

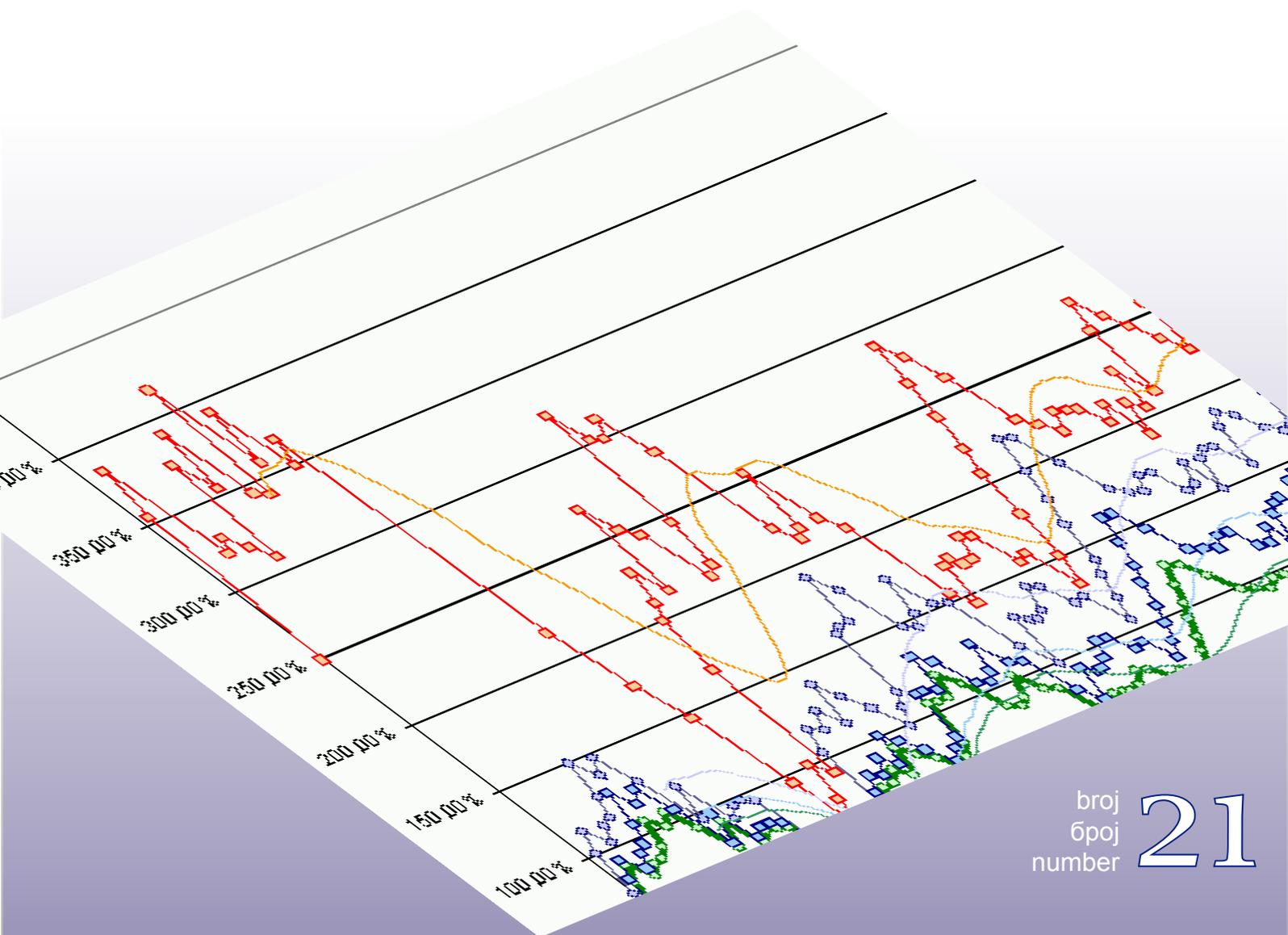
Bosna i Hercegovina
Odjeljenje za makroekonomsku analizu
Upravnog odbora Uprave za indirektno-
neizravno oporezivanje



Босна и Херцеговина
Одјељење за макроекономску анализу
Управног одбора Управе за индиректно
опорезивање

Macroeconomic Unit of the Governing Board of the Indirect Tax Authority

Oma Bilten



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With this issue ...

