

2007

ESTIMATES

OF

RECEIPTS and EXPENDITURE

FOR THE

YEAR ENDING
31 DECEMBER, 2007

Prepared by the Government and presented to Dáil Éireann in
accordance with the provisions of Article 28 of the Constitution.

BAILE ÁTHA CLIATH
ARNA FHOILSIÚ AG OIFIG AN tSOLÁTHAIR

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EXPLANATORY NOTES

1. **Basis of figures**

The figures shown for receipts and expenditure in 2006 are projected outturns and reflect present knowledge. They are subject to revision when the end-year figures become available. Fully audited details for 2006 will be available in the *2006 Finance Accounts* and *2006 Appropriation Accounts* to be published not later than 30 September 2007.

2. **Revenue**

The estimate of revenue for 2007 is based on the tax law in force at present.

3. **Expenditure**

The *Estimates for Public Services (Abridged Version) & Summary Public Capital Programme 2007 (AEV)*, was published on 16 November 2006. The 2007 figures in this document are the same figures as those published in the AEV. The 2006 forecast outturn figures are consistent with those published in the AEV and are provisional figures as notified by Departments and Offices. End-year issues figures will be available early in January 2007.

4. **Appropriations-in-Aid**

Voted expenditures are shown net of Appropriations-in-Aid. These are receipts which, with the agreement of the Dáil, may be retained by a Department or Office to offset expenditure instead of being paid into the Exchequer Account of the Central Fund. Details of gross voted expenditure by Departments are contained in the 2007 AEV.

5. **PRSI**

PRSI contributions are paid into the Social Insurance Fund (SIF) and do not form part of the revenues paid into the Central Fund.

In the past, an Exchequer contribution has been required to meet the shortfall on the SIF. However, no Exchequer contribution has been required since 1997.

6. **Prefunding of future pensions liabilities**

The National Pensions Reserve Fund Act 2000 provides for prefunding part of the future cost of social welfare and public service pensions and the setting aside of 1% of estimated Gross National Product (GNP) annually for this purpose (see Note 7 on page 9).

7. **Carryover of Capital Allocations**

In accordance with Section 91 of the Finance Act 2004, Departments and Offices can carry over to the following year unspent capital of up to 10% of their voted capital allocations. The 2006 forecast outturn includes an amount of €182 million which will be issued from the Exchequer and credited to the Paymaster General Account of each Department concerned for spending in 2007. The provisional outturn in the Revised Estimates Volume 2007 will reflect actual expenditure.

8. **General Government Balance (Table 1(a))**

The projected outturn for the General Government Balance (GGB) in 2006 is a surplus of €3,978 million or 2.3% of GDP. The GGB forecast for 2007, on a pre-Budget basis, consistent with the Exchequer Balance published in this paper, is for a surplus of €4,431 million or 2.3% of GDP (see Table 1(a) on page 5).

The GGB measures the fiscal performance of the whole General Government sector, which includes the Exchequer, the Social Insurance Fund (SIF), the non-commercial state-sponsored bodies, the National Pensions Reserve Fund (NPRF), the Local Authorities and the

Vocational Education Committees (VECs). The Health Boards were also included prior to their dissolution – the Health Service Executive, which replaced them, is part of the Exchequer.

As a result, transactions within the General Government sector do not count towards the GGB: for example, a payment from the Exchequer to the National Pensions Reserve Fund does not alter the General Government Balance.

The delimitation of the General Government sector, and the determination of the correct ESA95 accounting treatment of General Government transactions, are matters for settlement by Eurostat (the Statistical Office of the European Union).

9. Irish Language Version

This document is published in the Irish language and in the English language. The Irish version is available on the Department of Finance website www.finance.gov.ie

TABLE 1
TOTAL RECEIPTS AND EXPENDITURE

	<i>Reference</i>	2006	2007
		€000	€000
Receipts			
Current	<i>Table 2</i>	46,016,841	50,085,427
Capital	<i>Table 2</i>	1,859,473	1,483,211
Total		47,876,314	51,568,638
Expenditure			
Current	<i>Table 2</i>	37,128,130	40,487,021
Capital	<i>Table 2</i>	8,895,926	10,057,055
Total		46,024,056	50,544,077
Exchequer Balance		1,852,257	1,024,561

TABLE 1(a)
GENERAL GOVERNMENT BALANCE

	2006	2007
	€000	€000
General Government Balance (see para. 8, p. 3)	3,977,875	4,430,910
% of GDP	2.3%	2.3%

