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**KAWANIHAN NG INGATANG-YAMAN**  
(BUREAU OF THE TREASURY)  
Intramuros, Manila



## Press Release

### Government Boosts Revenue Strength, Cuts Deficit to PHP 171.2 Billion in February 2026

**MANILA, Philippines, 7 April 2026** - The National Government's (NG) fiscal position improved in February 2026 with budget deficit slightly down to PHP 171.2 billion from PHP 171.4 billion in the previous year, as early remittance of dividends pushed revenue growth to 43.52% and helped offset expenditure expansion of 25.83%. This led to a lower year-to-date (YTD) fiscal gap of PHP 5.8 billion, a substantial decrease of 94.35% (PHP 97.3 billion) from the PHP 103.1 billion recorded in the first two months last year.

#### Revenue Performance

Government receipts for February 2026 rose to PHP 361.3 billion, underscoring a 43.52% (PHP 109.6 billion) improvement over last year's PHP 251.8 billion. Cumulative collections for the two months similarly reflected a 15.48% (PHP 111.3 billion) overperformance compared with PHP 718.9 billion in the equivalent period a year ago. Of the total, 83.43% (PHP 692.6 billion) were generated from taxes, which exceeded the previous year's outturn of PHP 671.9 billion by 3.09% (PHP 20.7 billion). Non-tax collections, accounting for the remaining 16.57%, climbed to PHP 137.6 billion, well above the PHP 47.0 billion collections in the same period last year.

The Bureau of Internal Revenue (BIR) registered 8.51% (PHP 13.6 billion) growth in February, with actual collections rising to PHP 173.2 billion from PHP 159.7 billion a year ago. This improved the agency's YTD performance to PHP 531.9 billion, 3.33% (PHP 17.2 billion) higher than last year's comparable figure of PHP 514.7 billion. The BIR's steady improvement is a result of ongoing measures to boost taxpayer compliance nationwide.

Similarly, the Bureau of Customs' (BOC) collection for February improved to PHP 73.7 billion, beating last year's uptake of PHP 71.8 billion by 2.68% (PHP 1.9 billion). Apart from the BOC's strengthened enforcement and compliance measures, the uptick in the Bureau's collection can also be attributed to the peso's year-over-year depreciation. As the dollar's value increased by 0.3%, from PHP 58.1 in February of 2025 to PHP 58.3 in February of 2026, the cost of imported goods increased, driving up total collections. The agency's cumulative collection for the two-month period of PHP 154.6 billion was also higher by 2.39% (PHP 3.6 billion) compared with last year's PHP 151.0 billion.

February non-tax revenues surged to PHP 111.5 billion, up from PHP 17.4 billion in the previous year, behind the robust performance of the Bureau of the Treasury (BTr) income, reflecting the earlier-than-usual remittance of 2025-earned dividends in the reference month. As a result, YTD collection of PHP 137.6 billion was nearly three times higher compared with the January-February 2025 level of PHP 47.0 billion.

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## **Expenditures**

NG disbursed PHP 532.5 billion in February, underlying a 25.83% (PHP 109.3 billion) expansion from the PHP 423.2 billion of February 2025, largely due to the spillover of January National Tax Allotment (NTA) and Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) block grant release to early February, as well as releases for the Special Shares of LGUs in the Proceeds of National Taxes – Tobacco Excise Tax. Nonetheless, cumulative expenditures for the first two months only managed to grow 1.70% (PHP 14.0 billion) to PHP 836.0 billion from the PHP 822.0 billion in the same period a year ago.

Of the February total, 90.81% (PHP 483.6 billion) were primary expenditures, rising by 29.04% (PHP 108.8 billion) from PHP 374.8 billion in the same period last year. Meanwhile, YTD primary expenditure slowed to PHP 659.3 billion, slightly down by 1.47% (PHP 9.9 billion) from last year's comparable outturn of PHP 669.1 billion.