Fiscal reform in Bosnia and Herzegovina requires conducting parallel process – introduction of mechanism for fiscal coordination between different levels of administration. In lack of more active activity of the Fiscal Council, there is still fiscal coordination within BiH in terms of Budget Coordination Board, which although informal body, received support from ministers of finance from BiH and entities. Within the Board, budget calendar has been agreed along with common guidelines for preparing budgets of the state and entities. Great success of the Board is also an agreement of common input parameters for preparation of budgets for the state and entities. ITA Macroeconomic Analysis Unit also participates in the work of the Board. On basis of macroeconomic projections prepared by the Directorate for Economic Planning, the Unit prepares projections for indirect taxes and works on allocation models. Applying “rolling” principle, the Board has started activities on preparation of a Budget Framework Document for budgets of BiH Institutions, entities and Brcko District for the period 2008-2010. The Unit has a chance to publish the projections for indirect taxes for BiH, which will be used for preparation of budgets of central governments in BiH for fiscal 2008.

In this issue, we provide short analysis of indirect taxes collection in the first quarter of 2007. It should be mentioned that due to specific transfer from the sales tax system to the system of Value Added Tax (VAT) and also due to characteristics of the VAT system, the first quarter of 2006 is not fully representative quarter for comparison with this year.

Issue of planning and preparing budgets is extremely important issue for fiscal relations in countries. During a visit to the Ministry of Finance in Hague, Netherlands, which was organized by PKF, representatives of the state and entity ministries of finance learned about process of medium term planning and preparation of budgets in that country in terms of applying this knowledge in BiH. We publish article about this study tour in this issue.

We are able to publish consolidated report for general government of BiH for 2006, which includes fiscal operations of BiH institutions, Federation of BiH, Republika Srpska, District and all cantons. We also publish consolidated report for January 2007 that includes data from the ITA Single Account and budget execution of entities for the same month. There are also consolidated reports for 2006 for three cantons from the Federation of BiH.

Dinka Antić, MSc
Head of Unit – Supervisor

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Technical design	: Sulejman Hasanović
Translation	: Edin Smailhodžić, Project of EU Fiscal Policy Support to BiH

Revenue projections for indirect taxes 2007-2010

(Prepared by: Ognjen Đukić, Macroeconomist in the Unit)

Within the work of the Budget Coordination Board¹, Macroeconomic Analysis Unit prepares revenue projections for indirect taxes two times a year. These projections are prepared in April and September. Projections from April are used as input assumptions in preparation of Budget Framework Document for the next year. Budget Framework Documents are prepared by the Federation Ministry of Finance, RS Ministry of Finance and BiH Ministry of Finance and Treasury, and also Brcko District as of 2008.

Table 2. represents summary of projections from April this year. Projections are based on actual data for the first two months of 2007, historical data from previous years and macroeconomic projections of the Directorate for Economic Planning.

In 2007, it is expected that a collection of revenues will grow by 3,5% compared to revenues collected last year. Basic reason for slower revenue growth in 2007 is a modest growth of VAT revenues, due to slower growth of private consumption announced in projections of the Directorate for Economic Planning and also due to higher refunds, which will be reimbursed to VAT taxpayers during 2007.

It is important to mention that amounts of revenues collected in 2006 and 2007 are not equal to funds that will be allocated to beneficiaries in those years (see Table 2). This is the case because there was 97 million KM in the account of reserves in the end of 2006 and these funds were not allocated to beneficiaries and they will be used for refunds in 2007. Other reason for discrepancy between collected and allocated revenues is that the revenues collected on the last day of 2006 were allocated on the first day of 2007. Due to these two reasons, amount of funds for allocation was reduced in 2006 and increased in 2007 by the same amount (item Funds for allocation in the Table 1). Having this in mind, **it is expected that amount of funds, which will be allocated to beneficiaries in 2007 will increase by 9,1% compared to funds allocated in 2006 under condition that all funds collected in 2007 are allocated in the same year.**

