



Summary

- Overall, the Exchequer deficit at end-November 2014 stood at €5,759 million compared to €8,573 million in the same period last year.
- The Exchequer deficit of €5,759 million represents an improvement of €1,814 million on the Budget 2014 consistent profile, driven by increased tax receipts, an increase in the Central Bank surplus income and reduced interest expenditure.

Revenue

- Total tax revenue of €38,157 million was collected to end-November, an increase of €2,976 million (8.5%) on the same period last year. In addition, cumulative tax revenues are €1,127 million (3.0%) ahead of target.
- With regards to the month of November, tax revenues were €35 million (0.6%) above the monthly target and up €242 million (4.1%) on the same period last year.
- Income tax totalled €15,766 million to end-November, an increase of €1,286 million (8.9%) year-on-year and up €122 million (0.8%) on profile. This strong performance is consistent with the recovering labour market with solid employment growth as evidenced by the recent QNHS. For the month of November, income tax receipts of €2,637 million were €70 million (2.7%) above profile driven by strong schedule D receipts from the self-employed.
- VAT receipts for the year to date totalled €10,822 million, up €312 million (3.0%) on profile and up €575 million (5.6%) in year-on-year terms, reflective of improved consumer confidence as evidenced by the performance of retail sales in the year to date. VAT receipts for the month were slightly below profile (€31 million).
- Corporation tax receipts for the year to date of €4,185 million are up €240 million (6.1%) year-on-year and €209 million (5.3%) above profile. Corporation tax receipts for the month of November at €1,231 million were down slightly, €15 million (1.2%), against profile.
- Excise duties, at €4,559 million for the first eleven months of the year, are up €218 million (5.0%) year-on-year and also up €245 million (5.7%) against profile. This strong performance is driven by a number of the components of excise such as VRT and oils. In November, excise receipts were €11 million (2.3%) above the monthly target.
- Cumulative Stamp Duties at €1,571 million, are up €347 million (28.3%) year-on-year and up €218 million (16.1%) on profile, driven by the increased number of property transactions and receipts from the pension levy.
- Local Property Tax (LPT) receipts of €449 million to end-November are €26 million (5.5%) below profile.
- Taken together, the remaining smaller tax-heads – Customs, CGT and CAT – are up €143 million (22.8%) year-on-year and €9 million (1.2%) above profile.

Non-tax revenue

- **Non-tax revenues**, at €2,345 million to end-November 2014 are down €68 million (2.8%) year-on-year. The primary reason for this reduction is lower ELG income due to the closure of the scheme to new liabilities. This reduction is somewhat offset by increased dividends and Central Bank surplus income.

Capital receipts

- **Capital receipts**, at €5,723 million to end-November 2014, are up €1,885 million (49.1%) year-on-year. The main reasons for the increase are the sale of the National Lottery license and the repayments of Exchequer loans given to the Social Insurance Fund. These are somewhat offset by the non-recurrence of the sale of the Bank of Ireland CoCo's and the sale of Irish Life in 2013. The loan repayments to the Exchequer are cash flow related and have no impact on a general government basis on which achievement against fiscal targets are based on.

Expenditure

Voted Expenditure

- Overall **Net voted expenditure** to end-November, at €37,878 million, is down €951 million (2.4%) year-on-year and is €184 million (0.5%) above profile.
- **Net voted current expenditure** at €35,542 million is 0.7% or €262 million above profile. This is driven by overspends in the Health Group which is €580 million (5.5%) over profile. The Health Group overspend is partially offset by underspends in most other Departments.

In year-on-year terms, net voted current expenditure to end-November 2014 is €1,068 million (2.9%) lower.

- **Net voted capital expenditure** to end-November amounted to €2,336 million, an increase of €116 million (5.6%) year-on-year, and is €78 million (3.2%) below profile.
- **Gross voted expenditure** of €48,476 million is €407 million (0.8%) above profile. Gross current expenditure of €45,928 million is €475 million (1.0%) above profile and gross voted capital expenditure is €67 million (2.6%) below profile.

Non-voted expenditure

- **Non-voted capital expenditure**, at €4,230 million to end-November 2014, was up €3,270 million year-on-year. This increase is primary driven by the temporary loans to the Social Insurance Fund.
- **Non-voted current expenditure**, excluding debt servicing costs, stands at €2,090 million to end November 2014, compared to €2,694 million for the same period last year. The primary reason for the decrease is due to the significant reduction in bank guarantee payments associated with the liquidation of IBRC, which is partially offset by the transfer of local property tax receipts to the Local Government Fund.

Debt Servicing costs

- Total Exchequer debt serving costs at end-November 2014 were €7,785 million, a year-on-year increase of €263 million or 3.5%. Interest expenditure – the largest component of debt servicing – was 5.7% below the Budget 2014 consistent profile at end-November 2014. This is primarily due to the December 2013 bond-buy back which reduced interest expenditure in the early part of 2014, lower than expected costs from bond issuance this year and a more favourable interest rate environment generally, including with respect to the reset on the floating rate bonds post-Budget last December.