



Rialtas na hÉireann  
Government of Ireland

# End-2018 Exchequer Returns

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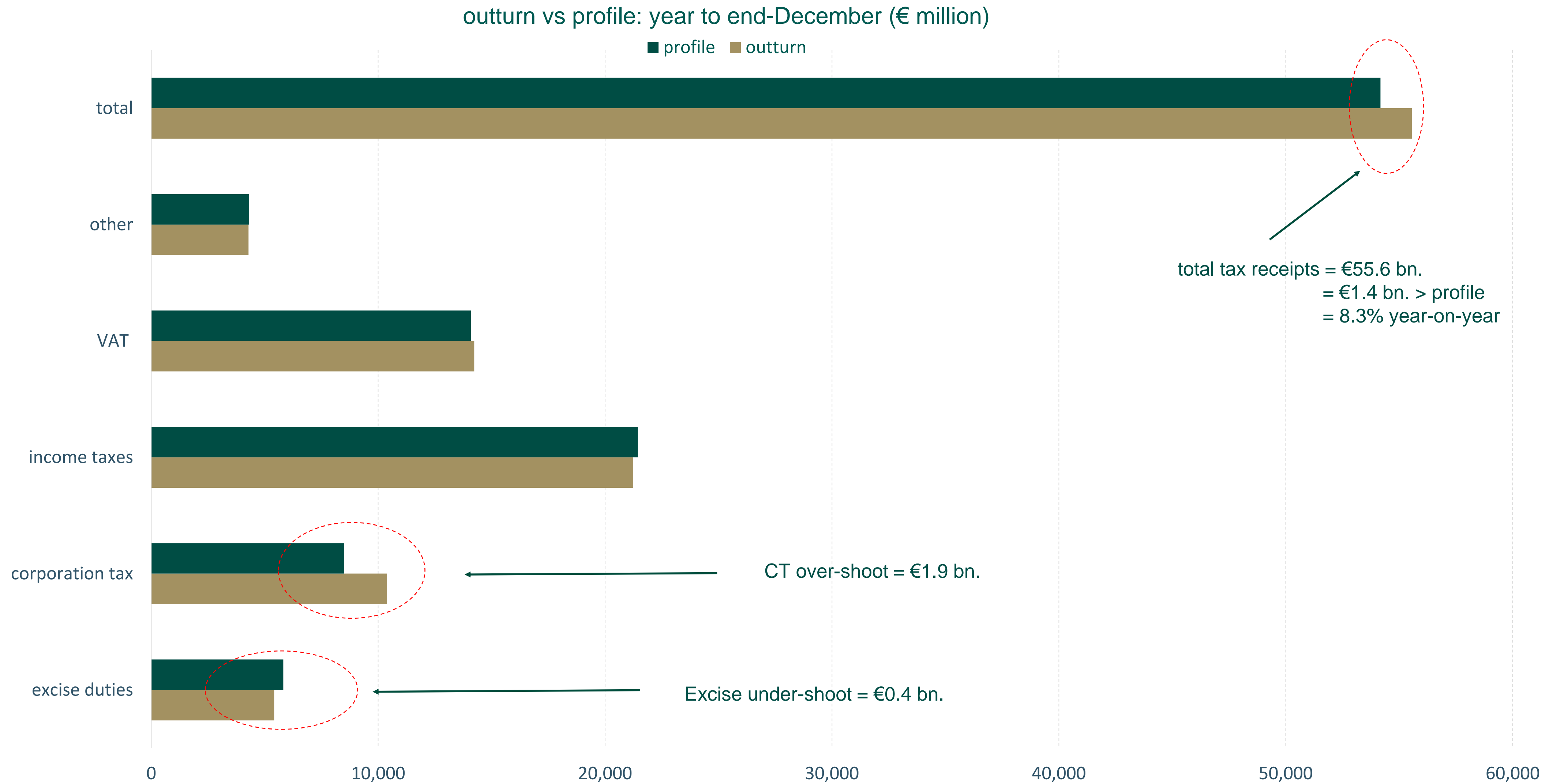
3rd January 2019

