



Funding the Republic

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



Press Release

NG Budget Deficit for February 2024 Rises to P164.7 Billion Year-to-Date Budget Deficit at P76.7 billion

Manila, Philippines, 1 April 2024 - The National Government (NG) posted a higher budget deficit of P164.7 billion for February 2024 compared to P106.4 billion in the previous year. The wider budget gap stemmed from the 22.14% year-over-year (YoY) increase in expenditures, matched with moderate revenue growth of 5.73%. With the February turnout, the year-to-date (YTD) fiscal balance reverted to a deficit of P76.7 billion, which is 26.56% or P16.1 billion higher relative to last year's P60.6 billion Jan-Feb budget gap.

Revenue Performance

Total revenue collections for February increased to P224.0 billion, surpassing last year's figure for the same period by 5.73% or P12.1 billion. This pushed the YTD collection to P645.8 billion, outperforming the P560.0 billion actual collections recorded in the equivalent period last year by 15.32% or P85.8 billion. Broken down, 92.36% or P596.5 billion was raised through taxes, while the remaining 7.64% or P49.4 billion came from non-tax sources.

The Bureau of Internal Revenue (BIR) raised P138.0 billion¹ in February, exceeding the previous year's level by 6.65% or P8.6 billion. This pushed the Bureau's cumulative collection to P446.4 billion, underlying double-digit YoY growth of 22.58% equivalent to P82.2 billion.

Collections by the Bureau of Customs (BOC) improved by 12.19% to P70.6 billion in February 2024 from last year's P62.9 billion. This drove the agency's aggregate collection for the Jan-Feb period to P144.0 billion, surpassing the level posted in the same period last year by 7.84% or P10.5 billion.

The Bureau of the Treasury (BTr) contributed P6.5 billion in revenues for February, slightly higher by 1.56% YoY, largely due to higher dividend remittances and NG share from PAGCOR income. Meanwhile, the resulting P23.2 billion cumulative BTr income for Jan-Feb was lower by 3.80%, from P24.2 billion last year, mainly on account of lower interest income on NG deposits and BTr investments.

Collections from other offices (other non-tax including privatization proceeds and fees and charges) for the month was at P6.2 billion, 42.62% or P4.6 billion lower YoY due to lower Malampaya proceeds. YTD collections of P26.1 billion similarly declined by 21.33% or P7.1 billion when compared to the same period in the previous year.

¹ Net of tax refund amounting to P762.0 million; Jan-Feb gross collections inclusive of said tax refund reached P447.2 billion.

Expenditures

Total expenditures for February 2024 reached P388.7 billion, outperforming the previous year's actual spending by 22.14% or P70.5 billion, driven by higher releases to Local Government Units (ALGU)², as well as larger disbursements recorded in the Department of Health and Department of Social Welfare and Development for their banner health and social protection programs, respectively. Similarly, higher capital expenditures posted by the Department of Public Works and Highways contributed to the growth of February 2024 disbursements. This boosted YTD expenditures to P722.5 billion, 16.42% or P101.9 billion higher than the Jan-Feb 2023 figure.

Primary expenditures (net of interest payments) amounted to P340.9 billion, up by 19.97% or P56.7 billion YoY. These represented 87.7% of the overall spending in February. Similarly, YTD primary expenditures improved by 11.29% or P60.9 billion to P600.5 billion.

February Interest Payments (IP) of P47.8 billion were 40.22% or P13.7 billion higher than that in the previous year. Likewise, the total aggregate IP of P122.0 billion as of end-Feb underscores a 50.53% or P41.0 billion YoY growth, on account of reissuances of domestic securities with coupon payments falling within the period.

Primary Surplus/ (Deficit)

Netting out interest payments from expenditures, NG achieved a P116.9 billion primary deficit for February, reflecting a YoY increase of 61.70% or P44.6 billion. On the other hand, the YTD primary balance remained at a surplus of P45.3 billion, more than twice the P20.5 billion YTD primary surplus achieved at end-Feb 2023.

² This includes higher releases on National Tax Allotment (NTA) and Special Shares in the proceeds of National taxes from the Tobacco Excise tax.

Fiscal Performance
For the Period Indicated
(In Billion Pesos)

Year-on-Year

Particulars	Feb p/			
	2023	2024	Diff	YoY
REVENUES	211.9	224.0	12.1	5.73%
Tax Revenues	194.6	211.3	16.7	8.56%
BIR ^{1/}	129.4	138.0	8.6	6.65%
BOC	62.9	70.6	7.7	12.19%
Other Offices	2.4	2.8	0.4	16.38%
Non-Tax Revenues	17.2	12.7	(4.5)	-26.21%
BTr	6.4	6.5	0.1	1.56%
Other Offices	10.8	6.2	(4.6)	-42.62%
EXPENDITURES	318.2	388.7	70.5	22.14%
Interest Payments	34.1	47.8	13.7	40.22%
Others	284.1	340.9	56.7	19.97%
SURPLUS/ (DEFICIT)	(106.4)	(164.7)	(58.3)	54.81%
Primary Surplus/ (Deficit)	(72.3)	(116.9)	(44.6)	61.70%

1/ Net of P762.0 million tax refund; February gross BIR collection is P138.8 billion inclusive of tax refund.

Year-to-Date

Particulars	Jan-Feb p/ (Actual)			
	2023	2024	Diff	YoY
REVENUES	560.0	645.8	85.8	15.32%
Tax Revenues	502.7	596.5	93.8	18.66%
BIR ^{1/}	364.2	446.4	82.2	22.58%
BOC	133.5	144.0	10.5	7.84%
Other Offices	5.0	6.1	1.1	21.66%
Non-Tax Revenues	57.4	49.4	(8.0)	-13.95%
BTr	24.2	23.2	(0.9)	-3.80%
Other Offices	33.2	26.1	(7.1)	-21.33%
EXPENDITURES	620.7	722.5	101.9	16.42%
Interest Payments	81.1	122.0	41.0	50.53%
Others	539.6	600.5	60.9	11.29%
SURPLUS/ (DEFICIT)	(60.6)	(76.7)	(16.1)	26.56%
Primary Surplus/ (Deficit)	20.5	45.3	24.9	121.57%

1/ YTD tax refund is P762.0 million; Total gross BIR collection is P447.2 billion inclusive of tax refund.