



Funding the Republic

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



Press Release

Full-Year 2024 Total Revenues Surpassed Target at PHP 4.419 Trillion, Bringing Revenue Effort to 16.72%—The Highest in the Last 27 Years

MANILA, Philippines, 27 February 2025 – The National Government's (NG) total revenue collections for 2024 reached PHP 4.419 trillion, exceeding the target of PHP 4.270 trillion. This is equivalent to 16.72% of GDP, the highest revenue effort in the last 27 years, since 1997.

The budget deficit for 2024 narrowed by PHP 5.7 billion (0.38%) year-over-year (YoY) to PHP 1.506 trillion as the robust 15.56% growth in revenues outpaced the 11.04% rise in expenditures. The slight variance versus the PHP 1.484 trillion deficit program was primarily due to a higher outturn in government spending including those charged to unprogrammed appropriation, as well as defrayment of accounts payables. As a percentage of GDP, the deficit significantly improved to 5.70% in 2024 from 6.22% in 2023.

Revenue Performance

Total revenue collections rose to PHP 4.419 trillion—15.56% or PHP 594.9 billion above last year's level and 3.49% (PHP 149.1 billion) higher than the PHP 4.270 trillion revised full-year program. This was driven by better-than-expected non-tax revenue collections. NG revenue collections for December also grew by 20.99% (PHP 54.6 billion) to PHP 314.7 billion YoY on account of the higher non-tax outturn.

In terms of composition, tax revenues accounted for 86.01% (PHP 3.801 trillion) of the full-year collection, surpassing last year's achievement by 10.83% (PHP 371.4 billion), but slightly fell short of the revised target by 0.51% (PHP 19.6 billion). Non-tax sources comprising the remaining 13.99% (PHP 618.3 billion) similarly posted a 56.61% (PHP 223.5 billion) increase from the previous year and were 37.53% (PHP 168.7 billion) higher than the adjusted program for 2024.

Tax Revenues

The Bureau of Internal Revenue's (BIR) collections rose by 13.29% (PHP 334.6 billion) to PHP 2.852 trillion (net of PHP 13.6 billion tax refund) in 2024 compared with PHP 2.517 trillion in the previous year. The agency's total uptake also exceeded the PHP 2.849 trillion adjusted full-year program by 0.09% (PHP 2.7 billion), driven by increased Value-Added Tax (VAT) collections.

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The substantial rise in VAT collections resulted from collecting 12 months' worth of VAT in 2024 compared to just 10 months' worth in 2023 due to the change in filing schedule from monthly to quarterly that started in January 2023.

This was followed by higher personal income tax collections, particularly from withholding on wages and withholding at source, driven mainly by higher government employee salaries with the implementation of Executive Order No. 64, s. 2024 and positive job market conditions. In 2024, the unemployment and underemployment rates stood at 3.8% and 11.9%, respectively, marking the lowest levels since 2005.¹

Additional contributors to the increased BIR collections were corporate income tax, tax on bank deposits, and documentary stamp tax. BIR's collection of P183.8 billion (net of P4.1 billion tax refund) for December also grew by 5.48% (P9.6 billion) YoY.

On the other hand, total Bureau of Customs (BOC) collections for the year reached PHP 916.7 billion, 3.79% (PHP 33.5 billion) higher YoY, after netting out PHP 5.4 billion in tax refunds. The increase is attributable to the growth across duties, VAT, and excise collections, which is among the effects of the bureau's strengthened digitization, inspection, and border protection efforts implemented during the year.²

However, the outturn of BOC for the year fell short of the PHP 939.7 billion revised full-year 2024 program by 2.45% (PHP 23.0 billion) mainly due to the reduced tariff on rice and selected electric vehicles, as well as the extension of lower tariff on meat products under Executive Order 50. Similarly, the agency's uptake of PHP 66.7 billion for December (net of PHP 2.7 billion tax refund) reflected a 6.38% (PHP 4.5 billion) contraction from last year's comparable performance.

Non-tax Revenues

Non-tax revenues for the year surged to PHP 618.3 billion, growing by 56.61% (PHP 223.5 billion) and exceeding the revised full-year target of PHP 449.6 billion by 37.53% (PHP 168.7 billion).