The same assumption was used for upcoming years i.e. all funds collected in one year will be allocated in the same year. This means there will not be funds left in the account for reserves in the end of the year. Current way of reserves forming means payment of 10% of gross collected funds to the reserves account, which is used primarily for refunds. This way of reserves forming created surplus of funds in this account in the end of 2006, but it's probably not going to be enough to cover refunds during this year as suspension of cash refunds to non exports has been abolished. **If all VAT taxpayers requested cash refunds instead of tax credits, the amount of VAT refunds could reach 800-850 million KM in 2007.** In other hand, if we take the first two months of this year, it's hard to believe that VAT taxpayers will request cash refunds only since the requests for tax credits in the first three months were quite high. It seems that VAT taxpayers, according to habit or some other reason, still request tax credits instead of cash refunds that they are now entitled to. According to this, finding new model for reserves forming remains an open issue that will be resolved in future².

¹ Budget Coordination Board is a body established under sponsorship of PKF project with aim to provide support to improvement of quality of medium term budget planning in BiH, through technical analysis, advices and recommendation to BiH Fiscal Council in the field of budget preparation. Members of this body are assistant to minister of finance and treasury-BiH, assistants to ministers of finance-BiH Federation and RS, director of the Directorate for Economic Planning and Head of the Macroeconomic Analysis Unit.

² more information about problem of reserves in the Bulletin no. 19

Next part of the article provides more detailed explanations of revenue projections individually by main types of revenues.

VAT

VAT projection in the Table 2 is shown on net basis, obtained when refunds paid from reserves account are deducted from gross VAT revenues. Projection was made in a way where VAT base was projected to follow growth of consumption in accordance with projections of the Directorate for Economic Planning as they envisaged relatively low rates of consumption in future period (see Table 1). Revenues from this VAT base were corrected in terms of a number of factors in order to use *cash-flow* approach.

Table 1. Projection of total consumption trends in BiH

	2005	2006	2007	2008	2009	2010
Consumption in mill. KM	19.346	19.759	20.658	21.560	22.415	23.397
Consumption-growth in %		2,1%	4,5%	4,4%	4,0%	4,4%

Source: Directorate for Economic Planning

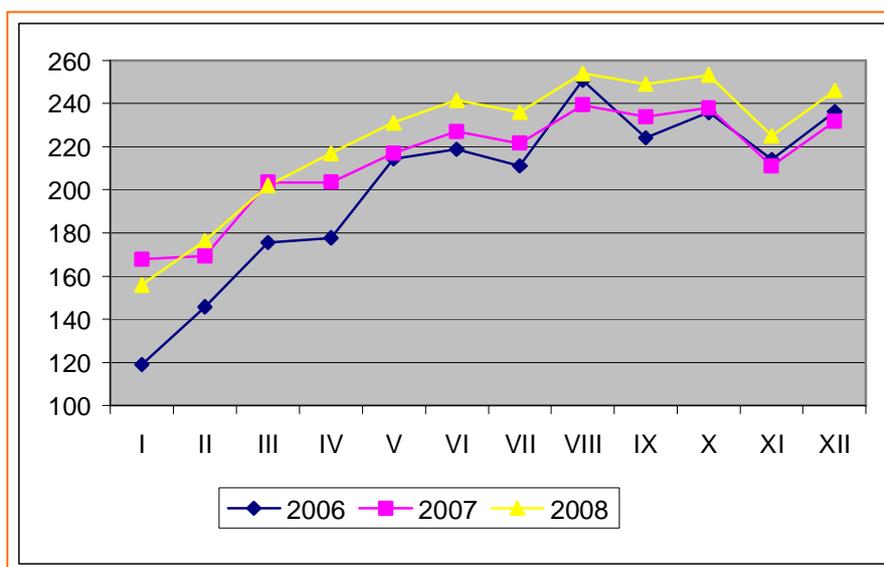
Impact of final consumption growth on VAT base was also upwards corrected for 2007. This is because one part of consumption from 2006 was not taxed by VAT as it was invoiced in advance in the end of 2005. It is then expected that growth of VAT base should be proportionally higher than growth of final consumption. Size of this effect on VAT base was estimated on 1% of GDP. Graph 1 shows projected trends of VAT base.

