

2012

ESTIMATES

OF

RECEIPTS and EXPENDITURE

FOR THE

YEAR ENDING

31 DECEMBER, 2012

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

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EXPLANATORY NOTES

1. **Basis of figures**

The figures shown for receipts and expenditure in 2011 are projected outturns and reflect present knowledge. They are subject to revision when the end-year figures become available. Fully audited details for 2011 will be available in the *2011 Finance Accounts* and *2011 Appropriation Accounts* to be published not later than 30 September 2012.

2. **Revenue**

The forecast tax revenue outturn for 2011 of €34,175 million is based on end-November Exchequer data. This compares with a Budget 2011 target of €34,900 million. The estimate of revenue for 2012 is consistent with the revised 2011 estimated outturn, and is based on the tax law in force at present, and is on a pre-Budget basis. The post-Budget figure will be published on Budget Day 6th December 2011.

3. **Expenditure**

The 2011 estimated outturn figures are as notified by Departments and Offices. End-year issues figures will be available early in January 2012.

A detailed breakdown of expenditure including budgetary decisions will be set out in the *Comprehensive Expenditure Report 2012-2014* with further information given by the relevant Minister/Department.

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.

5. **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. The legislation underlying the NPRF has been amended to allow the Minister for Finance to suspend or reduce the annual contribution from the Exchequer to the NPRF in 2012 and no provision is included in the figures.

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

The General Government Balance (GGB) measures the fiscal performance of the whole General Government sector, which includes the Exchequer, the Social Insurance Fund, the non-commercial state-sponsored bodies, the National Pensions Reserve Fund and other Extra-Budgetary Funds, the Local Authorities, and the Vocational Education Committees.

PRSI contributions are paid into the Social Insurance Fund and do not form part of the revenues paid into the Exchequer, but do affect the General Government Balance.

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

The scope 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).

Table 1(a) on page 5 gives the latest assessment for the 2011 General Government Balance figures and are on a pre-Budget basis and rely on the known fiscal information as of 30 November 2011. The General Government Balance figures are consistent with the Exchequer balances in Table 1.

7. 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

See footnote (1)	<i>Reference</i>	2011 €bn	2012 €bn
Receipts			
Current	<i>Table 2</i>	36,737	38,081
Capital	<i>Table 2</i>	2,485	1,825
Total		39,222	39,905
Expenditure			
Current	<i>Table 2</i>	48,148	51,223
Capital	<i>Table 2</i>	16,277	10,249
Total		64,425	61,471
Exchequer Balance		-25,204	-21,566

Note that rounding can affect totals

TABLE 1(a)
GENERAL GOVERNMENT BALANCE

See footnote (1) and (2)		2011 €bn	2012 €bn
General Government Balance (see para. 6, page 4)		-15.6	-16.2
% of GDP		-10.1%	-10.0%

(1) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process

(2) In compiling 2011 General Government Deficit figure, capital injections of €17.6 billion which were provided to the three main Irish banks on 1st July were treated provisionally as financial transactions. Business plans for these banks are still being finalised in discussion with the European Commission and when these are agreed the CSO will decide whether this treatment complies with ESA95 rules. The outcome will be reflected in the end March 2012 Maastricht return

TABLE 2
DETAILS OF TOTAL RECEIPTS AND EXPENDITURE

See footnote (1)	<i>Reference</i>	2011 €m	2012 €m
Estimate of Receipts and Expenditure - CURRENT			
Receipts			
Tax Revenue	<i>Note 1, Page 7</i>	34,175	35,585
Non-Tax Revenue	<i>Note 1, Page 7</i>	2,562	2,496
Total		36,737	38,081
Expenditure			
Net Voted (Departmental Expenditure Voted annually by the Dáil)	<i>Note 2, Page 8</i>	41,596	42,154
Non-voted (Non-discretionary expenditure charged directly on the Central Fund)	<i>Note 4, Page 9</i>	6,552	9,069
Total		48,148	51,223
Surplus (Deficit) on Current Account		-11,411	-13,142
Estimate of Receipts and Expenditure - CAPITAL			
Receipts			
Capital receipts	<i>Note 5, Page 10</i>	2,485	1,825
Expenditure			
Net Voted (Departmental Expenditure Voted annually by the Dáil)	<i>Note 3, Page 8</i>	4,318	4,383
Non-voted (Expenditure charged directly under particular legislation)	<i>Note 6, Page 10</i>	11,959	5,866
Total		16,277	10,249
Surplus (Deficit) on Capital Account		-13,792	-8,424
Exchequer Balance		-25,204	-21,566