The better-than-expected outturn was primarily due to strengthened efforts to generate windfall collections such as that from the Public-Private Partnership (PPP) concession fee (PHP 30.0 billion) and the PHP 167.2 billion fund balance transfers from the Philippine Health Insurance Corporation (PHIC) and Philippine Deposit Insurance Corporation (PDIC). Deducting the fund balance transfers, total non-tax collections of PHP 451.1 billion still exceeded the adjusted full-year program by 0.33% (PHP1.5 billion).

The PHP 283.4 billion income collected and generated by the Bureau of the Treasury (BTr) for the year increased by 24.48% (PHP 55.7 billion) over the previous year, propelled by higher dividend remittances, interest advances from GOCCs, guarantee fees, and NG share from PAGCOR profits.

¹ Gonzales, A.L. (2025, February 6). 2024 unemployment, underemployment rate lowest since 2005. Philippine News Agency. Retrieved from <https://www.pna.gov.ph/articles/1243452>

² BIR, BOC ramp up digitalization and strict enforcement initiatives in 2024, drive higher revenue collections. (2024, December 27). Department of Finance. Retrieved from <https://customs.gov.ph/customs-intelligence-group-concludes-2024-with-extraordinary-achievements-for-border-security/>.

Moreover, BTr income outperformed the PHP 187.0 billion revised FY 2024 program by 51.52% (PHP 96.3 billion), driven by the same aforementioned factors. BTr income for December 2024 hit PHP 50.7 billion, far exceeding last year's outturn largely due to the PHP 40.0 billion additional dividend remittances from the Bangko Sentral ng Pilipinas (BSP).

Total revenue from other offices (other non-tax, including privatization proceeds, fees and charges, grants, and fund balance transfers) doubled to PHP 335.0 billion from PHP 167.2 billion a year ago and exceeded the P262.6 billion revised program by 27.56% (PHP 72.4 billion) primarily due to one-off remittances. The December collection of PHP 12.4 billion was likewise significantly higher than last year's outcome of PHP 2.1 billion, partly driven by the remittance from the Bases Conversion and Development Authority (BCDA) of the government share from the asset disposition proceeds (PHP 3.2 billion) and additional fund balance transfer from PDIC (PHP 2.3 billion).

Expenditures

Full-year disbursements reached PHP 5.925 trillion, 11.04% (PHP 589.2 billion) higher than the comparable level in 2023 and were 2.97% (PHP 171.1 billion) above the revised 2024 program of PHP 5.754 trillion. The strong disbursement performance was largely driven by infrastructure and other capital outlays of the Department of Public Works and Highways (DPWH), maintenance and other operating expenses for various health and social protection programs, and personnel services expenditures due to the implementation of the 1st tranche of salary adjustments of qualified civilian government employees pursuant to Executive Order No. 64 dated August 2, 2024.³ Furthermore, additional expenditures from the Unprogrammed Appropriations, such as the i) Public Health Emergency Benefits and Allowances for health care and non-health care workers and; ii) Medical Assistance for Indigent and Financially Incapacitated Patients Program of the Department of Health; iii) Assistance to Individuals in Crisis Situations Program of the Department of Social Welfare and Development; and iv) Rice Farmers Financial Assistance program of the Department of Agriculture (DA), significantly contributed to the robust disbursement performance in 2024.

Meanwhile, NG expenditures of PHP 644.2 billion for December were 2.55% (PHP 16.9 billion) slower than last year's PHP 661.0 billion.

Of the full-year total spending, 87.12% (PHP 5.162 trillion) was primary expenditure, which exceeded the revised program and previous year's outturn by 3.43% (PHP 171.3 billion) and 9.65% (PHP 454.2 billion), respectively. Total primary expenditures for December, on the other hand, declined by 2.36% (PHP 14.2 billion) from last year's PHP 600.4 billion.

Interest Payments (IP) for 2024 stood at PHP 763.3 billion, up by 21.48% (PHP 135.0 billion) YoY, and remained broadly in line with the program on account of higher interest rates and less favorable foreign exchange rate conditions. Nevertheless, the full-year IP was still 0.02% lower than the revised FY 2024 program of PHP 763.4 billion. Meanwhile, the PHP 58.0 billion total IP for December decreased by 4.45% (PHP 2.7 billion) YoY due to domestic bond maturities.