VAT revenues in 2007 are expected to grow by 2,8%. Slower growth of VAT revenues on *cash* basis compared to relevant VAT base in 2007 is due to increased volume of refunds to VAT taxpayers. This payments will be especially emphasized in first half of the year in terms of payment of lagging requests from 2006 along with new requests from this year. Graph 2 shows trend of refunds made and their requests to which used tax credits and requests were added. From fiscal aspect, effect of tax credits is equal to effect of refunds as both decrease tax base. The only difference is that refunds are made in cash and tax credits are used for reduction of future liabilities. Due to this reason, Graph 2 shows these two parameters together. It is clear that refunds made and used tax credits were on lower level than their requests in 2006. Basic reason for this is suspension of refunds to non exporters in 2006, which accumulated tax credits in their accounts. Abolishment of this suspension leads to growth of projected refunds in first half of 2007³.

³ Assumption was used that VAT taxpayers will request cash refunds rather than tax credits.

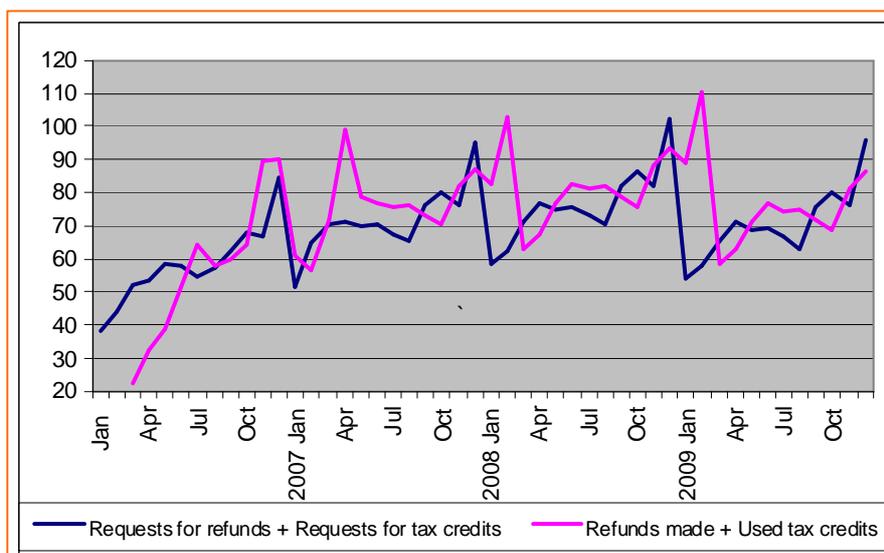
		in million KM						year / previous year				
		2005	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
I	VAT (net)	...	2.441,6	2.509,7	2.625,5	2.726,6	2.841,9	...	102,8%	104,6%	103,9%	104,2%
II	Sales tax to SA	539,0	11,7	0,0	0,0	0,0	0,0	2,2%	0,0%
III	Excise	790,8	857,3	904,8	948,9	991,4	1.039,8	108,4%	105,5%	104,9%	104,5%	104,9%
III.1	Oil	405,6	418,4	444,6	468,6	492,1	518,6	103,2%	106,3%	105,4%	105,0%	105,4%
III.2	Tobacco	282,9	320,7	325,7	340,0	353,4	368,9	113,4%	101,6%	104,4%	104,0%	104,4%
III.3	Alcohol and beer	53,2	68,2	78,4	81,8	85,1	88,8	128,1%	115,1%	104,4%	104,0%	104,4%
III.4	Soft drinks	19,9	16,5	21,2	22,1	23,0	24,0	83,1%	128,2%	104,4%	104,0%	104,4%
III.5	Coffee	29,3	33,4	34,8	36,4	37,8	39,5	113,9%	104,4%	104,4%	104,0%	104,4%
IV	Customs	605,6	557,3	599,1	555,3	501,8	440,9	92,0%	107,5%	92,7%	90,4%	87,9%
V	Road tolls	169,9	176,6	187,6	197,7	207,6	218,8	103,9%	106,2%	105,4%	105,0%	105,4%
VI	Other	6,2	78,2	64,3	65,6	66,9	68,3	1261,9%	82,2%	102,0%	102,0%	102,0%
VII	TOTAL	2.111,5	4.122,7	4.265,4	4.393,0	4.494,3	4.609,7	195,2%	103,5%	103,0%	102,3%	102,6%
VIII	Carryover to next year		-110,9	110,9								
IX	FUNDS FOR ALLOCATION	2.111,5	4.011,8	4.376,3	4.393,0	4.494,3	4.609,7	195,2%	109,1%	100,4%	102,3%	102,6%

