



Fiskālās disciplīnas
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Summary of budget revenues and expenditures: Quarter I of 2019

In the first quarter of 2019, the consolidated budget balance was slightly weaker than a year ago, mainly due to a weaker basic budget balance. However, alignment in the general budget was largely due to a much better social budget balance (see table below).

Balance, end of 1st quarter, mill. euro	2014	2015	2016	2017	2018	2019	2019 (yearly plan ¹)
Consolidated government budget	27.0	34.5	48.5	99.8	227.9	200.7	-271.1
Government basic budget	-80.3	-16.3	-51.9	36.4	170.4	-7.7	-438.3
Special budget	23.8	-9.1	-26.4	-54.3	-34.0	48.6	223.8
Local government budget	78.2	65.6	110.7	95.1	74.5	142.2	-61.4
Derived public persons budget	4.9	-6.0	16.3	22.9	17.4	18.1	4.2

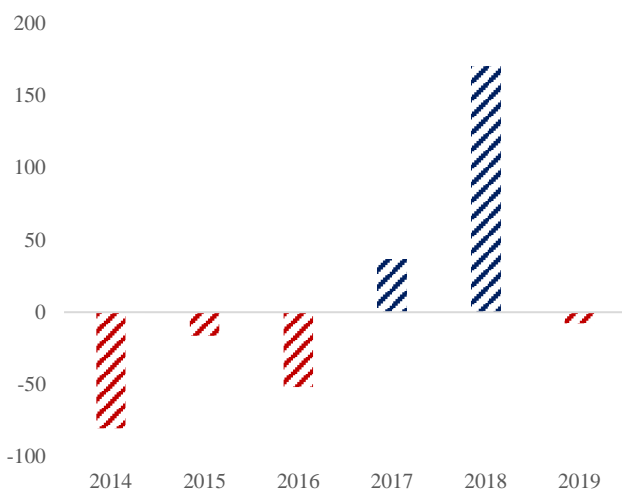


Chart 1. State basic budget balance in the first quarter, 2014-2019, mill. euro. Source: Treasury

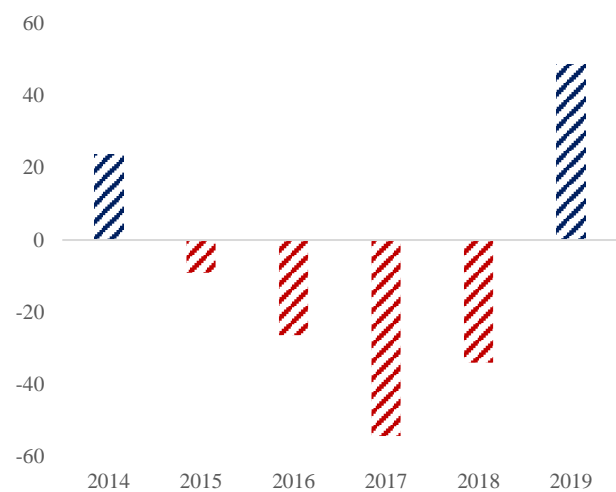


Chart 2. Special budget balance in the first quarter, 2014-2019, mill. euro. Source: Treasury

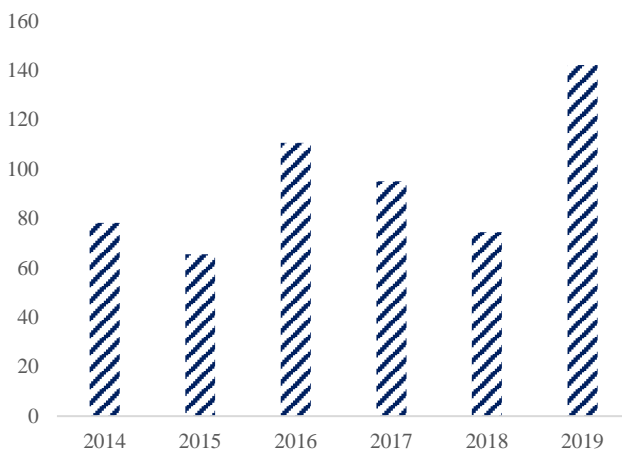


Chart 3. Local government budget balance in the first quarter, 2014-2019, mill. euro. Source: Treasury