# Exchequer position in 2018

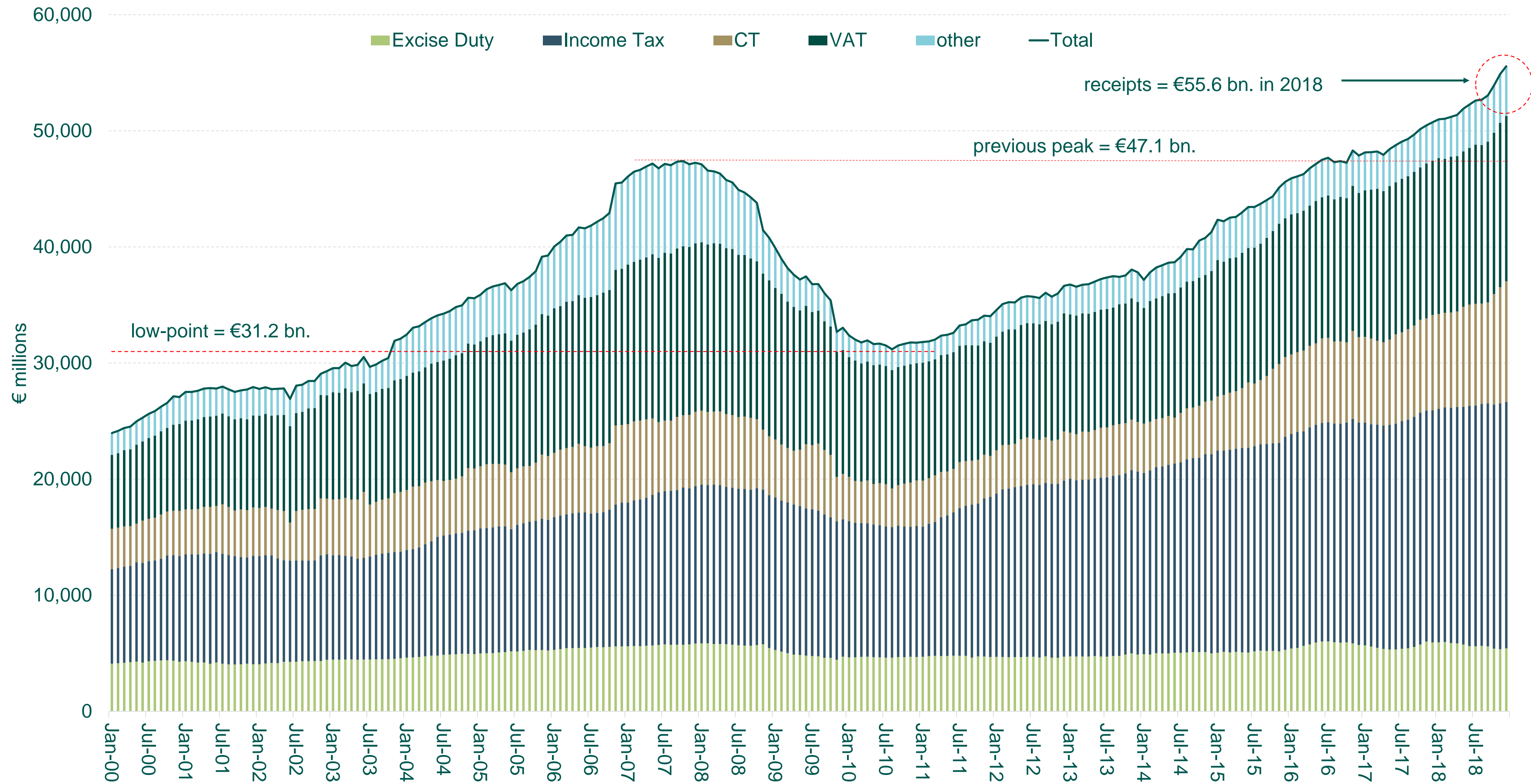


- Total Revenue : €60,308 million
- Total Expenditure : €60,203 million
- Exchequer Surplus : €106 million
  - first (underlying) surplus since 2006

# Tax revenue overshoot – mainly corporation tax



# Tax revenue at highest level ever



# Gross voted current expenditure



year to end-December: outturn vs. profile (€million)

