

## Treasury finances January - December 2007

### Cash Flow Statement, January – December

	Millions of krónur				
	2003	2004	2005	2006	2007
Revenue	259 783	280 696	399 289	381 336	452 673
Expenditure	268 714	280 382	308 382	314 716	369 583
<b>Current balance</b>	<b>-8 931</b>	<b>315</b>	<b>90 905</b>	<b>66 619</b>	<b>83 090</b>
Receipts from sale of fixed assets	-10 177	-	-57 605	- 384	-6 170
Other cash payments / receipts	9 836	- 607	-1 286	- 516	-15 962
Cash flows from operations	<b>-9 272</b>	<b>- 292</b>	<b>32 014</b>	<b>65 719</b>	<b>60 958</b>
Financial transactions	<b>21 115</b>	<b>22 700</b>	<b>49 874</b>	<b>-91 154</b>	<b>-63 102</b>
Net financial balance	<b>11 843</b>	<b>22 408</b>	<b>81 888</b>	<b>-25 435</b>	<b>-2 144</b>
Debt redemption	<b>-30 702</b>	<b>-32 477</b>	<b>-62 305</b>	<b>-46 097</b>	<b>-33 837</b>
Domestic	-18 252	-7 291	-14 596	-23 223	-22 505
Foreign	-12 450	-25 186	-47 709	-22 873	-11 332
Pension fund prepayments	-7 500	-7 500	-5 482	-4 000	-12 500
Gross borrowing requirement	<b>-26 359</b>	<b>-17 569</b>	<b>14 101</b>	<b>-75 531</b>	<b>-48 481</b>
New borrowing	<b>24 749</b>	<b>25 867</b>	<b>10 234</b>	<b>115 713</b>	<b>58 939</b>
Domestic	28 334	9 740	10 234	25 892	58 754
Foreign	-3 584	16 127	-	89 821	185
<b>Overall cash balance</b>	<b>-1 610</b>	<b>8 298</b>	<b>24 335</b>	<b>40 182</b>	<b>10 457</b>

### Treasury revenue, January – December

	Millions of krónur			Change from previous year in per cent		
	2005	2006	2007	2005	2006	2007
Total taxes and social security contributions	314 820	354 209	395 666	20.7	12.5	11.7
Taxes on income and profit	101 341	126 192	144 637	22.8	24.5	14.6
Personal income tax	69 056	78 228	84 101	10.3	13.3	7.5
Corporate income tax	15 384	31 369	35 366	40.9	103.9	12.7
Other taxes on income and profit	16 901	16 595	25 170	88.3	-1.8	51.7
Taxes on property	14 906	9 172	11 712	23.7	-38.5	27.7
Taxes on goods and services	161 210	175 692	191 834	20.4	9.0	9.2
Value added tax	111 205	122 400	135 381	22.1	10.1	10.6
Excise tax on motor vehicles	10 250	10 230	11 005	68.8	-0.2	7.6
Excise tax on petrol	8 783	8 995	9 168	5.6	2.4	1.9
Excise on oil	4 015	6 553	7 292	-31.1	63.2	11.3
Tobacco and liquor taxes	10 560	11 371	11 949	3.4	7.7	5.1
Other taxes on goods and services	16 397	16 142	17 040	32.4	-1.6	5.6
Taxes on international trade and transactions	3 474	4 170	5 292	13.8	20.0	26.9
Other taxes	1 641	1 758	3 024	13.3	7.2	72.0
Social security contributions	32 249	37 226	39 167	16.2	15.4	5.2
Grants	760	1 668	1 868	8.6	119.6	12.0
Other revenue	25 189	24 506	35 104	34.0	-2.7	43.2
Sale of assets	58 519	953	20 035	-	-	-
<b>Total revenue</b>	<b>399 288</b>	<b>381 336</b>	<b>452 673</b>	<b>42.2</b>	<b>-4.5</b>	<b>18.7</b>

### Treasury expenditure, January – December

	Millions of krónur			Change from previous year in per cent	
	2005	2006	2007	2006	2007
General public services	...	37 817	52 259	...	38.2
of which: interest	...	9 884	17 090	...	72.9
Defence	...	606	977	...	61.2
Health	...	13 784	15 802	...	14.6
Social security and welfare	...	43 708	52 759	...	20.7
Economic affairs	...	3 356	4 040	...	20.4
Education	...	402	544	...	35.2
Culture, sports and religion	...	84 836	93 314	...	10.0
Law enforcement, justice, security	...	13 890	15 906	...	14.5
Environmental protection	...	34 539	37 837	...	9.5
Housing, zoning and utilities	...	73 294	86 628	...	18.2
Irregular expenditure	...	8 484	9 518	...	12.2
<b>Total expenditure</b>	<b>308 382</b>	<b>314 716</b>	<b>369 583</b>	<b>2.1</b>	<b>17.4</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.