Note that rounding can affect totals

(1) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process

NOTE 1**CURRENT RECEIPTS**

See footnote (1)		
	2011	2012
Tax Revenue	€m	€m
Customs	240	245
Excise	4,690	4,735
Capital Gains Tax	310	310
Capital Acquisitions Tax	240	255
Stamp Duties	1,400	1,400
Income Tax	13,835	15,090
Corporation Tax	3,730	3,790
Value-Added Tax	9,730	9,760
Total	34,175	35,585
Non-Tax Revenue		
Central Bank - Surplus Income	671	945
National Lottery Surplus	230	220
Dividends	138	383
Guarantee Schemes (CIFS and ELG)	1,239	800
Winding-up of Ulysses securitisation	-	32
Interest Payments Euro Area Loan Facility to Greece	16	16
Other Receipts	268	100
Total	2,562	2,496

Note that rounding can affect totals

(1) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process

NOTE 2**NET VOTED CURRENT EXPENDITURE**

See footnotes (1), (2) and (3)	2011	2012
Service	€000	€000
<i>Net Voted Current Expenditure (1)</i>	41,655,034	42,153,950
Less Departmental Balances (2)	58,659	-
Total Exchequer Payments towards Net Voted Expenditure	41,596,375	42,153,950

(1) 2011 figures reflect the latest forecast outturn as notified by Departments

(2) 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.

(3) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process.

NOTE 3**NET VOTED CAPITAL EXPENDITURE**

See footnotes (1), (2) and (3)	2011	2012
	€000	€000
Total Net Voted Capital Expenditure	4,318,096	4,382,849

(1) Voted Capital Receipts are estimated to amount to €15 million in 2011, and €07 million in 2012. These are netted off in the above table.

(2) The capital allocations for individual Votes in respect of 2012 will be set out on December 5th as part of the Comprehensive Expenditure Report 2012-2014.

(3) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process.

NOTE 4
NON-VOTED CURRENT EXPENDITURE

See footnotes (1), (2) and (3)	2011	2012
	€m	€m
Service of National Debt ⁽¹⁾	4,904	7,488
<i>Other Non-voted Current Expenditure</i>		
Contribution to EU Budget	1,355	1,340
Payments to PSE Kinsale Energy Ltd. (Finance Act 1992)	3	5
Election Expenses	4	0
Salaries and pensions for judiciary and holders of Constitutional Office and Pensions and allowances for certain members or former members of the Oireachtas	59	53
Payments to Political Parties under the Electoral Acts	5	5
Subscription to International Development Association ⁽²⁾	18	24
Election Postal Charges (P&T Act 1983)	28	5
Oireachtas Commission	127	116
Asian Development Fund	10	-
Miscellaneous	39	33
Sub-Total	1,648	1,581
Total	6,552	9,069

Note that rounding can affect totals

(1) Of the total estimated cost of €5,504 million of servicing the national debt in 2011, €4,904 million is from the Exchequer with the balance coming from the Capital Services Redemption Account

(2) Includes the Fifteenth Replenishment (€18m) and the Sixteenth Replenishment (€6m) in 2012.

(3) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process.

**NOTE 5
OTHER CAPITAL RECEIPTS**

See footnote (1)	2011 €m	2012 €m
EU Receipts		
Cohesion Fund	11	27
European Regional Development Fund	38	140
Trans European Networks and Other EU Receipts	1	-
Loan Repayments		
Annuity under the Local Loans Fund Acts 1935 to 1987	8	6
Equity		
Net receipts from sale of Bank of Ireland shares to private investors	1,018	-
Other Capital Receipts		
Sale of Mobile Telephony Licences	10	178
FEOGA	673	770
IDA, FÁS and Enterprise Ireland	34	-
Transfer from Environment Vote re Carbon Fund	4	2
Carbon Allowances	-	9
Social Welfare and Pensions Act 2009	-	35
NAMA Advance repaid	49	-
Sinking Fund	638	658
Total	2,485	1,825

Note that rounding can affect totals

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(1) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process

**NOTE 6
NON-VOTED CAPITAL Expenditure**

See footnote (1)	2011 €m	2012 €m
Payments under the European Communities Acts		
ERDF and Cohesion Fund Repayments	-	30
FEOGA	770	800
Other Capital Payments		
Advance to Credit Union sector	250	250
Exchequer Contribution to Insurance Compensation Fund	280	396
Promissory Note payments to certain banking institutions	3,085	3,085
Banking recapitalisation	7,568	1,300
Miscellaneous	6	5
Total	11,959	5,866

Note that rounding can affect totals

(1) All figures shown in the above tables are on a technical Pre-Budget basis and do not include any new Policy Measures to be announced as part of the 2012 Estimates and Budgetary process