TABLE 2
DETAILS OF TOTAL RECEIPTS AND EXPENDITURE

Estimate of Receipts and Expenditure - CURRENT		<i>Reference</i>	2006	2007
			€000	€000
Receipts				
Tax Revenue		<i>Note 1, Page 5</i>	45,450,000	49,520,000
Non-Tax Revenue		<i>Note 2, Page 5</i>	566,841	565,427
Total			46,016,841	50,085,427
Expenditure				
Net Voted (Departmental Expenditure Voted annually by the Dáil)		<i>Note 3, Page 6</i>	32,921,413	36,062,006
Non-voted (Non-discretionary expenditure charged directly on the Central Fund)				
Sinking Fund *		<i>Note 4, Page 7</i>	470,286	459,000
Other Non-voted Current Expenditure		<i>Note 4, Page 7</i>	3,736,431	3,966,015
Total			37,128,130	40,487,021
Surplus (Deficit) on Current Account			8,888,711	9,598,406
Estimate of Receipts and Expenditure - CAPITAL				
Receipts				
Sinking Fund *			470,286	459,000
Other capital receipts		<i>Note 5, Page 7</i>	1,389,187	1,024,211
Total			1,859,473	1,483,211
Expenditure				
Net Voted (Departmental Expenditure Voted annually by the Dáil)		<i>Note 6, Page 8</i>	6,630,956	7,505,336
Non-voted (Expenditure charged directly under particular legislation)		<i>Note 7, Page 8</i>	2,264,970	2,551,719
Total			8,895,926	10,057,055
Surplus (Deficit) on Capital Account			-7,036,454	-8,573,844
Exchequer Balance			1,852,257	1,024,561

* The Sinking Fund provision is a transfer from the current account to the capital account.

NOTE 1.**Tax Revenue**

	2006	2007
	€000	€000
Customs	260,000	285,000
Excise	5,602,000	5,929,000
Capital Gains Tax	3,100,000	3,340,000
Capital Acquisitions Tax	350,000	370,000
Stamp Duties	3,700,000	3,945,000
Income Tax	12,300,000	14,300,000
Corporation Tax	6,680,000	6,690,000
Value-Added Tax	13,455,000	14,660,000
Levies	3,000	1,000
Total	45,450,000	49,520,000

NOTE 2.**Non-Tax Revenue**

	2006	2007
	€000	€000
Central Bank - Surplus Income	111,000	115,000
Accrued Public Moneys from the Issue of Coin	30,000	30,000
National Lottery Surplus	200,000	200,000
Dividends	81,984	72,296
<i>Interest on Loans</i>		
Local Loans Fund	5,775	5,000
Other Loans	3,360	7,150
<i>Other Receipts</i>		
Land Registry Fees	70,051	80,511
Fines & Penalties	32,430	33,170
Receipts from the Commission for Communications Regulation	12,000	10,000
Royalties from Marathon Petroleum	12,200	8,800
Other	8,041	3,500
Total	566,841	565,427

NOTE 3.

Net Voted Current Expenditure

Vote No.	Service	2006 €000	2007 €000
1	President's Establishment	2,608	3,369
2	Department of the Taoiseach	38,193	40,624
3	Office of the Attorney General	14,305	15,230
4	Central Statistics Office	76,252	51,566
5	Office of the Comptroller and Auditor General	8,411	9,267
6	Office of the Minister for Finance	91,953	91,927
7	Superannuation and Retired Allowances	223,400	240,000
8	Office of the Appeal Commissioners	625	651
9	Office of the Revenue Commissioners	372,300	397,780
10	Office of Public Works	248,926	258,282
11	State Laboratory	8,690	9,677
12	Secret Service	730	805
13	Chief State Solicitor's Office	37,855	49,625
14	Office of the Director of Public Prosecutions	31,385	33,159
15	Valuation Office	9,388	10,521
16	Public Appointments Service	12,553	13,554
17	Office of the Commission for Public Service Appointments	984	1,009
18	Office of the Ombudsman	6,259	8,172
19	Justice, Equality and Law Reform (1)	334,969	390,573
20	Garda Síochána	1,232,633	1,361,987
21	Prisons (1)	310,876	316,954
22	Courts Service	52,201	63,091
23	Property Registration Authority	35,650	38,044
24	Charitable Donations and Bequests	385	465
25	Environment, Heritage and Local Government	810,305	858,623
26	Education and Science	7,061,323	7,669,265
27	Department of Community, Rural and Gaeltacht Affairs	296,270	328,820
28	Foreign Affairs	172,285	183,281
29	International Co-operation	598,816	727,925
30	Communications, Marine and Natural Resources	136,759	151,984
31	Agriculture and Food	812,831	1,016,013
32	Transport	480,226	509,985
33	National Gallery	8,177	8,765
34	Enterprise, Trade and Employment	832,431	877,573
35	Arts, Sport and Tourism	359,442	390,994
36	Defence	732,000	766,080
37	Army Pensions	171,457	177,878
38	Social and Family Affairs	7,205,246	7,467,400
39	Health and Children	371,614	407,527
40	Health Services Executive	9,488,797	10,623,613
41	Office of the Minister for Children	302,667	438,948
	Unallocated Pensions and PPP unitary payments	-	37,000
	Strategy for Science, Technology and Innovation (2)	-	14,000
	Total Net Voted Expenditure	32,992,177	36,062,006
	Less Departmental Balances (3)	70,764	
	Total Exchequer Payments towards Net Voted Expenditure	32,921,413	36,062,006

(1) Funding for the Probation Service was transferred from Vote No. 21 (Prisons) to Vote No. 19 (Justice, Equality and Law Reform) with effect from 1 July 2006.