■ profile ■ outturn



current expenditure = €57.1 bn.  
= €1.1 bn. > profile  
= 5.7% year-on-year

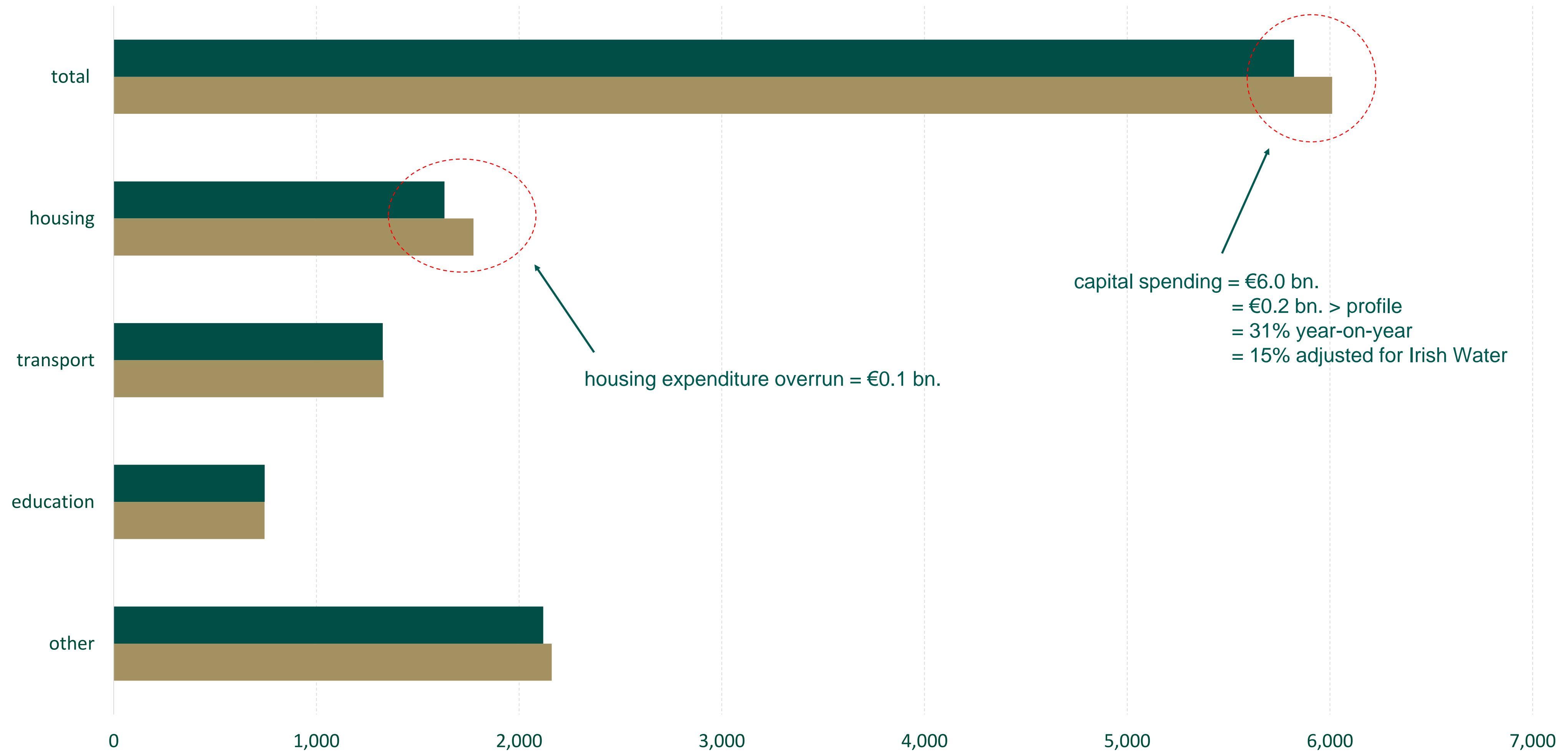
health expenditure overrun of €0.6 bn.

# Gross voted capital expenditure



year to end-December: outturn vs. profile (€million)

■ profile ■ outturn



# Economic clouds on the horizon



- UK exit from EU = T minus 85 days
  - orderly or disorderly?
  - significant economic impact irrespective of departure-type
    - : trade channel esp. for SMEs
    - : exchange rate channel
- Global economy slowing
  - leading indicators suggest turning point
  - headwinds building up
- QE has now ended
  - no new net purchases
    - : proceeds of maturing debt = reinvested (balance sheet to remain at c. €2.6 tn.)
  - era of ultra-cheap borrowing costs (including for the sovereign) is ending
- Public finances exposed to economic slowdown
  - debt burden remains high (=105 per cent of GNI\*)
  - CT accounts for very high share of tax receipts
  - CT receipts highly concentrated (10 firms account for c. 40 per cent of total CT receipts)

# Summary



- Exchequer surplus of €0.1 billion in 2018
  - (underlying) improvement of €1.6 billion vs. 2017
- Tax revenue of €55.6 billion
  - annual (underlying) increase of 8.3 per cent
- Gross voted expenditure in 2018
  - current = 5.2 (underlying) per cent year-on-year
  - capital = 18.2 (underlying) per cent year-on-year
- Modest general government surplus last year
  - deficit of -0.1 per cent of GDP assumed in Budget 2019
  - could now be a surplus of +0.1 per cent of GDP
  - figures to be reported by CSO in April