



Funding the Republic

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



Press Release

Q1 Revenue Collections and Expenditures Sustain Growth

Manila, Philippines, 29 April 2025 – The National Government's revenue collection for the first quarter of the year remained robust, growing by 6.90% to reach Php 998.2 billion. At the same time, government spending was on target at Php 1.5 trillion or 23.89% of the full-year expenditure program, underlying a 22.43% year-on-year (YoY) increase. As a result, the deficit for the first three months of 2025 stood at Php 478.8 billion, 75.62% higher than the same period last year, but still in line with the Php 1.5 trillion deficit program for 2025.

Revenue Performance

Total revenue collections for the first three months of 2025 remain on track due to the strong performance of the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC), which drove tax collections to Php 931.5 billion, 13.55% higher than the same period last year.

The revenue agencies' sustained growth for the third consecutive month was driven by their ongoing revenue enhancement measures, particularly the intensified campaign against the use of fake receipts, intensified crackdown on illicit trade, digitalization, and improvements in tax payment facilitation, among other initiatives.

In particular, the BIR recorded a 16.67% growth in tax collections, reaching Php 690.4 billion in Q1 2025, due to higher collections from personal income tax (PIT), corporate income tax (CIT), percentage taxes, value-added tax (VAT), excise taxes, documentary stamp tax, and percentage taxes.

On the other hand, the BOC posted a 5.72% increase, amounting to Php 231.4 billion, due to higher VAT from non-oil imports and excise tax collections from oil and non-oil imports.

Meanwhile, non-tax revenues contributed Php 66.7 billion in the first quarter of the year, appearing lower than last year's level by 41.21%, but largely due to timing as 18 Government Owned and Controlled Corporations (GOCCs) remitted Php 28.23 billion in early Q1 dividends back in 2024 compared with only 3 GOCCs with Php 0.027 billion early dividends for the current year. Nevertheless, non-tax revenues are expected to improve in the succeeding months, with dividends from the GOCCs set to be remitted to the National Treasury starting May 2025.

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Expenditures

For Q1 2025, expenditures reached Php 1.5 trillion, almost a quarter of the Php 6.2 trillion 2025 full-year disbursement program. This was an improvement over the 20.36% share of total expenditures attainment in Q1 2024. Consequently, the more balanced share of first quarter expenditure in the current year corresponds to a level that is 22.43% (Php 270.6 billion) higher than last year's outturn.

The strong spending performance can be attributed to the higher disbursements recorded in the Department of Public Works and Highways (DPWH) for its road infrastructure program and regular operating requirements, and in the Department of Social Welfare and Development (DSWD) for its various protective services programs.

Significant fiscal transfers to local government units were also made that include their National Tax Allotment shares, the Annual Block Grant to the Bangsamoro Autonomous Region in Muslim Mindanao, as well as Local Government Support Fund (financial assistance) releases. Likewise, the transfer of Php 32.8 billion (inclusive of accrued interest) to the Coconut Farmers and Industry Trust Fund in accordance with the mandated schedule of capitalization contributed to the larger spending outturn.

Primary expenditures (net of interest payment) for Q1 2025 reached Php 1.2 trillion, a 21.96% (Php 222.6 billion) acceleration over last year's total of Php 1.0 trillion. Meanwhile, interest payments (IP) for Q1 stood at Php 241.0 billion, higher than last year's actual payment of Php 193.0 billion by 24.88%.

Primary Surplus/ (Deficit)

The YTD primary deficit stood at Php 237.8 billion for the first quarter of the year. With dividend remittances and other non-tax receipts expected to materialize in the succeeding quarters, and as expenditures continue to track the full-year program in a more balanced manner, the 2025 fiscal deficit is projected to remain within the Php 1.5 trillion target.

Fiscal Performance
For the Period Indicated
(In Billion Pesos)

Year-over-Year

Particulars	Mar p/			
	2024	2025	Diff	YoY
REVENUES	287.9	279.3	(8.7)	-3.01%
Tax Revenues	223.9	259.6	35.8	15.97%
BIR ^{1/}	145.3	175.7	30.3	20.86%
BOC	74.9	80.4	5.5	7.30%
Other Offices	3.6	3.6	(0.0)	-0.66%
Non-Tax Revenues	64.0	19.6	(44.4)	-69.36%
BTr	49.1	8.7	(40.4)	-83.32%
Other Offices ^{2/}	15.0	10.9	(4.0)	-26.9%
EXPENDITURES	483.8	655.0	171.1	35.37%
Interest Payments	70.9	88.1	17.2	24.21%
Others	412.9	566.9	154.0	37.29%
SURPLUS/ (DEFICIT)	(195.9)	(375.7)	(179.8)	91.78%
Primary Surplus/ (Deficit)	(125.0)	(287.6)	(162.6)	130.14%

^{1/} Net of Php 2.0 billion tax refund; March gross BIR collection is Php 177.7 billion inclusive of tax refund.

^{2/} Includes Php 1.0 million in grants in March 2025; no grants were recorded in March 2024.

Year-to-Date

Particulars	Jan-Mar p/ (Actual)			
	2024	2025	Diff	YoY
REVENUES	933.7	998.2	64.4	6.90%
Tax Revenues	820.4	931.5	111.2	13.55%
BIR ^{1/}	591.8	690.4	98.6	16.67%
BOC	218.9	231.4	12.5	5.72%
Other Offices	9.7	9.7	(0.0)	-0.11%
Non-Tax Revenues	113.4	66.7	(46.7)	-41.21%
BTr	72.3	32.3	(40.0)	-55.3%
Other Offices ^{2/}	41.1	34.3	(6.8)	-16.5%
EXPENDITURES	1,206.4	1,477.0	270.6	22.43%
Interest Payments	193.0	241.0	48.0	24.88%
Others	1,013.4	1,236.0	222.6	21.96%
SURPLUS/ (DEFICIT)	(272.6)	(478.8)	(206.2)	75.62%
Primary Surplus/ (Deficit)	(79.7)	(237.8)	(158.2)	198.56%

^{1/} YTD tax refund is Php 2.9 billion; Total gross BIR collection is Php 693.3 billion inclusive of tax refund.

^{2/} Includes grants of Php 1.0 million and Php 67.0 million in 2024 and 2025, respectively.