End Q1-2020 Exchequer Returns

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Chief Economist, Department of Finance
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Exchequer position: summary
### Exchequer position – overview

<table>
<thead>
<tr>
<th></th>
<th>€ million</th>
<th>year-on-year change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>17,432</td>
<td>2.7</td>
</tr>
<tr>
<td>: tax revenue</td>
<td>12,933</td>
<td>1.1</td>
</tr>
<tr>
<td>: non-tax revenue</td>
<td>1,061</td>
<td>-22.5</td>
</tr>
<tr>
<td>appropriations-in-aid</td>
<td>3,439</td>
<td>12.7</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>19,967</td>
<td>9.8</td>
</tr>
<tr>
<td>: current</td>
<td>15,834</td>
<td>11.8</td>
</tr>
<tr>
<td>: capital</td>
<td>1,206</td>
<td>38.3</td>
</tr>
<tr>
<td>non-voted current and capital expenditure</td>
<td>2,928</td>
<td>-6.8</td>
</tr>
<tr>
<td><strong>Exchequer balance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-2,535</td>
<td>-162.5</td>
</tr>
</tbody>
</table>
Revenue developments
Tax revenue in q1, 2020: outturn vs profile, € millions

Total tax receipts = €12.9 bn. = €0.8 bn. < profile = 1.1% year-on-year

VAT shortfall in March = €1.1 bn. [forbearance]
## Tax revenue performance, q1 2020

<table>
<thead>
<tr>
<th></th>
<th>Outturn</th>
<th>€m</th>
<th>per cent</th>
<th>vs expectations</th>
<th>€m</th>
<th>per cent</th>
<th>change vs q1 2019</th>
<th>€m</th>
<th>per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Tax</td>
<td>5,643</td>
<td>-60</td>
<td>-1.1</td>
<td>-60</td>
<td>-670</td>
<td>13.5</td>
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<tr>
<td>VAT</td>
<td>4,137</td>
<td>-986</td>
<td>-19.2</td>
<td>-986</td>
<td>-849</td>
<td>-17.0</td>
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<tr>
<td>Corporation Tax</td>
<td>870</td>
<td>353</td>
<td>68.3</td>
<td>353</td>
<td>346</td>
<td>66.0</td>
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<tr>
<td>Excise</td>
<td>1,283</td>
<td>-179</td>
<td>-12.3</td>
<td>-179</td>
<td>-92</td>
<td>-6.7</td>
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<tr>
<td>Stamps</td>
<td>403</td>
<td>50</td>
<td>14.3</td>
<td>50</td>
<td>79</td>
<td>24.3</td>
<td></td>
<td></td>
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<tr>
<td>CGT</td>
<td>180</td>
<td>15</td>
<td>9.1</td>
<td>15</td>
<td>5</td>
<td>2.8</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Motor Tax</td>
<td>254</td>
<td>-3</td>
<td>-1.0</td>
<td>-3</td>
<td>-12</td>
<td>-4.7</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Customs</td>
<td>78</td>
<td>-9</td>
<td>-10.7</td>
<td>-9</td>
<td>-12</td>
<td>-12.9</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>CAT</td>
<td>42</td>
<td>-12</td>
<td>-21.8</td>
<td>-12</td>
<td>-5</td>
<td>-9.7</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Other</td>
<td>43</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>8</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12,933</strong></td>
<td><strong>-788</strong></td>
<td><strong>-5.7</strong></td>
<td><strong>-788</strong></td>
<td><strong>138</strong></td>
<td><strong>1.1</strong></td>
<td></td>
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</tr>
</tbody>
</table>

Note figures are rounded
tax revenue: changing profile over the quarter

year-on-year change in receipts, €000

-1,200,000
-1,000,000
-800,000
-600,000
-400,000
-200,000
0
200,000
400,000
600,000
800,000
1,000,000

VAT
total

tax revenue = falling

tax revenue = rising

Jan-20
Feb-20
Mar-20
Expenditure developments
Voted current\(^{\text{^}}\) expenditure in q1, 2020 outturn vs profile, € millions

- **Total**: Current expenditure = €15.8 bn.
  - Additional expenditure on health and social protection = €1 bn. > profile = 11.8% year-on-year

- **Social Protection**
- **Health**
- **Education**
- **Other**

\(^{\text{^}}\) gross figures
Voted capital\textsuperscript{^ } expenditure in q1, 2020 outturn vs profile, € millions

- **Total**
  - Profile: €1,200 million
  - Outturn: €1,200 million
  - Capital spending = €1.2 bn.
  - In line w/profile
  - 38.3% year-on-year

- **Housing**
  - Housing expenditure overrun = €0.2 bn.

- **Transport**

- **Education**

- **Other**

\textsuperscript{^} gross figures
Conclusion
Summary

• Q1: tax revenue = €12.9 bn.
  - annual increase of 1.1 per cent
  - €800m below expectations (VAT [forbearance] in March)

• Q1: gross voted expenditure = €17 bn.
  - €1.1 billion above profile
  - current = 7.1 per cent ahead of expectations
  - capital = 7.2 per cent ahead of expectations

  PANDEMIC-related

• Exchequer **deficit of €2,535 billion** at end-q1 2020
  - deterioration of €1.6 billion vs. q1 2019

• Next steps:
  - Stability Programme Update
    - revised macro-fiscal projections
    - published later this month
  - revised tax profiles