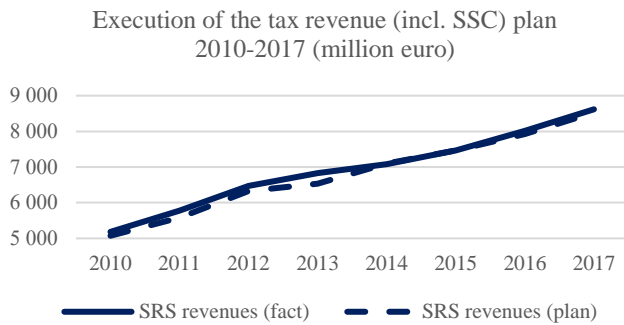




Fiskālās disciplīnas padome

Summary of budget revenues and expenditures: Quarters I-IV of 2017

Tax revenue forecasts have been conservative.



Experience since 2010 suggests that **tax revenue forecasts are conservative**, and actual revenues are often higher than planned.

Chart 1 (Source: State revenue service)

VAT, PIT and SSC revenues are consistently higher than planned.

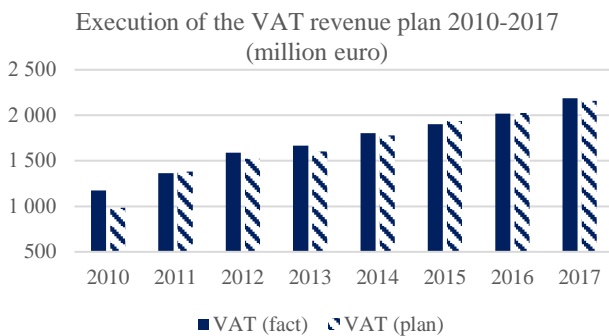
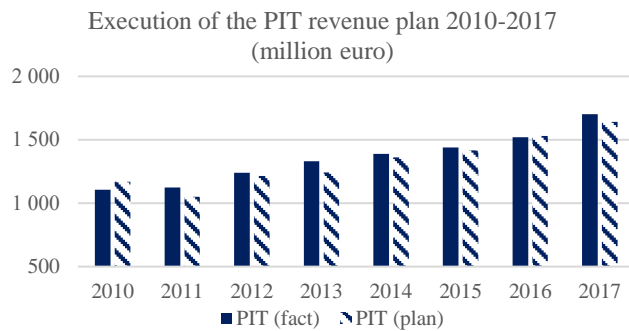


Chart 2 (Source: State revenue service)



A similar consistency is evident with regard to the three major revenue positions – value-added tax (VAT), personal income tax (PIT) and compulsory state social security contributions (SSC). **In the last years, revenues have been above or close to the forecasted levels.**

Chart 3 (Source: State revenue service)

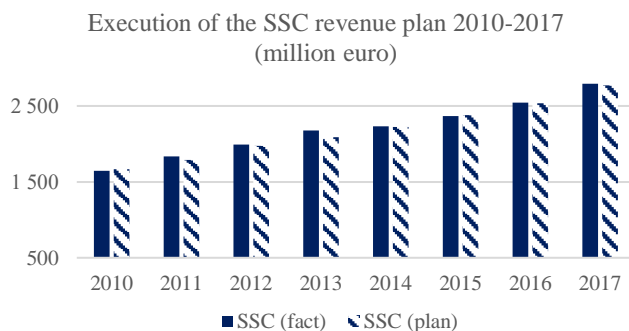


Chart 4 (Source: State revenue service)



Fiskālās disciplīnas padome

Summary of budget revenues and expenditures: Quarters I-IV of 2017

Tax revenues were above forecasted levels in 2017.

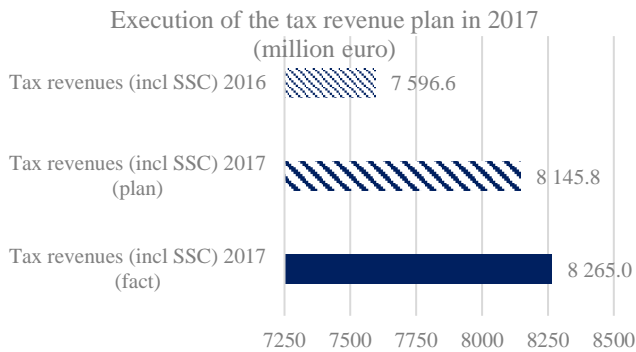


Chart 5 (Source: State revenue service)