Table 2. Single Account Revenue Projections , 2007 - 2010



Graph 1. Projected VAT revenues on basis of accrual VAT base⁴, in million KM

This trend of refunds made and used credits had an impact on collection of revenues in 2006 that was higher than suggested by tax base. This occurred at the expense of 2007, which will have great burden in terms of VAT refunds. All this suggests that VAT *cash-flow* significantly deviates from its accrual base in 2006 and 2007⁵.

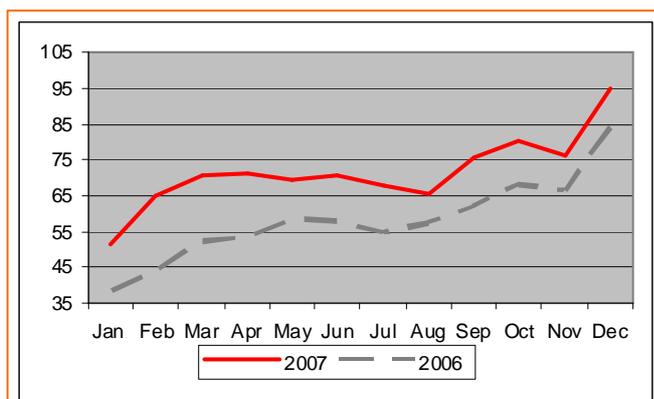


Graph 2. Requests for VAT refunds and credits, refunds made and used credits, projection in millions KM

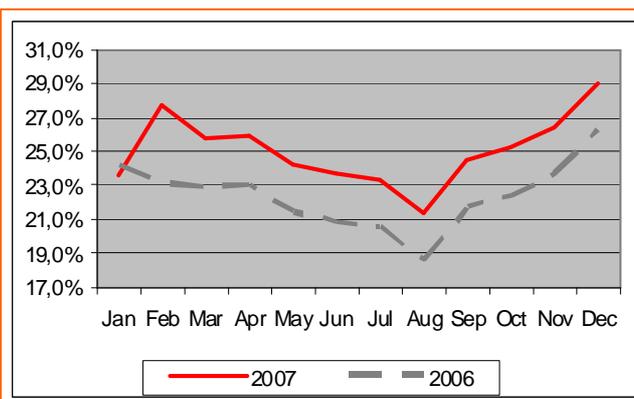
⁴ Defined as: VAT on imports + VAT according to declarations + Used tax credits (t+1) – Requests for refunds – Requests for tax credits.

⁵ According to accrual data from tax declarations from March 26th, 2007, total net liabilities of VAT taxpayers from declarations for 12 months of 2006 amount approximately KM 2360 million.

As we said, refunds made and used credits in 2007 will be higher than requests for refunds and credits in that year. Besides, requests in 2007 are expected to grow both in absolute and relative amounts (see Graph 3 and Graph 4). Basic reason for this is projected growth of investments that exceed growth of consumption in the same period⁶.



Graph 3. Requests for refunds and tax credits, In million KM



Graph 4. Requests for refunds and tax % of gross revenues⁷

According to this, we can conclude that basic reasons for slower growth of VAT revenues in 2007 are lower projected consumption growth, payment of lagging tax credits and faster growth of requests for refunds.

Excise

Projections of excise revenues for 2007 were prepared on basis of data for the first two months of the same year, historical trend of revenues and their seasonal pattern. Revenues for future period 2008-2010 are related to macroeconomic projections of the Directorate for Economic Planning. In their projection, revenues from oil and oil derivatives are related to growth of real GDP and revenues from other excise products are related to growth of domestic consumption⁸. Projections were prepared individually for every type of products.