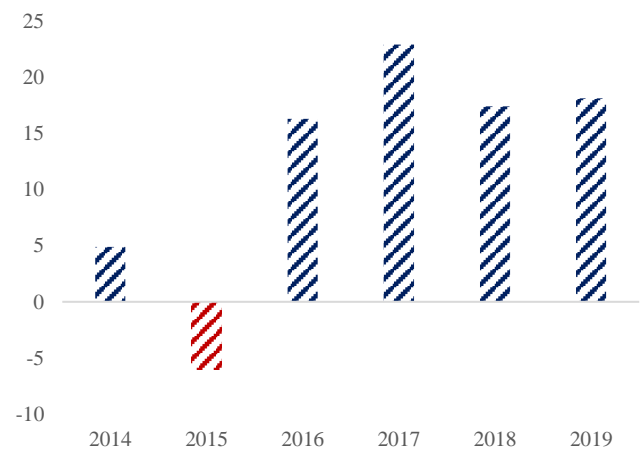


Chart 4. Derived public persons budget balance in the first quarter, 2014-2019, mill. euro. Source: Treasury

¹ Law "On 2019 state budget". Fiscal policy explanations. Available: https://fm.gov.lv/files/valstsbudzets/FMPask_D_090519_bud2019.docx, accessed on: 27/05/2019



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Summary of budget revenues and expenditures: Quarter I of 2019

Tax revenue forecasts for the first quarter of 2019 were lower than for the first quarter of 2018. The revenue outcome in the first quarter exceeded the planned (Chart 5). However, tax revenues in accumulated values (% of GDP) are lower than in this period in 2018 (Chart 6).

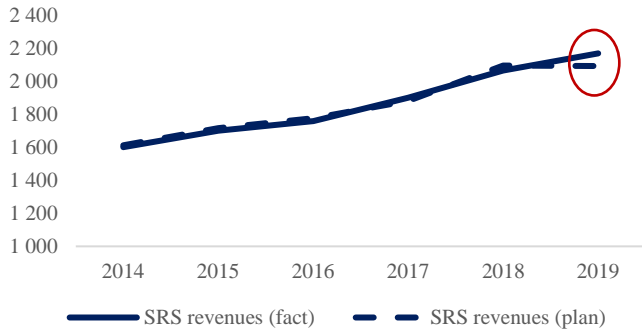


Chart 5. Execution of the tax revenue (incl. SSC) plan in the 1st quarter, 2014-2019, mill. euro. Source: SRS.

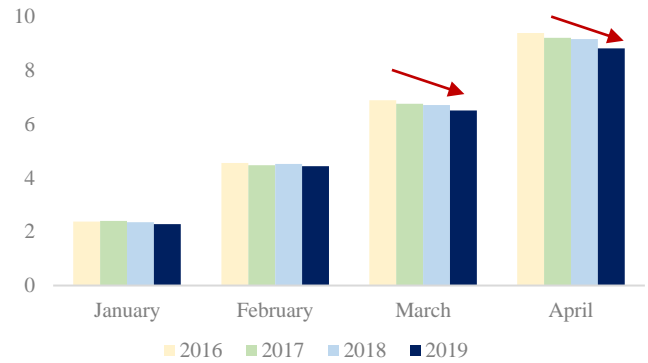


Chart 6. Tax revenue, monthly figures, 2016-2019, cumulative, % of GDP. Source: Treasury.

VAT, PIT and VSAOI exceeds the planned amounts. CIT substantially deteriorates from the plans.

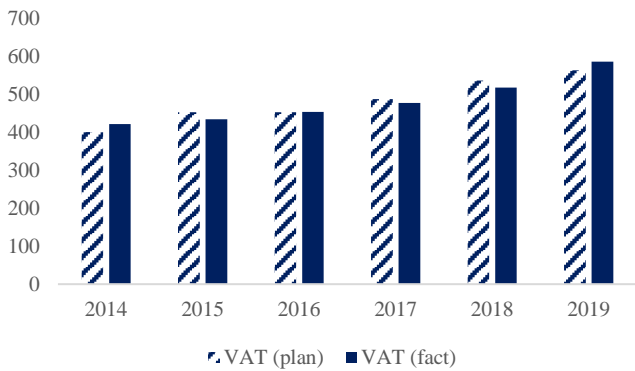


Chart 7. Execution of the VAT revenue plan in the 1st quarter, 2014-2019, mill. euro. Source: SRS.

