



Funding the Republic

REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
KAWANIHAN NG INGATANG-YAMAN
(BUREAU OF THE TREASURY)
Intramuros, Manila

Press Release

May 2022 NG Fiscal Deficit Down to P146.8 Billion
Year-to-Date Shortfall at P458.7 Billion

MANILA, Philippines, 23 June 2022 – The National Government (NG) registered a budget deficit of P146.8 billion in May, down by 26.72% from P200.3 billion recorded a year ago due to double-digit revenue growth alongside the 1.10% contraction in government expenditures. The resulting year-to-date (YTD) budget gap likewise declined by 18.99% or P107.5 billion to P458.7 billion from the previous year's outturn of P566.2 billion.

Revenue Performance

Total revenues grew by 18.91% to P304.9 billion for the month compared to P256.4 billion collected in May 2021. YTD collection amounting to P1,437.2 billion also reflected a 15.46% or P192.4 billion improvement over last year's comparable revenue performance. Ninety percent (90%) or P1,289.6 billion of the total collections was sourced from taxes while the remaining 10% or P147.6 billion came from non-tax revenues.

The Bureau of Internal Revenue's (BIR) net collections amounted to P216.6 billion¹, notching a 17.91% or P32.9 billion increase from the P183.7 billion logged in the same month last year. Likewise, BIR's total collection of P959.0 billion as of end-May beat last year's performance for the same period by 9.92% or P86.6 billion.

The Bureau of Customs (BOC) collected P66.3 billion² in May, registering YoY growth of 36.35% or P17.7 billion, the highest growth achieved since the beginning of the year. This drove BOC's cumulative collections to P320.5 billion as of end-May 2022, 28.42% or P70.9 billion above the previous year's outcome of P249.6 billion.

The Bureau of the Treasury's (BTr) income for the month amounting to P8.9 billion was lower by 28.22% or P3.5 billion YoY largely due to lower dividend remittances. Nevertheless, BTr's YTD collection of P83.4 billion still grew by 37.08% or P22.5 billion compared to last year's P60.8 billion on account of higher dividend remittances, NG share from PAGCOR income as well as income from Bond Sinking Fund (BSF) investments.

May 2022 collections from other offices (other non-tax including privatization proceeds and fees and charges) increased by 8.35% over last year at P10.4 billion, bringing January to May collections to P64.2 billion, also higher by 18.49% or P10.0 billion over the same period a year ago.

¹ Net of P235.0 million tax refund; May total BIR collection is P216.9 billion inclusive of tax refund.

² Net of tax refund amounting to P1.8 billion; May total BOC collection inclusive of tax refund is P68.1 billion.

Expenditure Performance

The P451.7 billion NG expenditure for the month was slightly lower by 1.10% or P5.0 billion compared to last year's P456.7 billion. Nevertheless, YTD disbursements of P1,895.9 billion still outperformed the January-May 2021 level by 4.69% or P84.9 billion.

Primary spending (net of interest payment) was at P417.9 billion, down by 2.32% or P9.9 billion YoY. Meanwhile, the cumulative primary expenditures as of end-May stood at P1,675.5 billion, 2.64% or P43.1 billion higher than comparable figures last year. Total interest payments (IP) for the month were up by 16.93% or P4.9 billion from a year ago, reaching P33.8 billion. The resulting cumulative IP of P220.5 billion likewise exceeded the P178.6 billion actual payment made in the first five months of 2021. For the period January – May, interest payments accounted for 15.34% of revenues and 11.63% of expenditures, up from last year's 14.35% and 9.86%, respectively.

Primary Surplus/ (Deficit)

Excluding interest payments from expenditures, NG achieved a P113.0 billion primary deficit for the month, 34.09% or P58.4 billion lower compared to last year. Similarly, the aggregate primary budget deficit of P238.2 billion from January to May contracted by 38.54% or P149.4 billion from the P387.6 billion primary deficit posted in the equivalent period a year ago.

Fiscal Performance
For the Period Indicated
In Billion Pesos

Year-on-Year

Particulars	May p/			
	2021	2022	Diff	YoY
REVENUES	256.4	304.9	48.5	18.91%
Tax Revenues	234.4	285.6	51.2	21.85%
BIR ^{1/}	183.7	216.6	32.9	17.91%
BOC ^{2/}	48.6	66.3	17.7	36.35%
Other Offices	2.0	2.7	0.6	30.70%
Non-Tax Revenues	22.1	19.4	(2.7)	-12.24%
BTr	12.4	8.9	(3.5)	-28.22%
Other Offices	9.6	10.4	0.8	8.35%
EXPENDITURES	456.7	451.7	(5.0)	-1.10%
Interest Payments	28.9	33.8	4.9	16.93%
Others	427.8	417.9	(9.9)	-2.32%
SURPLUS/ (DEFICIT)	(200.3)	(146.8)	53.5	-26.72%
Primary Surplus/ (Deficit)	(171.4)	(113.0)	58.4	-34.09%

1/ Net of P235.0 million tax refund; May total BIR collection is P216.9 billion inclusive of tax refund.

2/ Net of tax refund amounting to P1.8 billion; May total BOC collection inclusive of tax refund is P68.1 billion.

Year-to-Date

Particulars	January to May p/ (Actual)			
	2021	2022	Diff	YoY
REVENUES	1,244.8	1,437.2	192.4	15.46%
Tax Revenues	1,129.8	1,289.6	159.9	14.15%
BIR ^{1/}	872.4	959.0	86.6	9.92%
BOC ^{2/}	249.6	320.5	70.9	28.42%
Other Offices	7.8	10.1	2.4	30.27%
Non-Tax Revenues	115.0	147.6	32.6	28.32%
BTr	60.8	83.4	22.5	37.08%
Other Offices	54.2	64.2	10.0	18.49%
EXPENDITURES	1,811.0	1,895.9	84.9	4.69%
Interest Payments	178.6	220.5	41.9	23.43%
Others	1,632.4	1,675.5	43.1	2.64%
SURPLUS/ (DEFICIT)	(566.2)	(458.7)	107.5	-18.99%
Primary Surplus/ (Deficit)	(387.6)	(238.2)	149.4	-38.54%

1/ January-May tax refund amounting to P1.4 billion; Total gross BIR collection is P960.4 billion.

2/ January to May tax refund amounting to P1.8 billion; Total gross BOC collection is P322.3 billion.