



Summary

- Overall, the Exchequer deficit at end September 2014 stood at €5,961 million compared to €7,139 million in 2013.
- The Exchequer deficit of €5,961 million represents an improvement of €1,196 million on the Budget 2014 consistent profile, driven by increased tax receipts and reduced interest expenditure.

Revenue

- Total tax revenue of €28,873 million was collected to end-September, an increase of €1,987 million (7.4%) on the same period last year. In addition, cumulative tax revenues are €703 million (2.5%) ahead of target. With regards to the month of September, tax revenues were €268 million (6.3%) below the monthly target. A significant portion of the shortfall for the month, c. €220 million, was in respect of SEPA delayed monies in relation to the levy on pension funds.
- Income tax totalled €11,768 million to end-September, an increase of €956 million (8.8%) year-on-year and up €136 million (1.2%) on profile. For the month of September, income tax receipts of €1,184 million were €37 million (3.0%) below profile.
- VAT receipts for the year to date totalled €8,960 million, up €280 million (3.2%) on profile and up €550 million (6.5%) in year-on-year terms. This is reflective of improved consumer confidence as evidenced in recent retail sales figure.
- Corporation tax receipts for the year to date of €2,708 million are up €77 million (2.9%) year-on-year and €108 million (4.1%) above profile. Corporation tax receipts for the month of September at €327 million are €78 million (19.3%) below profile.
- Excise duties, at €3,564 million for the first nine months of the year, are €217 million (6.5%) up year-on-year and also up €197 million (5.8%) against profile. In September, excise receipts were €41 million (11.5%) above the monthly target.
- Cumulative Stamp Duties at €1,033 million are down €62 million (5.6%) year-on-year and down €41 million (3.8%) on profile. For the month of September, Stamp Duties of €387 million are €210 million below profile. As mentioned previously, this shortfall against profile is due to delayed receipts which are expected in the early part of October.
- Local Property Tax (LPT) receipts of €385 million to end-September are €15 million (3.8%) below profile.
- Taken together, the remaining smaller tax-heads – Customs, CGT and CAT – are up €67 million (19.0%) year-on-year and €5 million (1.2%) above profile.

Non-tax revenue

- **Non-tax revenues**, at €2,205 million to end-September 2014 are down €73 million (3.2%) year-on-year. The primary reason for this reduction is lower ELG income due to the closure of the schemes to new liabilities. This reduction is somewhat offset by increased dividends and Central Bank surplus income.

Capital receipts

- **Capital receipts**, at €5,049 million to end-September 2014, are up €1,225 million (32.0%) year-on-year. The main reason for the increase was the repayments of Exchequer loans given to the Social Insurance Fund which were 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-September, at €30,982 million, is down €630 million (2.0%) year-on-year and is €14 million (0.0%) above profile.
- **Net voted current expenditure** at €29,460 million is 0.5% or €139 million above profile. This is driven by overspends in the Health Group which is €251 million (2.9%) 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-September 2014 is €626 million (2.1%) lower.

- **Net voted capital expenditure** to end-September amounted to €1,522 million, a reduction of €4 million (0.3%) year-on-year, and is €125 million (7.6%) below profile.
- **Gross voted expenditure** of €39,364 million is €227 million (0.6%) above profile. Gross current expenditure of €37,650 million is €352 million (0.9%) above profile and gross voted capital expenditure is €124 million (6.8%) below profile.

Non-voted expenditure

- **Non-voted capital expenditure**, at €3,681 million to end-September 2014, was up €3120 million year-on-year. This increase is primarily due to temporary loans to the Social Insurance Fund.
- **Non-voted current expenditure**, excluding debt servicing costs, stands at €1,812 million to end September 2014, compared to €2,441 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-September 2014 were €5,614 million, a year-on-year increase of €100 million or 1.8%. Interest expenditure – the largest component of debt servicing – was 7.3% below the Budget 2014 consistent profile at end-September 2014. This is primarily due to the December 2013 bond-buy back which resulted in lower interest expenditure in the early part of 2014, lower than expected costs from bond issuance so far this year and a favourable rate reset on the floating rate bonds post-Budget last December.