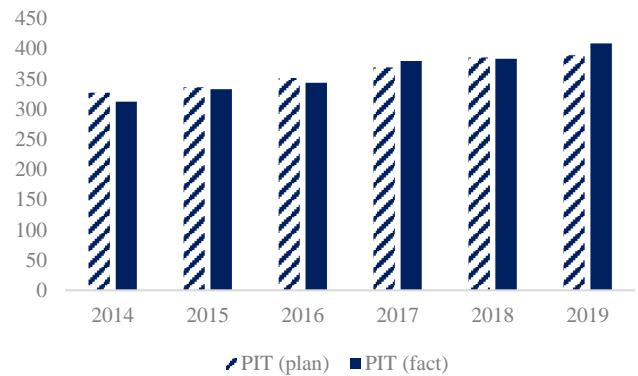


Chart 8. Execution of the PIT revenue plan in the 1st quarter, 2014-2019, mill. euro. Source: SRS.

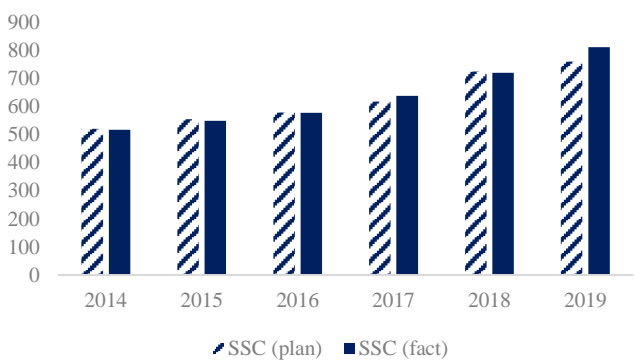


Chart 9. Execution of the SSC revenue plan in the 1st quarter, 2014-2019, mill. euro. Source: SRS.

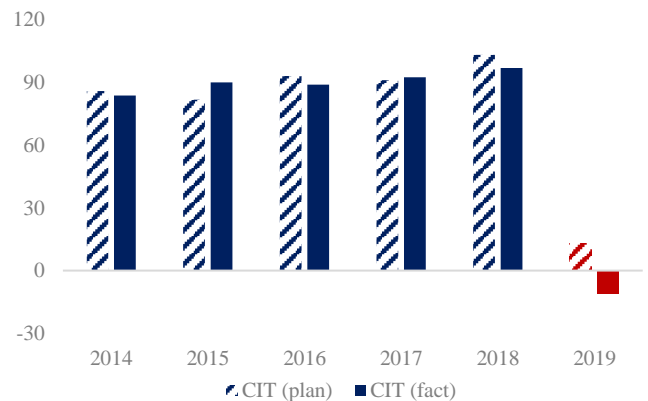


Chart 10. Execution of the CIT revenue plan in the 1st quarter, 2014-2019, mill. euro. Source: SRS.

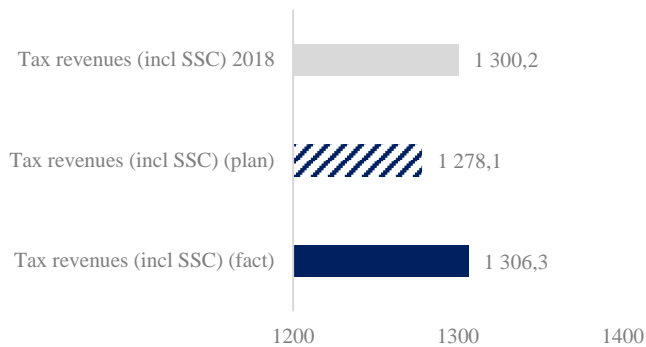
For the three major revenue positions – value added tax (VAT), personal income tax (PIT) and state social insurance obligatory contributions (SSC) – the forecasts for the first quarter of 2019 were very cautious and were largely exceeded by the execution. Meanwhile, the corporate income tax (CIT) plan was extremely cautious, nevertheless, it still has not been fulfilled.



