

## Treasury finances January - June 2007

## Cash Flow Statement, January – June

	Millions of krónur				
	2003	2004	2005	2006	2007
Revenue	130 556	133 583	165 540	182 826	217 913
Expenditure	127 670	138 399	151 887	153 160	175 509
Current balance	<b>2 886</b>	<b>-4 816</b>	<b>13 653</b>	<b>29 666</b>	<b>42 404</b>
Receipts from sale of fixed assets	-12 059	-	-	-	-6 136
Other cash payments / receipts	114	2 574	1 883	40	-7 578
Cash flows from operations	<b>-9 059</b>	<b>-2 243</b>	<b>15 536</b>	<b>29 706</b>	<b>28 690</b>
Financial transactions	<b>17 596</b>	<b>4 251</b>	<b>10 379</b>	<b>-2 208</b>	<b>-68 369</b>
Net financial balance	<b>8 424</b>	<b>- 858</b>	<b>25 915</b>	<b>27 498</b>	<b>-39 679</b>
Debt redemption	<b>-17 952</b>	<b>-28 604</b>	<b>-30 002</b>	<b>-38 873</b>	<b>-35 556</b>
Domestic	-5 545	-3 601	-13 775	-24 100	-21 357
Foreign	-12 408	-25 004	-16 227	-14 773	-14 199
Pension fund prepayments	-3 750	-3 750	-1 900	-1 980	-1 980
Gross borrowing requirement	<b>-13 279</b>	<b>-33 212</b>	<b>-5 988</b>	<b>-13 355</b>	<b>-77 215</b>
New borrowing	<b>14 038</b>	<b>34 780</b>	<b>9 579</b>	<b>16 246</b>	<b>49 745</b>
Domestic	12 661	11 228	5 305	8 146	46 411
Foreign	1 377	23 552	4 274	8 100	3 334
<b>Overall cash balance</b>	<b>760</b>	<b>9 828</b>	<b>3 591</b>	<b>2 890</b>	<b>-27 470</b>

## Treasury revenue, January – June

	Millions of krónur			Change from previous year in per cent		
	2005	2006	2007	2005	2006	2007
Total taxes and social security contributions	148 057	172 169	196 121	18.7	16.3	13.9
Taxes on income and profit	48 725	65 047	77 264	15.5	33.5	18.8
Personal income tax	34 156	38 315	44 126	10.3	12.2	15.2
Corporate income tax	4 820	12 787	12 383	-1.2	165.3	-3.2
Other taxes on income and profit	9 750	13 945	20 756	54.2	43.0	48.8
Taxes on property	7 497	5 449	5 494	56.8	-27.3	0.8
Taxes on goods and services	74 415	81 743	90 767	18.9	9.8	11.0
Value added tax	52 290	56 145	64 697	21.0	7.4	15.2
Excise tax on motor vehicles	5 120	5 879	4 736	76.3	14.8	-19.4
Excise tax on petrol	3 887	4 265	4 334	-1.2	9.7	1.6
Excise on oil	2 603	2 903	3 278	14.5	11.5	12.9
Tobacco and liquor taxes	5 129	5 338	5 615	6.3	4.1	5.2
Other taxes on goods and services	5 386	7 213	8 106	-1.5	33.9	12.4
Taxes on international trade and transactions	1 511	1 601	2 292	5.7	5.9	43.2
Other taxes	337	375	513	.	11.1	37.0
Social security contributions	15 571	17 955	19 790	15.8	15.3	10.2
Grants	234	306	470	37.7	30.9	53.6
Other revenue	17 010	10 065	14 536	95.7	-40.8	44.4
Sale of assets	239	287	6 787	-	-	-
<b>Total revenue</b>	<b>165 539</b>	<b>182 826</b>	<b>217 913</b>	<b>23.9</b>	<b>10.4</b>	<b>19.2</b>

### Treasury expenditure, January – June

	Millions of krónur			Change from previous year in per cent	
	2005	2006	2007	2006	2007
General public services	26 349	20 689	25 102	-21.5	21.3
of which: interest	14 393	6 728	8 850	-53.3	31.5
Defence	160	266	303	66.2	14.0
Health	5 347	6 979	7 833	30.5	12.2
Social security and welfare	12 176	19 038	23 921	56.4	25.6
Economic affairs	1 418	1 679	1 714	18.4	2.1
Education	215	204	220	-5.1	8.1
Culture, sports and religion	38 357	41 176	45 156	7.3	9.7
Law enforcement, justice, security	6 406	6 855	8 095	7.0	18.1
Environmental protection	16 123	18 219	20 241	13.0	11.1
Housing, zoning and utilities	29 905	33 617	39 016	12.4	16.1
Irregular expenditure	3 433	4 440	3 909	29.3	-12.0
<b>Total expenditure</b>	<b>139 890</b>	<b>153 160</b>	<b>175 509</b>	<b>9.5</b>	<b>14.6</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.