Interest payments (IP) in February amounted to PHP 48.9 billion, broadly flat from last year's PHP 48.4 billion. Meanwhile, cumulative IP as of end-February grew by 15.61% (PHP 23.9 billion) from PHP 152.9 billion to PHP 176.7 billion.

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

The total primary deficit for February narrowed by 0.59% (PHP 728 million) to PHP 122.3 billion from PHP 123.0 billion in the same month a year ago. Meanwhile, the resulting primary balance as of the end of February of PHP 170.9 billion was a larger surplus than the PHP 49.8 billion two-month cumulative total of the previous year.

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

**Year-over-Year**

Particulars	Feb p/			
	2025	2026	Diff	YoY
<b>REVENUES</b>	<b>251.8</b>	<b>361.3</b>	<b>109.6</b>	<b>43.52%</b>
<b>Tax Revenues</b>	<b>234.3</b>	<b>249.8</b>	<b>15.4</b>	<b>6.59%</b>
BIR <sup>1/</sup>	159.7	173.2	13.6	8.51%
BOC	71.8	73.7	1.9	2.68%
Other Offices	2.9	2.9	(0.1)	-1.98%
<b>Non-Tax Revenues</b>	<b>17.4</b>	<b>111.5</b>	<b>94.1</b>	<b>540.23%</b>
BTr	7.9	95.4	87.5	1104.24%
Other Offices <sup>2/</sup>	9.5	16.2	6.7	70.00%
<b>EXPENDITURES</b>	<b>423.2</b>	<b>532.5</b>	<b>109.3</b>	<b>25.83%</b>
Interest Payments	48.4	48.9	0.5	1.00%
Others	374.8	483.6	108.8	29.04%
<b>SURPLUS/ (DEFICIT)</b>	<b>(171.4)</b>	<b>(171.2)</b>	<b>0.2</b>	<b>-0.14%</b>
<b>Primary Surplus/ (Deficit)</b>	<b>(123.0)</b>	<b>(122.3)</b>	<b>0.7</b>	<b>-0.59%</b>

<sup>1/</sup> Net of a PHP 2.2 billion tax refund; February gross BIR collection is PHP 175.4 billion, inclusive of the tax refund.

<sup>2/</sup> Includes grants amounting to PHP 66.0 million and PHP 32.0 million for February 2025 and 2026, respectively.

**Year-to-Date**

Particulars	Jan - Feb p/ (Actual)			
	2025	2026	Diff	YoY
<b>REVENUES</b>	<b>718.9</b>	<b>830.2</b>	<b>111.3</b>	<b>15.48%</b>
<b>Tax Revenues</b>	<b>671.9</b>	<b>692.6</b>	<b>20.7</b>	<b>3.09%</b>
BIR <sup>1/</sup>	514.7	531.9	17.2	3.33%
BOC	151.0	154.6	3.6	2.39%
Other Offices	6.1	6.1	(0.0)	-0.62%
<b>Non-Tax Revenues</b>	<b>47.0</b>	<b>137.6</b>	<b>90.5</b>	<b>192.51%</b>
BTr	23.7	109.1	85.4	360.85%
Other Offices <sup>2/</sup>	23.4	28.5	5.1	22.02%
<b>EXPENDITURES</b>	<b>822.0</b>	<b>836.0</b>	<b>14.0</b>	<b>1.70%</b>
Interest Payments	152.9	176.7	23.9	15.61%
Others	669.1	659.3	(9.9)	-1.47%
<b>SURPLUS/ (DEFICIT)</b>	<b>(103.1)</b>	<b>(5.8)</b>	<b>97.3</b>	<b>-94.35%</b>
<b>Primary Surplus/ (Deficit)</b>	<b>49.8</b>	<b>170.9</b>	<b>121.1</b>	<b>243.23%</b>

<sup>1/</sup> Net of a PHP 2.2 billion tax refund; YTD gross BIR collection is PHP 534.1 billion, inclusive of the tax refund.

<sup>2/</sup> Includes YTD 2025 and YTD 2026 grants of PHP 66.0 million and PHP 32.0 million, respectively.