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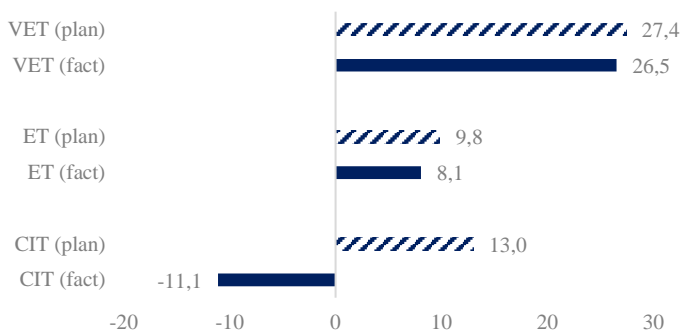
Summary of budget revenues and expenditures: Quarter I of 2019

Tax revenue in the first quarter of 2019 was higher than planned, but measured in % of GDP lags behind the first quarter of 2018.



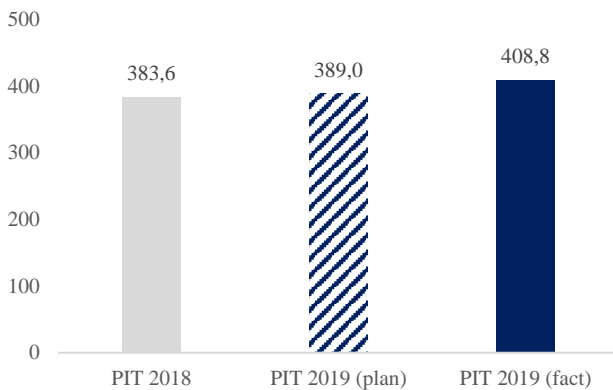
In the 1st quarter of 2019 tax revenues (incl. SSC) amounted to 1.3 billion euro, which **was above the planned level by 28.2 million euro, as well as by 0.5% more than in the 1st quarter of 2018.**

Chart 11. Execution of the tax revenue (incl. SSC) plan in the 1st quarter 2019, mill. euro. Source: State revenue service.



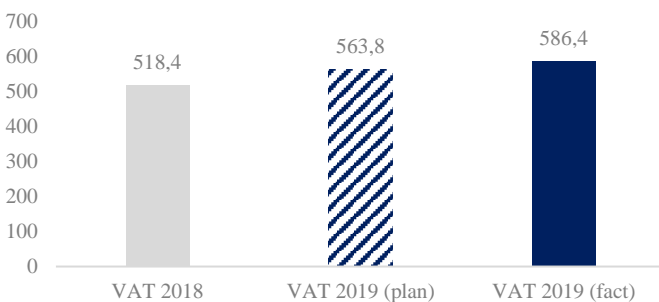
In the 1st quarter of 2019, the most significant negative deviations were in vehicle exploitation tax (VET) revenues, environmental tax (ET) revenues and corporate income tax (CIT) revenues. **The biggest revenue deviation from the plans was CIT – in total in the 1st quarter for 24.1 million euro.**

Chart 12. Significant deviations from the revenue plan in the 1st quarter 2019, mill. euro. Source: State revenue service.



In the 1st quarter of 2019 PIT revenues were **6.6% higher** than in the 1st quarter of 2018. Revenues were above the planned level by 19.8 million euro.

Chart 13. Execution of PIT revenue plan in the 1st quarter 2019, mill. euro. Source: State revenue service.



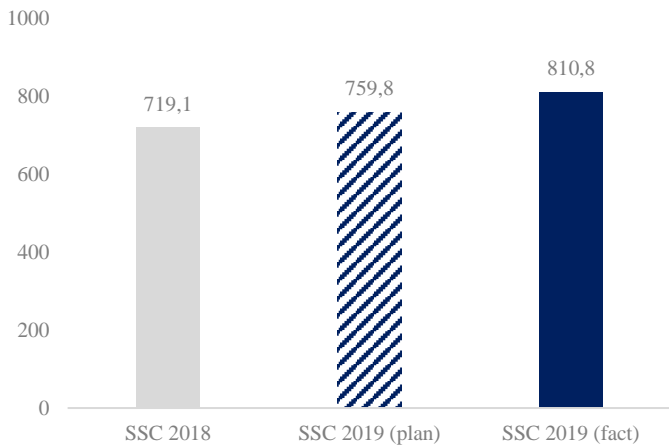
In the 1st quarter of 2019 VAT revenues were **13.3% higher** than in the 1st quarter of 2018. Revenues were above the planned level by 22.6 million euro.