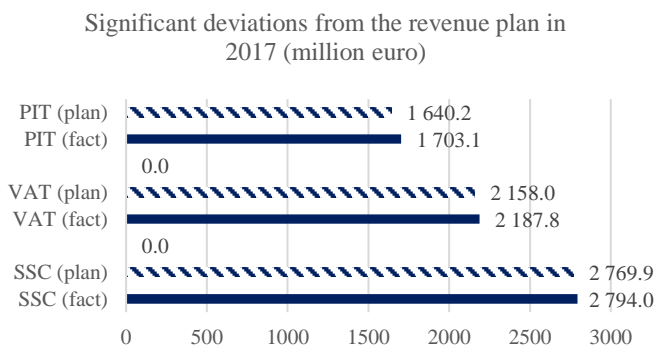


Chart 6 (Source: State revenue service)

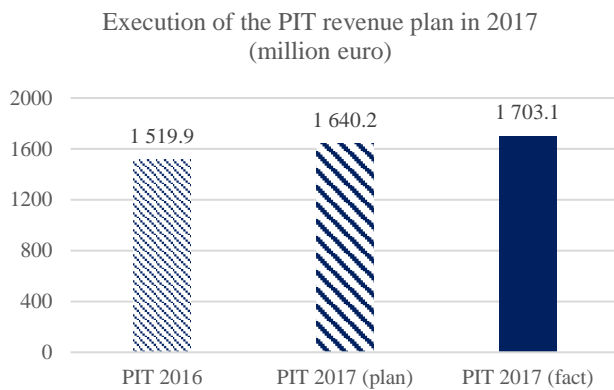


Chart 7 (Source: State revenue service)

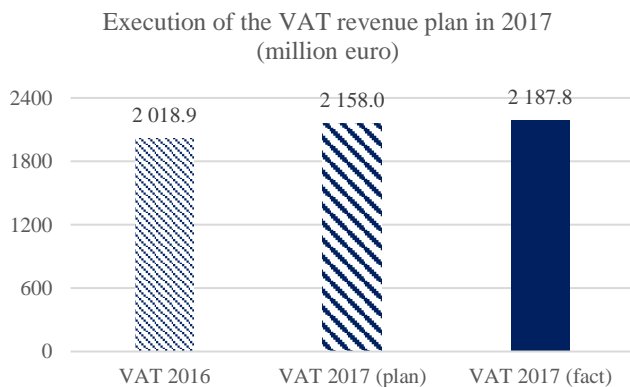


Chart 8 (Source: State revenue service)

In 2017 tax revenues (inc. SSC) amounted to 8.3 billion euro, which was by 119.2 million higher than planned and by 8.8% more than in 2016.

In 2017, the most significant positive deviations were due to personal income tax (PIT) revenues, value added tax (VAT) revenues and compulsory state social contributions (SSC) revenues.

In 2017 PIT revenues were 12.1% higher than in 2016 and they were by 62.9 million euro higher than planned.

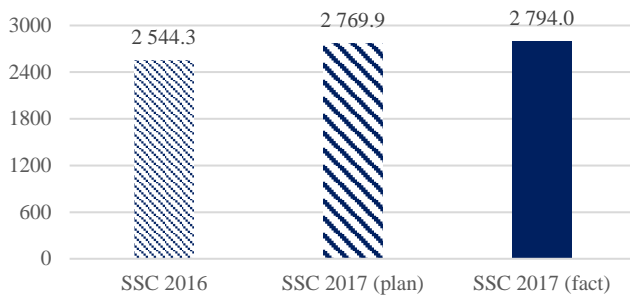
In 2017 VAT revenues were 8.4% higher than in 2016 and they were by 29.8 million euro higher than planned.



Fiskālās disciplīnas padome

Summary of budget revenues and expenditures: Quarters I-IV of 2017

Execution of the SSC revenue plan in 2017
(million euro)

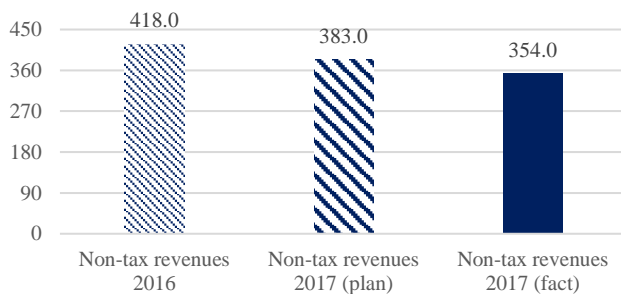


In 2017 SSC revenues were **9.8% higher** than in 2016 and they were by 24.1 million euro higher than planned.

Chart 9 (Source: State revenue service)

Non-tax revenues were below forecasted levels in 2017.