³ Entitled "Updating the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of an Additional Allowance, and for Other Purposes."

Fiscal Indicators

Revenue effort for the year improved to 16.72% compared to 15.73% in 2023 and higher than the revised target of 16.12%. Similarly, the tax effort of 14.38% was up from last year's 14.10% but lower versus the 14.42% adjusted program.

Meanwhile, expenditures in proportion to GDP went up to 22.41%, higher than the 21.94% registered in 2023 and the revised target of 21.72%. Lastly, as a percentage of revenue and expenditures, IP accounted for 17.27% and 12.88%, up from 16.43% and 11.77% a year ago, respectively.

Fiscal Performance

For the Period Indicated

(In Billion Pesos)

Year-over-Year

Particulars	December				January to December (Actual)			
	2023	2024	Diff	YoY	2023	2024	Diff	YoY
REVENUES	260.1	314.7	54.6	20.99%	3,824.1	4,419.0	594.9	15.56%
Tax Revenues	246.6	251.6	5.0	2.01%	3,429.3	3,800.7	371.4	10.83%
BIR ^{1/}	174.3	183.8	9.6	5.48%	2,517.0	2,851.6	334.6	13.29%
BOC ^{2/}	71.2	66.7	(4.5)	-6.38%	883.2	916.7	33.5	3.79%
Other Offices	1.1	1.1	(0.1)	-4.53%	29.1	32.4	3.3	11.43%
Non-Tax Revenues	13.5	63.1	49.6	368.98%	394.8	618.3	223.5	56.61%
BTr	11.3	50.7	39.3	347.60%	227.6	283.4	55.7	24.48%
Other Offices ^{3/}	2.1	12.4	10.3	482.50%	167.2	335.0	167.8	100.37%
EXPENDITURES	661.0	644.2	(16.9)	-2.55%	5,336.2	5,925.4	589.2	11.04%
Interest Payments	60.7	58.0	(2.7)	-4.45%	628.3	763.3	135.0	21.48%
Others	600.4	586.2	(14.2)	-2.36%	4,707.9	5,162.1	454.2	9.65%
SURPLUS/ (DEFICIT)	(401.0)	(329.5)	71.5	-17.82%	(1,512.1)	(1,506.4)	5.7	-0.38%
Primary Surplus/ (Deficit)	(340.3)	(271.5)	68.8	-20.21%	(883.8)	(743.0)	140.7	-15.92%

1/ December gross BIR collection is PHP 188.0 billion inclusive of PHP 4.1 billion tax refund. Full-year gross collection is at PHP 2.9 trillion inclusive of PHP 13.6 billion tax refund.

2/ December gross BOC collection is PHP 69.4 billion inclusive of PHP 2.7 billion tax refund; Full year gross collection is PHP 922.0 billion inclusive of PHP 5.4 billion tax refund.

3/ Includes December and full-year grants of PHP 1.0 million and PHP 466.0 million, respectively.

Year-to-Date

Particulars	January-December			
	Prog ^{1/}	Actual	Diff	%
REVENUES	4,269.9	4,419.0	149.1	3.49%
Tax Revenue	3,820.3	3,800.7	(19.6)	-0.51%
BIR	2,848.9	2,851.6	2.7	0.09%
BOC	939.7	916.7	(23.0)	-2.45%
Other Offices	31.7	32.4	0.7	2.33%
Non-Tax Revenue	449.6	618.3	168.7	37.53%
BTr	187.0	283.4	96.3	51.52%
Other Offices	262.6	335.0	72.4	27.56%
EXPENDITURES	5,754.3	5,925.4	171.1	2.97%
Operating exp.	4,990.8	5,162.1	171.3	3.43%
Interest Payments	763.4	763.3	(0.1)	-0.02%
SURPLUS/ (DEFICIT)	(1,484.3)	(1,506.4)	(22.0)	1.48%
Primary Surplus/ (Deficit)	(720.9)	(743.0)	(22.1)	3.07%

1/ Based on the DBCC Ad Referendum approved Quarterly Fiscal Program on May 23, 2024.