



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 June 2024 Narrows to P209.1 Billion 1st Semester 2024 Budget Gap Reaches P613.9 Billion

Manila, Philippines, 24 July 2024 - The National Government's (NG) budget deficit for June decreased to P209.1 billion from P225.4 billion a year ago as revenue collection grew faster than government expenditures. Meanwhile, the budget gap for the first half widened to P613.9 billion, 11.27% or P62.2 billion higher year-over-year (YoY) but was 7.24% (P47.9 billion) below the P661.8 billion¹ midyear goal due to the better-than-programmed revenues.

Revenue Performance

NG receipts for June amounting to P296.5 billion surpassed the P267.3 billion raised in the same month a year ago by 10.93% or P29.2 billion. Total collections as of end-June reached P2.15 trillion, also up by 15.56% (P289.4 billion) over last year's comparable figure. Taxes comprised the bulk of the first-semester total revenue accounting for 85.38% (P1.84 trillion) which grew by 10.05% or P167.6 billion from P1.67 trillion in the previous year. The 14.62% (P314.2 billion) share from non-tax collection notched a double-digit increase of 63.30% or P121.8 billion from last year's outcome and outperformed the 6-month target by 46.10% (P99.2 billion).

The Bureau of Internal Revenue's (BIR) collection for June grew by 4.71% YoY to P172.5 billion, net of the P4.3 billion tax refund. The agency's YTD collection of P1.36 trillion similarly outpaced the outturn for the same period last year by 11.72% (P142.8 billion) but missed the P1.40 trillion midyear program by 2.92% or P41.0 billion.

Collections by the Bureau of Customs (BOC) reached P74.6 billion² in June, growing marginally by 0.67% compared to last year. Nevertheless, BOC still achieved a 5.10% or P22.1 billion YoY improvement in its Jan-Jun collections amounting to P455.5 billion which surpassed the P442.6 billion 6-month program by 2.91% or P12.9 billion.

The Bureau of the Treasury (BTr) brought in P7.4 billion in June, declining by 30.99% (P3.3 billion) from the 2023 comparable collection due to lower dividend remittance and income from BTr-managed funds. Nevertheless, BTr's P163.9 billion income for the 6-month period topped the previous year's achievement by 76.26% (P70.9 billion) on account of higher dividend remittance, interest on advances from GOCCs, and NG share from PAGCOR income. Moreover, the Bureau exceeded the P129.2 billion

¹ Based on the DBCC Ad Referendum approved Quarterly Fiscal Program on May 23, 2024.

² Net of P249.0 million tax refund; June BOC collection inclusive of tax refund was P74.9 billion.

revised midyear program by 26.91% (P34.8 billion) and is only P23.1 billion short of the P187.0 billion revised FY 2024 target.

June collections from other offices (other non-tax, including privatization proceeds and fees and charges) surged to P39.8 billion, more than twice the level registered a year ago. Moreover, the total aggregate collection for the first semester amounting to P150.3 billion surpassed the midyear program and last year's collections by 74.94% (P64.4 billion) and 51.18% (P50.9 billion), respectively.

Expenditures

Total disbursement for June reached P505.6 billion, outperforming the previous year's actual expenditures by 2.62% or P12.9 billion. The increase was mostly attributed to the implementation of capital outlay projects of the Department of Public Works and Highways, and the Department of National Defense under its Revised AFP Modernization Program, the preparatory activities of the Commission on Elections for the 2025 National and Local Elections, and the higher National Tax Allotment shares of LGUs. The growth in spending was, however, tempered by lower subsidy releases and net lending assistance to GOCCs.

The cumulative expenditures for the first semester closed in at P2.76 trillion, representing a 14.58% or P351.6 billion expansion from last year and outpacing the P2.74 trillion midyear program by 0.90% or P24.6 billion.

June primary expenditures (net of interest payment) amounted to P450.0 billion, marking a 2.30% or P10.1 billion increase from last year's level. The YTD primary expenditures also increased to P2.39 trillion, 12.06% or P256.8 billion above the P2.13 trillion in the equivalent period a year ago and 0.67% (P16.0 billion) ahead of the midyear program.