(2) The SSTI funding will be allocated to Votes in the 2007 Revised Estimates Volume.

(3) Departmental balances are those amounts issued from the Exchequer Account of the Central Fund for Departmental spending in one year which remain unspent at year-end and are carried forward to be used in the next year. They have no effect on Departmental spending which is governed by the allocation in the Estimates for Public Services.

NOTE 4.

Non-voted Current Expenditure

	2006	2007
	€000	€000
<i>Service of National Debt</i>		
Interest	1,875,614	1,984,000
Sinking Fund	470,286	459,000
Debt Management Expenses	49,100	57,000
Sub-total	2,395,000	2,500,000
<i>Other Non-voted Current Expenditure</i>		
Contribution to EU Budget	1,530,000	1,683,500
Payments to Marathon Petroleum Ireland Ltd. under the Finance Act, 1992	16,500	8,400
Election Expenses	1,520	15,000
Salaries and pensions for judiciary and holders of Constitutional Office and Pensions and allowances for certain members or former members of the Oireachtas	41,607	43,087
Payments to Political Parties under the Electoral Acts	5,161	7,100
Subscription to International Development Association	97,173	28,433
Postal and Telecommunications Services (Amendment) Act, 1983	0	10,000
Oireachtas Commission	104,552	122,300
Asian Development Fund	13,150	5,750
Miscellaneous	2,054	1,445
Sub-total	1,811,717	1,925,015
Total	4,206,717	4,425,015

NOTE 5.

Other Capital Receipts

	2006	2007
	€000	€000
<i>EU Receipts</i>		
Cohesion Fund	50,200	41,200
European Regional Development Fund	142,000	90,000
Trans European Networks and Other EU Receipts	4,900	4,763
<i>Loan Repayments</i>		
Annuity under the Local Loans Fund Acts, 1935 to 1987	12,943	6,742
Aer Lingus shannon Ltd	6,349	0
Other Loans Repaid	400	400
<i>Other Capital Receipts</i>		
Sale of State Property	257,389	70,000
Aer Lingus	240,902	0
FEOGA	652,789	802,500
IDA, FÁS and Enterprise Ireland	12,079	406
Mobile Telephony Licences	7,600	7,600
Miscellaneous	1,636	600
Total	1,389,187	1,024,211

NOTE 6.

Net Voted Capital Expenditure (1)

Vote No.	Service	2006	2007
		€000	€000
4	Central Statistics Office	1,219	0
6	Office of the Minister for Finance	10,348	10,573
9	Office of the Revenue Commissioners	9,427	11,398
10	Office of Public Works	309,650	354,000
19	Justice, Equality and Law Reform	5,999	22,901
20	Garda Síochána	47,001	49,000
21	Prisons	56,700	36,035
22	Courts Service	29,450	39,000
23	Property Registration Authority	4,300	5,000
25	Environment, Heritage and Local Government	1,886,835	2,011,647
26	Education and Science	633,500	706,600
27	Department of Community, Rural and Gaeltacht Affairs	131,650	126,000
28	Foreign Affairs	30,061	25,500
29	International Co-operation	600	740
30	Communications, Marine and Natural Resources	154,681	163,716
31	Agriculture and Food	119,760	209,900
32	Transport	1,878,965	2,278,772
33	National Gallery	1,260	3,000
34	Enterprise, Trade and Employment	445,050	470,033
35	Arts, Sport and Tourism	208,427	275,000
36	Defence	26,000	30,000
38	Social and Family Affairs	17,000	19,875
39	Health and Children	15,444	20,450
40	Health Service Executive	558,056	559,550
41	Office of the Minister for Children	49,573	76,646
	Total	6,630,956	7,505,336

- (1) In accordance with Section 91 of the Finance Act 2004, Departments and Offices can carry over to the following year unspent capital of up to 10% of their voted capital allocations. The 2006 forecast outturn includes an amount of €182m, under this carryover facility. The definitive amounts of the capital carryover - by Vote - will be included in the Appropriation Act, and will be issued from the Exchequer and credited to the Paymaster General account of each Department concerned for spending in 2007. The capital carryover from 2005 into 2006 was €289m. This amount is not included in the forecast outturn above.

NOTE 7.

Non-voted Capital Expenditure

	2006	2007
	€000	€000
<i>Investments in International Bodies</i>		
European Bank for Reconstruction and Development Act, 1991	405	304
Council of Europe Development Bank	3,275	3,275
Asian Development Bank	2,012	2,012
<i>Payments under the European Communities Acts, 1972 to 1986</i>		
ERDF and Cohesion Fund Repayments	4,500	20,000
FEOGA	802,500	902,500
<i>Other Capital Payments</i>		
National Pensions Reserve Fund Act, 2000	1,446,500	1,615,580
Harbours Act, 1996	1,380	7,598
National Stud (Amendment) Act, 2000	1,500	0
Miscellaneous/Other Payments under Statute	2,898	450
Total	2,264,970	2,551,719