Execution of the non-tax revenue plan in 2017
(million. euro)



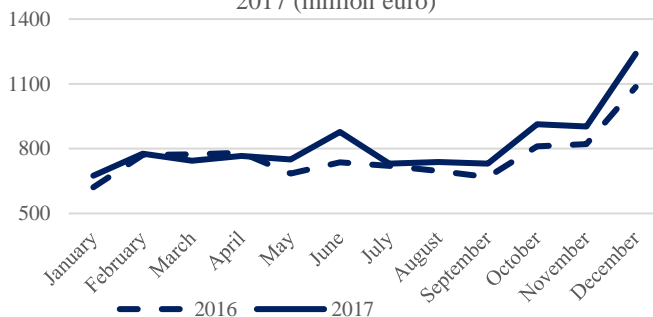
In 2017 non-tax revenues amounted to 354.0 million euro **and this is by 29.0 million euro below planned levels.**

Chart 10 (Source: State revenue service)

In 2017 the consolidated government budget balance was better than planned; local government budget balance – negative.

	2016 (mln. euro)	2017 (mln. euro)	2017 (mln. euro, plan ¹)
Consolidated government budget	-101.7	-221.7	-301.4
Government basic budget	-239.4	-356.9	-366.6
Special budget	47.3	113.8	65.3
Local government budget	59.0	-14.4	0
Derived public persons budget	33.7	35.7	-0.1

Consolidated government budget expenditure in 2017 (million euro)



In 2017 consolidated government budget expenditure was 9.8 billion euro, which is **higher than in 2016** when expenditure accounted for 9.2 billion euro.

Chart 11 (Source: Treasury)

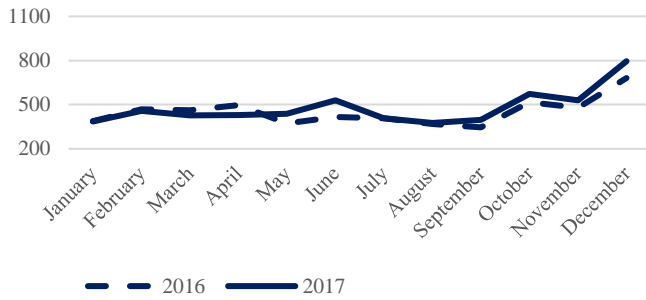
¹ Law "On 2017 state budget". Fiscal policy explanations. Available: http://www.fm.gov.lv/files/valstsbudzets/FMPask_D_100217_bud2017.pdf, accessed on 26/01/2018.



Fiskālās disciplīnas padome

Summary of budget revenues and expenditures: Quarters I-IV of 2017

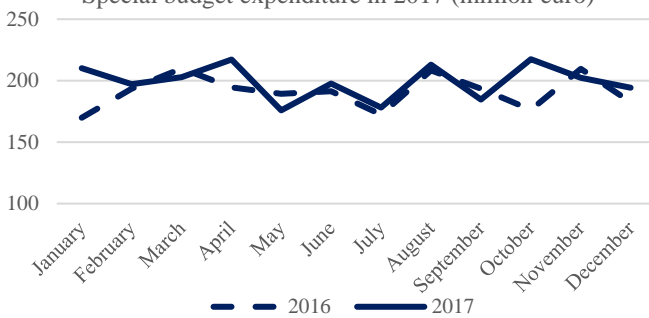
State basic budget expenditure in 2017
(million euro)



In 2017 state basic budget expenditures amounted to 5.7 billion euro, which is **higher than in 2016** when expenditures accounted for 5.4 billion euro.

Chart 12 (Source: Treasury)

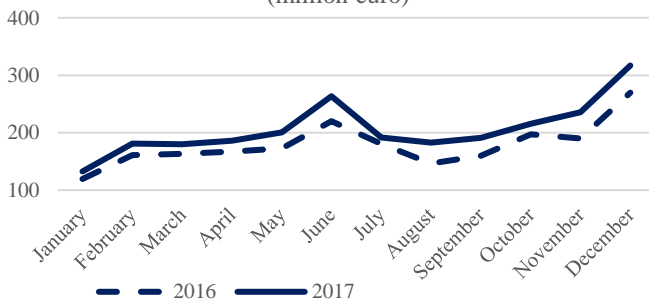
Special budget expenditure in 2017 (million euro)



In 2017 special budget expenditures amounted to 2.4 billion euro, which is **higher than in 2016** when expenditures amounted for 2.3 billion euro.

Chart 13 (Source: Treasury)

Local government budget expenditure in 2017
(million euro)



In 2017 local government budget expenditures amounted to 2.5 billion euro, which is **higher in 2016** when expenditures accounted for 2.1 billion euro.

Chart 14 (Source: Treasury)

This summary is based on the monthly publications of the [State revenue service](#) and the [Treasury](#).