Interest Payments (IP) increased by 5.22% (P2.8 billion) YoY to P55.6 billion in June due to higher SOFR and foreign exchange rates. Total IP as of end-June also rose to P377.2 billion, compared to P282.5 billion in the equivalent period last year.

Primary Surplus/ (Deficit)

Excluding interest payments, the NG's primary deficit for June declined to P153.4 billion, 11.06% (P19.1 billion) less than the primary deficit recorded in the previous year. This reduced the Jan-Jun primary deficit to P236.7 billion, 12.10% or P32.6 billion lower YoY, and 19.29% or P56.6 billion short of the first semester program.

Fiscal Performance
For the Period Indicated
(In Billion Pesos)

Year-on-Year

Particulars	June				January -June p/ (Actual)			
	2023	2024	Diff	YoY	2023	2024	Diff	YoY
REVENUES	267.3	296.5	29.2	10.93%	1,860.1	2,149.5	289.4	15.56%
Tax Revenues	241.2	249.3	8.1	3.37%	1,667.7	1,835.3	167.6	10.05%
BIR ^{1/}	164.7	172.5	7.8	4.71%	1,219.2	1,362.0	142.8	11.72%
BOC ^{2/}	74.1	74.6	0.5	0.67%	433.4	455.5	22.1	5.10%
Other Offices	2.3	2.2	(0.1)	-5.54%	15.1	17.8	2.7	17.80%
Non-Tax Revenues	26.1	47.2	21.1	80.60%	192.4	314.2	121.8	63.30%
BTr	10.8	7.4	(3.3)	-30.99%	93.0	163.9	70.9	76.26%
Other Offices ^{3/}	15.4	39.8	24.4	158.57%	99.4	150.3	50.9	51.18%
EXPENDITURES	492.7	505.6	12.9	2.62%	2,411.9	2,763.5	351.6	14.58%
Interest Payments	52.9	55.6	2.8	5.22%	282.5	377.2	94.8	33.55%
Others	439.8	450.0	10.1	2.30%	2,129.4	2,386.2	256.8	12.06%
SURPLUS/ (DEFICIT)	(225.4)	(209.1)	16.3	-7.24%	(551.7)	(613.9)	(62.2)	11.27%
Primary Surplus/ (Deficit)	(172.5)	(153.4)	19.1	-11.06%	(269.3)	(236.7)	32.6	-12.10%

^{1/} Net of P4.3 billion tax refund; June BIR collection inclusive of tax refund totaled P176.8 billion. YTD gross BIR collection is P1.369 trillion inclusive of tax refund.

^{2/} Net of tax refund amounting to P249.0 million; June BOC collection was P74.9 billion. H1 gross BOC collection is P457.0 billion inclusive of tax refund.

^{3/} June and YTD collections include grants amounting to P88.0 million and P300.0 million, respectively.

Program vs Actual

Particulars	January-June p/			
	Prog ^{1/}	Actual	Diff	%
REVENUES	2,077.0	2,149.5	72.5	3.49%
Tax Revenue	1,861.9	1,835.3	(26.6)	-1.43%
BIR	1,403.0	1,362.0	(41.0)	-2.92%
BOC	442.6	455.5	12.9	2.91%
Other Offices	16.3	17.8	1.5	8.95%
Non-Tax Revenue	215.1	314.2	99.2	46.10%
BTr	129.2	163.9	34.8	26.91%
Other Offices ^{2/}	85.9	150.3	64.4	74.94%
EXPENDITURES	2,738.8	2,763.5	24.6	0.90%
Operating exp.	2,370.3	2,386.2	16.0	0.67%
Interest Payments	368.5	377.2	8.7	2.36%
SURPLUS/ (DEFICIT)	(661.8)	(613.9)	47.9	-7.24%
Primary Surplus/ (Deficit)	(293.3)	(236.7)	56.6	-19.29%

^{1/} Based on the DBCC Ad Referendum approved Quarterly Fiscal Program on May 23, 2024.

^{2/} Actual figure includes grants amounting to P300.0 million.