



Funding the Republic

Republic of the Philippines  
KAGAWARAN NG PANANALAPI  
**KAWANIHAN NG INGATANG-YAMAN**  
(BUREAU OF THE TREASURY)  
Intramuros, Manila



## Press Release

### **NG Budget Deficit for May 2024 Widens to P174.9 billion Year-to-Date Budget Gap Stands at P404.8 Billion**

**Manila, Philippines, 27 June 2024** - The National Government's (NG) budget deficit reached P174.9 billion in May 2024, increasing by 43.10% (P52.7 billion) from the previous year's level. The higher deficit resulted from an acceleration in government spending, pushing disbursement growth for the month to 22.24%, as against revenue expansion of 14.59%. Consequently, the cumulative budget deficit for the 5-month period widened to P404.8 billion, which is 24.06% or P78.5 billion more than the P326.3 billion recorded during the same period in 2023.

#### **Revenue Performance**

The NG collected a total of P382.1 billion in revenue for May, 14.59% or P48.7 billion higher than the 2023 comparable level. The robust outturn for the month was underpinned by higher non-tax collections. This pushed year-to-date (YTD) collection to P1.9 trillion, outperforming the previous year's outturn for the equivalent period by 16.34% or P260.2 billion. Tax collection for the period of January-May 2024 made up 85.59% of total revenues, amounting to P1.6 trillion, and was 11.18% higher than the 2023 figure. Meanwhile, non-tax collection contributed 14.41% or P267.0 billion, exceeding last year's outcome by 60.58% (P100.7 billion).

The Bureau of Internal Revenue (BIR) raised P219.2 billion for the month after netting P717.0 million in tax refunds. The resulting net collection was 2.79% or P6.0 billion higher than last year due to higher tax collections on Value Added Tax (VAT)<sup>1</sup>, taxes on net income and profit (withholding at source and on wages of personal income tax), and miscellaneous tax. Meanwhile, BIR's uptake of P1.2 trillion for the 5-month period also represented a 12.81% (P135.1 billion) improvement over last year's comparable collection on account of higher receipt from VAT<sup>2</sup>, percentage tax, taxes on net income and profit, and documentary stamp tax<sup>3</sup>.

The Bureau of Customs (BOC) collected a total of P81.3 billion for May (net of P250.0 million in tax refunds paid to claimants), up by 4.33% (P3.4 billion) YoY. The BOC's improved revenue collection performance can be credited to the continued monitoring of the values and classifications of imported commodities, as well as intensified border

<sup>1</sup> VAT registered person can still file the VAT return and pay tax on a monthly basis.

<sup>2</sup> Lower base effect of VAT collections given that last year was the first year of implementation of VAT quarterly remittances.

<sup>3</sup> Based on monthly BIR report per tax type.

control and improved trade facilitation<sup>4</sup>. The agency's cumulative collection from January-May 2024 has likewise grown by 6.01% or P21.6 billion YoY to P380.9 billion.

For May, Bureau of the Treasury (BTr) income swelled to P70.2 billion, more than twice the level posted a year ago due to higher collections from interest on advances from GOCCs, guarantee fees, and the NG share from PAGCOR income. This pushed BTr YTD income to P206.5 billion, outperforming last year's level for the same period by more than twofold on account of higher dividend collections, and interest on advances.

The collections from other offices (non-tax) including privatization proceeds and fees and charges for May dropped by 44.38% or P6.4 billion to P8.0 billion from P14.4 billion a year ago due to the reclassification of accounts<sup>5</sup> from the previous months' transactions. YTD collection amounting to P60.5 billion similarly lagged behind last year's total by 27.97% or P23.5 billion.

## **Expenditures**

The NG disbursed a total of P557.0 billion in May, rising by 22.24% or P101.3 billion from the P455.7 billion spent a year ago. The increase was driven largely by the implementation of capital outlay projects of the Department of Public Works and Highways, and the Department of National Defense, as well as the social and health programs of the Department of Social Welfare and Development, and the Department of Health, respectively. The higher National Tax Allotment shares of LGUs and increased budgetary support to GOCCs also contributed to the notable growth of disbursements in May. YTD NG expenditures reached P2.3 trillion, 17.65% or P338.7 billion faster than the 2023 comparable spending performance.