Chart 14. Execution of VAT revenue plan in the 1st quarter 2019, mill. euro. Source: State revenue service..



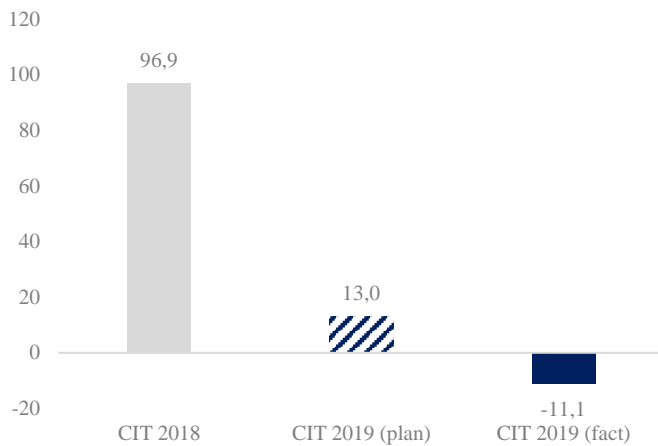
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Summary of budget revenues and expenditures: Quarter I of 2019



In the 1st quarter of 2019 SSC revenues were **12.7% higher** than in the 1st quarter of 2018. Revenues were above the planned level by 19.8 million euro.

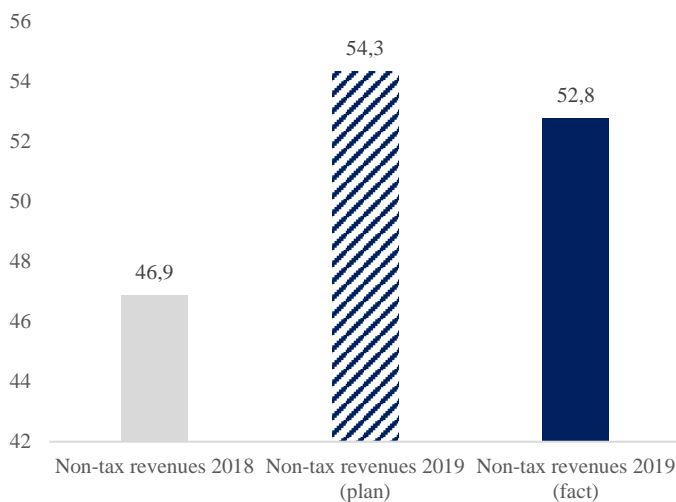
Chart 15. Execution of SSC revenue plan in the 1st quarter 2019, mill. euro. Source: State revenue service.



In the 1st quarter of 2019 CIT revenues were **111.4% lower** than in the 1st quarter of 2018 and they were below the planned level by 24.1 million euro.

Chart 16. Execution of CIT revenue plan in the 1st quarter 2019, mill. euro. Source: State revenue service..

Non-tax revenue in the first quarter of 2019 was lower than expected.



In the 1st quarter of 2019, non-tax revenue were 52.8 million euro, **which is for 1.6 million euro less than planned.**

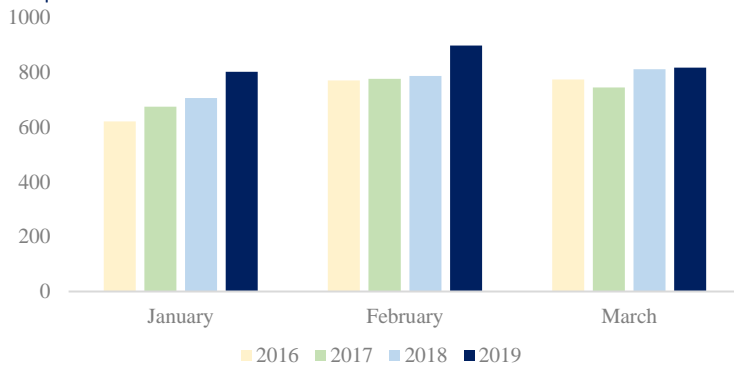
Chart 17. Execution of non-tax revenue plan in the 1st quarter 2019, mill. euro. Source: State revenue service.



