



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

*Funding the Republic*

## **Full-Year 2015 National Government Budget Deficit Widens to P121.7 Billion**

### **Budget Shortfall at 0.9% of GDP**

**XX March 2016 Manila, Philippines** –The National Government (NG) incurred a P121.7 billion deficit for 2015, 66% or P48.6 billion higher than the budget deficit recorded in 2014 as expenditure growth outperformed revenue collections. Relative to the economy, the deficit came in at 0.9% of GDP, well below the 2% target.

#### **Revenue Performance**

Revenue collections for December 2015 reached P163.5 billion, bringing full-year collections to P2,109.0 billion. Total tax revenues made up 88% of total collections amounting to P144.5 billion, while non-tax sources contributed 12% or P19.0 billion. Revenues exhibited 11% growth for the year, but was still behind the program by 7%. Compared to GDP, the revenue effort improved to 15.9% in 2015 from 15.1% the year before. This includes the one-time transfer of Coco levy proceeds which is about 0.5% of GDP. Total tax effort narrowly climbed to 13.7% in 2015 from 13.6% in 2014.

The Bureau of Internal Revenue (BIR) collected P1,441.6 billion in 2015, up by 8% or P106.8 billion year-on-year. However, deducting tax refunds amounting to P8.3 billion will result in net full-year BIR collections of P1,433.3 billion, 7% higher than the previous year's total but missing the program by 14% or P240.6 billion. December collections amounted to P106.3 billion reflecting a 7% year-on-year decrease.

Full Year Collections from the Bureau of Customs (BOC) decreased by P1.7 billion over the previous year with December collections contracting by 15% year-on-year. The cumulative collection of P367.5 billion is 16% or P69.1 billion behind program.

Bureau of the Treasury (BTr) income for the month reached P9.5 billion or 146% higher than the same month last year. This is due to higher income from BSF/SSF investments and dividends on shares of stocks held by the government. Total BTr income for 2015 is 18% or P16.6 billion higher than a year ago and 81% better than program, generating full year collections of P110.0 billion.

Revenue from other offices for the month totaled P10.0 billion, bringing the full year to P198.1 billion. The full year is 90% higher than the target and up 78% over a year ago.

## Expenditures

National Government disbursements in December 2015 amounted to P238.7 billion for a full-year total of P2,230.6 billion. Compared to 2014, total expenditures for 2015 grew by 13% or P249.0 billion but missed its target by 13%. There was a marked increase in spending relative to GDP as the expenditure effort reached 16.8% for the year compared to 15.7% in 2014.

Interest payments (IP) for December amounted to P21.5 billion, 26% or P7.4 billion lower compared to December 2014 levels and 31% below the P31.2 billion program for the month. Total IP for 2015 amounted to P309.4 billion generating savings of 52.5 billion compared to the P361.8 billion program for the year. Year-on-year, total IP contracted by 4%. IP as a percentage of total revenues decreased to 14.7% from 16.8% in the previous year. Similarly, the IP share of expenditures has gone down to 13.9% from 16.2% recorded in 2014. These indicate improved NG capacity to service its obligations while freeing fiscal space for productive government spending.

## Primary Surplus/ (Deficit)

Net of interest payments, NG achieved a P187.7 billion primary surplus for 2015, 24.4% or P60.4 billion lower compared to the primary surplus in 2014 and is 140% or P109.5 billion above target.

## Fiscal Performance

For the Period Indicated  
(In Billion Pesos)

### *Program vs. Actual*

Particulars	Dec				Jan to Dec			
	Prog	Actual	Diff	%	Prog	Actual	Diff	%
<b>REVENUES</b>	<b>186.1</b>	<b>163.5</b>	<b>(22.6)</b>	<b>-12%</b>	<b>2,275.2</b>	<b>2,109.0</b>	<b>(166.3)</b>	<b>-7%</b>
BIR	132.2	106.3	(25.9)	-20%	1,673.9	1,433.3	(240.6)	-14%
BOC	39.4	37.8	(1.7)	-4%	436.6	367.5	(69.1)	-16%
BTr	5.1	9.5	4.4	88%	60.7	110.0	49.4	81%
Other Offices	9.4	10.0	0.5	6%	104.0	198.1	94.1	90%
<b>EXPENDITURES</b>	<b>223.1</b>	<b>238.7</b>	<b>15.6</b>	<b>7%</b>	<b>2,558.9</b>	<b>2,230.6</b>	<b>(328.3)</b>	<b>-13%</b>
Interest Payments	31.2	21.5	(9.7)	-31%	361.8	309.4	(52.5)	-14%

Others	191.9	217.2	25.2	13%	2,197.1	1,921.3	(275.8)	-13%
<b>SURPLUS/ (DEFICIT)</b>	<b>(37.0)</b>	<b>(75.1)</b>	<b>(38.1)</b>	<b>103%</b>	<b>(283.7)</b>	<b>(121.7)</b>	<b>162.0</b>	<b>-57%</b>
<b>Primary Surplus/ (Deficit)</b>	<b>(5.9)</b>	<b>(53.7)</b>	<b>(47.8)</b>	<b>815%</b>	<b>78.1</b>	<b>187.7</b>	<b>109.5</b>	<b>140%</b>

### ***Year-on-Year***

Particulars	Dec				Jan to Dec (Actual)			
	2014	2015	Diff	YoY	2014	2015	Diff	YoY
<b>REVENUES</b>	<b>173.0</b>	<b>163.5</b>	<b>(9.5)</b>	<b>-6%</b>	<b>1,908.5</b>	<b>2,109.0</b>	<b>200.4</b>	<b>11%</b>
BIR	114.6	106.3	(8.3)	-7%	1,334.8	1,433.3	98.5	7%
BOC	44.6	37.8	(6.9)	-15%	369.3	367.5	(1.7)	-0.47%
BTr	3.9	9.5	5.6	146%	93.4	110.0	16.6	18%
Other Offices	9.9	10.0	0.1	1%	111.0	198.1	87.0	78%
<b>EXPENDITURES</b>	<b>219.4</b>	<b>238.7</b>	<b>19.3</b>	<b>9%</b>	<b>1,981.6</b>	<b>2,230.6</b>	<b>249.0</b>	<b>13%</b>
Interest Payments	28.9	21.5	(7.4)	-26%	321.2	309.4	(11.8)	-4%
Others	190.4	217.2	26.8	14%	1,660.4	1,921.3	260.8	16%
<b>SURPLUS/ (DEFICIT)</b>	<b>(46.3)</b>	<b>(75.1)</b>	<b>(28.8)</b>	<b>62%</b>	<b>(73.1)</b>	<b>(121.7)</b>	<b>(48.6)</b>	<b>66%</b>
<b>Primary Surplus/ (Deficit)</b>	<b>(17.4)</b>	<b>(53.7)</b>	<b>(36.3)</b>	<b>209%</b>	<b>248.1</b>	<b>187.7</b>	<b>(60.4)</b>	<b>-24.4%</b>