

Treasury finances January – June 2006

Cash Flow Statement, January – June 2006

<i>Millions of krónur</i>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenue	113,244	130,556	133,583	165,540	182,826
Expenditure	120,944	127,670	138,399	151,887	153,160
Current balance	-7,700	2,886	-4816	13,653	29,666
Receipts from sale of fixed assets	-39	-12,059	-	-	-
Other cash payments / receipts	277	114	2574	1,883	40
Cash flows from operations	-7,462	-9,059	-2243	15,536	29,706
Financial transactions	3,118	17,596	4251	10,379	-2,208
Net financial balance	-4,343	8,424	-858	25,915	27,498
Debt redemption	-19,484	-17,952	-28,604	-30,002	-38,873
Domestic	-9,344	-5,545	-3,601	-13,775	-24,100
Foreign	-10,141	-12408	-25,004	-16,227	-14,773
Pension fund prepayments	-4,500	-3,750	-3,750	-1,900	-1,980
Gross borrowing requirement	-28,328	-13,279	-33,212	-5,988	-13,355
New borrowing	24,892	14038	34,780	9,579	16,246
Domestic	6,937	12,661	11,228	5,305	8,146
Foreign	17,955	1,377	23,552	4,274	8,100
Overall cash balance	-3,435	760	9,828	3,591	2,890

Treasury revenue, January – June 2006

	In millions of krónur			Change from previous year in per cent		
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Total taxes and social security contributions	124,698	148,057	172,169	14.7	18.7	16.3
Taxes on income and profit	42,172	48,725	65,047	17.8	15.5	33.5
Personal income tax	30,973	34,156	38,315	11.0	10.3	12.2
Corporate income tax	4,876	4,820	12,787	126.0	-1.2	165.3
Other taxes on income and profit	6,323	9,750	13,945	9.9	54.2	43.0
Taxes on property	4,781	7,497	5,449	17.2	56.8	-27.3
Taxes on goods and services	62,599	74,415	81,743	12.5	18.9	9.8
Value added tax	43,200	52,290	56,145	13.6	21.0	7.4
Excise tax on motor vehicles	2,904	5,120	5,879	39.5	76.3	14.8
Excise tax on petrol	3,934	3,887	4,265	13.2	-1.2	9.7
Excise on oil	2,273	2,603	2,903	14.5	14.5	11.5
Tobacco and liquor taxes	4,823	5,129	5,338	2.4	6.3	4.1
Other taxes on goods and services	5,465	5,386	7,213	1.6	-1.5	33.9
Taxes on international trade and transactions	1,430	1,511	1,601	19.2	5.7	5.9
Other taxes	268	337	375	.	26.0	11.1
Social security contributions	13,449	15,571	17,955	12.3	15.8	15.3
Grants	170	234	306	-58.9	37.7	30.9
Other revenue	8,692	17,010	10,065	-5.6	95.7	-40.8
Sale of assets	23	239	287	-	-	-
Total revenue	133,583	165,539	182,826	2.3	23.9	10.4

Treasury expenditure, January – June 2006

	In millions of krónur			Change from previous year in per cent	
	2004	2005	2006	2005	2006
General public services	24,694	31,884	25,513	29.1	-20.0
of which: interest	8,732	14,393	6,725	64.8	-53.3
Health	35,624	39,377	41,862	10.5	6.3
Social security and welfare	32,486	32,251	34,180	-0.7	6.0
Economic affairs	19,312	19,410	19,342	0.5	-0.4
Education	13,873	16,329	17,917	17.7	9.7
Culture, sports and religion	6,441	6,366	6,933	-1.2	8.9
Law enforcement, justice, security	4,253	4,387	5,398	3.2	23.0
Environmental protection	1,626	1,652	1,793	1.6	8.5
Housing, zoning and utilities	91	230	223	153.0	-3.0
Total expenditure	138,399	151,887	153,160	9.7	0.8

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.