

**Treasury finances
January-February 2006**

Cash Flow Statement January - February 2006
(In millions of krónur)

	2002	2003	2004	2005	2006
Revenue	41,483	44,155	48,732	60,718	72,244
Expenditure	38,173	42,266	44,897	47,897	49,967
Current balance	3,309	1,889	3,836	12,821	22,277
Receipts from sale of fixed assets	-	-425	-	-	-
Other cash payments / receipts	80	659	121	1,117	1,084
Cash Flows from operations	3,389	2,123	3,957	13,938	23,361
Financial transactions	-235	333	-1,335	4,011	-2,469
Net financial balance	3,154	2,456	2,622	17,948	20,892
Debt redemption	-10,688	-4,851	-13,878	-11,215	-8,064
Domestic	-599	-4,851	-22	-2,216	-8,058
Foreign	-10,088	-	-13,857	-9,000	-6
Pension fund prepayments	-1,500	-1,250	-1,250	-500	-660
Gross borrowing requirement	-9,033	-3,645	-12,506	6,233	12,168
New borrowing	11,185	175	17,571	1,016	1,532
Domestic	1,062	4,022	3,218	-3,931	1,532
Foreign	10,123	-3,848	14,353	4,947	-
Overall cash balance	2,152	2,017	5,064	7,249	13,700

Treasury finances, January - February 2006

	In millions of krónur			Change from previous year in per cent		
	2004	2005	2006	2004	2005	2006
Total taxes and social contributions	45,704	57,404	68,547	11.8	25.6	19.4
Taxes on income and profit	17,819	22,788	33,228	13.2	27.9	45.8
Personal income tax	10,572	12,086	13,405	9.3	14.3	10.9
Corporate income tax	1,034	1,375	5,966	-	-	-
Other taxes on income and profit	6,213	9,328	13,856	9.3	50.1	48.5
Taxes on property	1,580	2,380	2,016	24.3	50.7	-15.3
Taxes on goods and services	21,710	26,638	26,973	9.8	22.7	1.3
Value added tax	15,139	18,659	18,133	13.0	23.3	-2.8
Excise tax on motor vehicles	709	1,339	1,618	34.3	88.9	20.8
Excise tax on petrol	1,311	1,374	1,441	10.6	4.8	4.9
Excise on oil	1,122	1,293	787	13.9	15.2	-39.1
Tobacco and liquor taxes	1,526	1,578	1,656	-12.3	3.4	4.9
Other taxes on goods and services	1,903	2,394	3,338	-1.8	25.8	39.4
Taxes on international trade and transactions	397	425	362	0.5	7.0	-14.8
Other taxes	75	103	112	735.2	37.0	8.9
Social contributions	4,124	5,071	5,857	11.4	23.0	15.5
Grants	66	120	111	8.4	81.0	-7.1
Other revenue	2,960	3,123	3,571	8.1	5.5	14.3
Sale of assets	0	70	14	-	-	-
Total Revenue	48,730	60,718	72,244	10.4	24.6	19.0

Treasury finances, January - February 2006

	In millions of krónur			Change from previous year in per cent	
	2004	2005	2006	2005	2006
General public services	7,131	7,866	6,745	10.3	-14.3
of which: interest	1,911	2,385	591	24.8	-75.2
Health	11,605	12,876	13,812	10.9	7.3
Social security and welfare	10,524	10,687	11,819	1.6	10.6
Economic affairs	6,002	5,936	5,672	-1.1	-4.5
Education	5,459	6,253	7,089	14.5	13.4
Culture, sports and religion	2,284	2,332	2,628	2.1	12.7
Law enforcement, justice, security	1,415	1,452	1,641	2.7	13.0
Environmental protection	445	430	495	-3.3	15.0
Housing, zoning and utilities	32	64	67	102.6	4.5
Total expenditure	44,897	47,897	49,967	6.7	4.3

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.