

Treasury finances in February 2002

Figures for Treasury finances in February 2002 are now available. They are on a cash basis and therefore not comparable to the Treasury accounts or the fiscal budget, both of which are presented on an accruals basis.

According to these figures, cash from operations amounted to about 3.3 billion kronur, compared to 2.2 billion kronur in February 2001. The Treasury's total revenue is 41½ billion kronur, which is an increase of about 1½ billion kronur from last year, or 3.5 per cent. In comparison, general price changes amount to 9% for this period. Revenue from value added tax remains relatively unchanged in value terms from February last, while excise from automobiles decreases by one third. This large fall in indirect tax revenue suggests that contraction in domestic demand continues. Revenue from personal and corporate income taxes increased considerably in nominal terms from last year. Total tax revenue increased by 3½ per cent from February 2001, which equals a 5% contraction in real terms. Revenue proceeds are in line with projections.

The Treasury's total expenditure in February amounted to 38,2 billion kronur, increasing by 0.3 billion kronur from last year, or only 0.8%. Administrative and social affairs expenditure increase by a total of 4.2 billion kronur, which is offset by lower interest expenditure by 3.6 billion kronur as well as a ½ billion decrease in agriculture expenditure. Since these figures only take stock of two months, any comparison with last year and earlier projections are subject to some uncertainty as expenses are transferable between months. Domestic borrowing amounted to 1.1 billion kronur, with amortisation of 400 million kronur. Foreign long-term loan was financed by a loan on the foreign short-term market. A 1.5 billion kronur in payments to the Government Employees Pensions fund are meant to lower future liabilities of the Treasury. The overall cash balance was positive by 2.2 billion kronur, compared with 0.9 billion kronur in February 2001.

Treasury finances in February 2002 *(Millions of kronur, cash basis)*

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Revenue.....	25.722	31.706	36.708	40.070	41.483
- Asset sale	41	6	41	-37	-28
Expenditure.....	24.625	28.311	30.715	37.853	38.173
Cash from operations.....	1.056	3.389	5.952	2.180	3.281
Financial transactions.....	1.173	-1.763	3.433	-1.597	-126
Net financial balance.....	2.229	1.626	9.385	583	3.155
Debt redemption.....	-866	-12.200	-10.648	-5.041	-10.687
Domestic.....	-866	-5.804	-7.360	-5.041	-599
Foreign.....	0	-6.396	-3.288	0	-10.088
Pension fund prepayments.....	0	-500	-1.000	-2.500	-1.500
Gross borrowing requirement.....	1.363	-11.074	-2.263	-6.958	-9.033
New borrowing.....	924	3.270	3.436	7.837	11.185
Domestic.....	3.989	-2.850	1.499	4.435	1.062
Foreign.....	-3.065	6.120	1.937	3.402	10.123
Overall cash balance.....	2.287	-7.804	1.173	879	2.152

Treasury revenue in February 2002
(Millions of kronur, cash basis)

	% increase from previous year						
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Total tax revenue.....	34.088	37.131	38.483	23,5	17,1	8,9	3,6
Taxes on income and profit.....	12.052	13.972	15.710	13,7	26,3	15,9	12,4
Personal income tax.....	7.409	8.104	9.426	14,3	14,1	9,4	16,3
Corporate income tax	917	1.195	690	-5,2	38,9	30,3	-42,3
Other taxes on income and profit.	3.726	4.673	5.594	18,5	55,8	25,4	19,7
Social Security taxes.....	3.207	3.292	3.659	5,6	9,8	2,7	11,1
Net wealth taxes.....	1.580	1.759	1.263	32,7	33,0	11,3	-28,2
Taxes on goods and services	17.209	18.019	17.784	34,2	11,5	4,7	-1,3
Value added tax	11.355	12.021	11.972	43,5	18,3	5,9	-0,4
Other indirect taxes	5.852	5.998	5.810	21,3	0,4	2,5	-3,1
Of which:							
Excise tax on motor vehicles	808	591	393	64,7	-1,1	-26,9	-33,5
Excise tax on petrol.....	803	1.053	945	-14,4	-17,8	31,1	-10,3
Diesel weight tax.....	1.011	1.005	945	12,1	1,9	-0,6	-6,0
Tobacco and liquor taxex....	1.093	1.222	1.194	25,2	-8,5	11,8	-2,3
Other indirect taxes.....	2.137	2.127	2.333	39,2	15,6	-0,5	9,7
Other taxes.....	40	89	67	-3,0	25,0	122,5	-24,7
Other revenue.....	2.621	2.937	3.002	27,2	1,0	12,1	2,2
Total revenue.....	36.708	40.070	41.483	23,7	15,8	9,2	3,5

Treasury expenditure in February 2002
(Millions of kronur, cash basis)

	% increase from last year						
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Administration.....	3.443	3.120	3.839	7,3	30,3	-9,4	23,0
General administration.....	2.097	1.799	2.390	7,9	26,2	-14,2	32,9
Justice and law enforcement..	1.347	1.322	1.449	6,3	37,3	-1,9	9,6
Social affairs.....	16.354	19.519	23.040	8,4	1,8	19,4	18,0
Of which: Education and culture	4.159	4.769	5.641	28,2	2,8	14,7	18,3
Health.....	6.051	7.651	9.206	7,4	-2,0	26,4	20,3
Social security.....	5.256	6.113	6.941	-2,3	3,0	16,3	13,5
Economic affairs.....	4.343	5.999	5.456	19,4	13,9	38,1	-9,1
Of which: Agriculture.....	1.683	2.576	2.103	15,0	5,3	53,1	-18,4
Communications.....	1.590	1.854	2.000	5,9	23,3	16,6	7,9
Interest expenditure.....	5.249	7.383	3.781	42,1	14,9	40,7	-48,8
Other expenditure.....	1.325	1.831	2.057	30,3	8,2	38,2	12,3
Total expenditure.....	30.715	37.853	38.173	15,0	8,5	23,2	0,8