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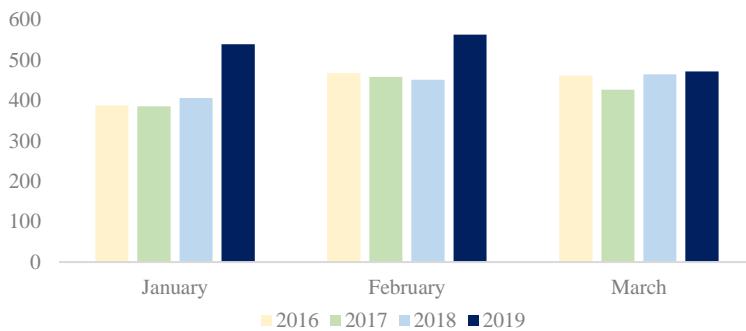
Summary of budget revenues and expenditures: Quarter I of 2019

In the 1st quarter of 2019, the government budget expenditure was 210.1 million euro higher than in the first quarter of 2018.



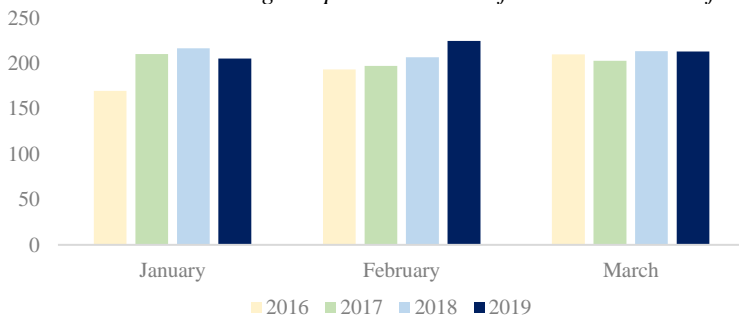
In 1st quarter of 2019, consolidated government budget expenditure was 2.5 billion euro, which is **higher than in the 1st quarter of 2018** when expenditure accounted for 2.3 billion euro.

Chart 18. Consolidated government budget expenditure in the first three months of 2016-2019, mill. euro. Source: Treasury.



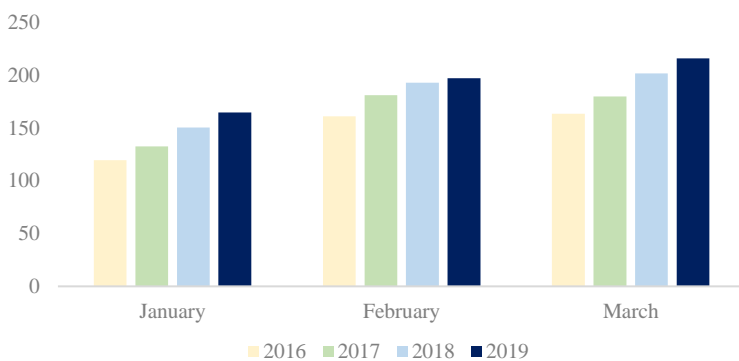
In 1st quarter of 2019, state basic budget expenditure was 1.6 billion euro, which is **higher than in the 1st quarter of 2018** when expenditure accounted for 1.3 billion euro.

Chart 19. State basic budget expenditure in the first three months of 2016-2019, mill. euro. Source: Treasury.



In 1st quarter of 2019, special budget expenditure was 643.5 million euro, which is **higher than in the 1st quarter of 2018** when expenditure accounted for 637.0 million euro.

Chart 20. Special budget expenditure in the first three months of 2016-2019, mill. euro. Source: Treasury.



In 1st quarter of 2019, local government budget expenditure was 577.4 million euro, which is **higher than in the 1st quarter of 2018** when expenditure accounted for 544.7 million euro.

Chart 21. Local government expenditure in the first three months of 2016-2019, mill. euro. Source: Treasury.

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