent Growth 2006/2005
	2005	2006			
Expenditures	456.5	502.6	546.4	(43.8)	10.1
ALGUs	77.7	78.8	65.4	13.4	1.3
Subsidy	1.9	6.8	2.5	4.3	256.3
Int. Payments	143.1	156.6	167.8	(11.2)	9.4
Equity	0.1	0.9	0.4	0.5	1786.0
Net Lending	2.2	7.4	4.1	4.1	238.8
Others	191.2	242.8	300.9	(58.1)	7.0
Tax Exp Fund	4.4	9.2	5.1	4.1	99.1

**NG Primary Surplus/(Deficit)**

January-June 2006

(In Billion Pesos)

	June Actual		Percent Growth 2006/2005
	2005	2006	
Primary Surplus/ (Deficit)	11.9	25.0	109.1
Revenues	62.2	81.3	30.6
Expenditures (Net of IP)	50.3	56.3	12.0

	Jan-June Actual		2006 Jan-June Program	Program vs Actual	Percent Growth 2006/2005
	2005	2006			
Primary Surplus/ (Deficit)	75.6	125.1	77.4	47.6	65.5
Revenues	389.0	471.1	456.0	15.0	21.1
Expenditures (Net of IP)	313.4	346.0	378.6	(32.6)	10.4