Primary expenditures increased by 19.69% or P81.6 billion YoY to P495.9 billion for the month. As of end-May, total primary expenditures amounted to P1.9 trillion, also growing by 14.60% or P246.7 billion YoY. Meanwhile, interest payments (IP) amounted to P61.1 billion in May, reflecting 47.78% or P19.8 billion YoY growth owing to additional debt incurred last year and higher interest rates of both domestic and foreign borrowings. The YTD IP of P321.6 billion also increased by 40.08% or P92.0 billion from the P229.6 billion recorded in the first five months of 2023. IP in proportion to expenditures increased to 14.24% for the Jan-May period from 11.96% a year ago. Similarly, IP relative to revenues went up to 17.35% from 14.41% over the same period.

## **Primary Surplus/ (Deficit)**

Net of interest payments, NG's primary deficit for May was recorded at P113.8 billion, exceeding last year's primary deficit of P80.9 billion by 40.71% (P32.9 billion). On the other hand, the cumulative primary deficit as of end-May was 13.96% or P13.5 billion slower YoY.

---

<sup>4</sup> BOC website

<sup>5</sup> BTr Accounting Service's adjustments from Regular collections to Trust Account.

**Fiscal Performance**  
For the Period Indicated  
(In Billion Pesos)

**Year-on-Year**

Particulars	May p/			
	2023	2024	Diff	YoY
<b>REVENUES</b>	<b>333.4</b>	<b>382.1</b>	<b>48.7</b>	<b>14.59%</b>
<b>Tax Revenues</b>	<b>294.0</b>	<b>303.9</b>	<b>9.8</b>	<b>3.35%</b>
BIR <sup>1/</sup>	213.3	219.2	6.0	2.79%
BOC <sup>2/</sup>	77.9	81.3	3.4	4.33%
Other Offices	2.8	3.4	0.5	18.01%
<b>Non-Tax Revenues</b>	<b>39.4</b>	<b>78.2</b>	<b>38.8</b>	<b>98.53%</b>
BTr	24.9	70.2	45.2	181.30%
Other Offices	14.4	8.0	(6.4)	-44.38%
<b>EXPENDITURES</b>	<b>455.7</b>	<b>557.0</b>	<b>101.3</b>	<b>22.24%</b>
Interest Payments	41.3	61.1	19.8	47.78%
Others	414.3	495.9	81.6	19.69%
<b>SURPLUS/ (DEFICIT)</b>	<b>(122.2)</b>	<b>(174.9)</b>	<b>(52.7)</b>	<b>43.10%</b>
<b>Primary Surplus/ (Deficit)</b>	<b>(80.9)</b>	<b>(113.8)</b>	<b>(32.9)</b>	<b>40.71%</b>

1/ Net of P717.0 million tax refund; May gross BIR collection is P219.9 billion inclusive of tax refund.

2/ Net of tax refund amounting to P250.0 million; May gross BOC collection is P81.6 billion when tax refund is accounted for.

**Year-to-Date**

Particulars	Jan - May p/			
	2023	2024	Diff	YoY
<b>REVENUES</b>	<b>1,592.8</b>	<b>1,853.0</b>	<b>260.2</b>	<b>16.34%</b>
<b>Tax Revenues</b>	<b>1,426.5</b>	<b>1,586.0</b>	<b>159.5</b>	<b>11.18%</b>
BIR <sup>1/</sup>	1,054.5	1,189.5	135.1	12.81%
BOC <sup>2/</sup>	359.3	380.9	21.6	6.01%
Other Offices	12.8	15.6	2.8	22.02%
<b>Non-Tax Revenues</b>	<b>166.3</b>	<b>267.0</b>	<b>100.7</b>	<b>60.58%</b>
BTr	82.2	206.5	124.2	151.09%
Other Offices	84.1	60.5	(23.5)	-27.97%
<b>EXPENDITURES</b>	<b>1,919.1</b>	<b>2,257.9</b>	<b>338.7</b>	<b>17.65%</b>
Interest Payments	229.6	321.6	92.0	40.08%
Others	1,689.6	1,936.3	246.7	14.60%
<b>SURPLUS/ (DEFICIT)</b>	<b>(326.3)</b>	<b>(404.8)</b>	<b>(78.5)</b>	<b>24.06%</b>
<b>Primary Surplus/ (Deficit)</b>	<b>(96.7)</b>	<b>(83.2)</b>	<b>13.5</b>	<b>-13.96%</b>

1/ YTD tax refund is P2.3 billion; Total gross BIR collection is P1.2 trillion inclusive of tax refund.

2/ YTD tax refund is P739.0 million; Total gross BOC collection is P381.6 billion inclusive of tax refund.