

## Treasury finances January – May 2006

*Cash Flow Statement, January – May 2006*

<i>Millions of krónur</i>	2002	2003	2004	2005	2006
Revenue	91.868	108.695	109.190	136.556	155.065
Expenditure	100.746	106.315	113.248	126.546	126.171
<b>Current balance</b>	<b>-8.878</b>	<b>2.380</b>	<b>-4.057</b>	<b>10.009</b>	<b>28.894</b>
Receipts from sale of fixed assets	-	-12.059	-	-	-
Other cash payments / receipts	-1.462	173	1.110	1.557	-613
<b>Cash flows from operations</b>	<b>-10.340</b>	<b>-9.506</b>	<b>-2.947</b>	<b>11.566</b>	<b>28.281</b>
<b>Financial transactions</b>	<b>2.173</b>	<b>16.858</b>	<b>3.428</b>	<b>6.537</b>	<b>-2.428</b>
<b>Net financial balance</b>	<b>-8.167</b>	<b>7.352</b>	<b>481</b>	<b>18.102</b>	<b>25.853</b>
<b>Debt redemption</b>	<b>-18.348</b>	<b>-17.929</b>	<b>-28.389</b>	<b>-29.994</b>	<b>-38.104</b>
Domestic	-8.207	-5.521	-3.389	-13.770	-15.231
Foreign	-10.141	-12.408	-25.000	-16.224	-22.873
<b>Pension fund prepayments</b>	<b>-3.750</b>	<b>-3.125</b>	<b>-3.125</b>	<b>-1.550</b>	<b>-1.650</b>
<b>Gross borrowing requirement</b>	<b>-30.265</b>	<b>-13.702</b>	<b>-31.033</b>	<b>-13.442</b>	<b>-13.901</b>
<b>New borrowing</b>	<b>28.324</b>	<b>16.540</b>	<b>40.861</b>	<b>9.273</b>	<b>11.010</b>
Domestic	9.035	15.160	17.318	4.005	2.910
Foreign	19.289	1.380	23.544	5.268	8.100
<b>Overall cash balance</b>	<b>-1.941</b>	<b>2.838</b>	<b>9.828</b>	<b>-4.168</b>	<b>-2.890</b>

*Treasury revenue, January – May 2006*

	In millions of krónur			Change from previous year in per cent		
	2004	2005	2006	2004	2005	2006
<b>Total taxes and social contributions</b>	<b>101 481</b>	<b>121 223</b>	<b>145 768</b>	<b>15.4</b>	<b>19.5</b>	<b>20.2</b>
<b>Taxes on income and profit</b>	<b>35 893</b>	<b>42 189</b>	<b>55 847</b>	<b>17.3</b>	<b>17.5</b>	<b>32.4</b>
Personal income tax	25 873	28 494	31 711	10.7	10.1	11.3
Corporate income tax	3 721	3 963	10 214	169.0	6.5	157.7
Other taxes on income and profit	6 298	9 732	13 922	7.5	54.5	43.1
<b>Taxes on property</b>	<b>3 942</b>	<b>6 276</b>	<b>4 740</b>	<b>15.6</b>	<b>59.2</b>	<b>-24.5</b>
<b>Taxes on goods and services</b>	<b>49 399</b>	<b>58 435</b>	<b>68 517</b>	<b>14.1</b>	<b>18.3</b>	<b>17.3</b>
Value added tax	33 100	39 683	46 799	16.1	19.9	17.9
Excise tax on motor vehicles	2 297	4 017	5 009	44.6	74.9	24.7
Excise tax on petrol	3 333	3 514	3 471	14.7	5.4	-1.2
Excise on oil	2 186	2 535	2 489	15.1	16.0	-1.8
Tobacco and liquor taxes	3 841	4 106	4 242	2.1	6.9	3.3
Other taxes on goods and services	4 643	4 580	6 506	0.1	-1.3	42.1
<b>Taxes on international trade and transactions</b>	<b>1 140</b>	<b>1 233</b>	<b>1 567</b>	<b>12.0</b>	<b>8.1</b>	<b>27.1</b>
<b>Other taxes</b>	<b>217</b>	<b>273</b>	<b>315</b>	<b>.</b>	<b>26.0</b>	<b>15.0</b>
<b>Social contributions</b>	<b>10 890</b>	<b>12 817</b>	<b>14 782</b>	<b>14.1</b>	<b>17.7</b>	<b>15.3</b>
<b>Grants</b>	<b>166</b>	<b>209</b>	<b>268</b>	<b>-42.5</b>	<b>26.0</b>	<b>28.3</b>
<b>Other revenue</b>	<b>7 541</b>	<b>15 053</b>	<b>8 742</b>	<b>-9.7</b>	<b>99.6</b>	<b>-41.9</b>
<b>Sale of assets</b>	<b>2</b>	<b>70</b>	<b>287</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total revenue</b>	<b>109 190</b>	<b>136 555</b>	<b>155 065</b>	<b>0.5</b>	<b>25.1</b>	<b>13.6</b>

**Treasury expenditure, January – May 2006**

	In millions of krónur			Change from previous year in per cent	
	2004	2005	2006	2005	2006
General public services	10 527	28 501	21 771	170.7	-23.6
of which: interest	8 406	14 066	6 389	67.3	-54.6
Health	17 146	32 614	34 526	90.2	5.9
Social security and welfare	15 084	27 193	29 011	80.3	6.7
Economic affairs	8 535	15 366	15 329	80.0	-0.2
Education	7 446	12 565	13 946	68.8	11.0
Culture, sports and religion	3 271	5 331	5 893	63.0	10.5
Law enforcement, justice, security	2 141	3 625	4 324	69.3	19.3
Environmental protection	842	1 183	1 187	40.5	0.4
Housing, zoning and utilities	48	169	183	253.7	8.4
<b>Total expenditure</b>	<b>65 039</b>	<b>126 546</b>	<b>126 171</b>	<b>94.6</b>	<b>-0.3</b>

**Note:**

Revised revenue classification of the Treasury in January 2006: The classification of Treasury revenue has been revised according to the IMF Government Finance Statistics Manual of 2001, The earlier classification was based on an earlier version of the Manual, The new classification was first published last autumn in the 2004 Treasury accounts and introduced in the 2006 fiscal budget, It is now applied in the monthly revenue statements of the Treasury,

The main changes from the previous classification is that social contributions are separated from tax revenue and classified under a new main heading "Taxes and social contributions", Taxes on international trade and transactions, such as customs duties and other import charges, are now shown separately and are no longer under the heading "Taxes on goods and services", Regarding the other revenue, the new classification provides more details than the earlier version, The new classification also calls for a revision of several other items, such as the tax for the Elderly's Construction Fund and several user and licence charges.