Oil and oil derivatives

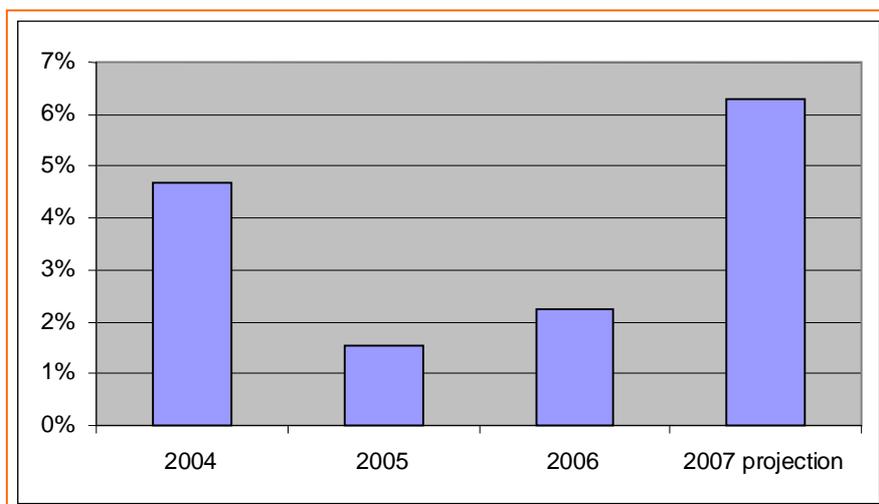
Growth of revenues from excise on oil and oil derivatives is projected at the level of 6,3% for 2007. This represents significant increase of growth rate compared to the last two years (1,5% in 2005. and 2.2% in 2006., see Graph 5). Some of the reasons that explain this increase are growth of investments and industrial consumption of oil and oil derivatives as well as slight decrease of oil in the world and domestic market⁹. Projections for future years are related to projected real growth of GDP and not nominal one. This is because excise on oil represent tax on quantity and not on value of imported oil.

⁶ Directorate for Economic Planning projected the rate for growth of private investments by 12,3% in BiH for 2007.

⁷ Gross revenues are defined as: VAT on imports + VAT according to declarations + Used tax credits (t+1).

⁸ Although we can expect in long term that excise revenues will be lower than unit elastic compared to final consumption i.e. they will grow slower than final consumption, we related excise revenues to this unit taking into consideration relatively conservative growth of consumption.

⁹ More information on impact of oil and oil derivatives price on indirect taxes can be found in the Bulletin 10.



Graph 5. Annual growth of revenues from excise on oil and oil derivatives, in %

Tobacco

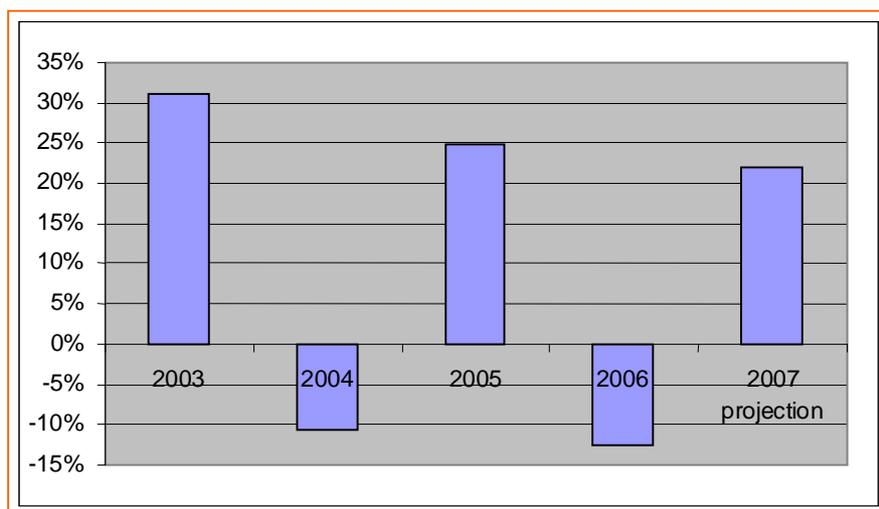
Data for the first two months of 2007 are announcing major slowdown in growth of these revenues, which were projected to grow by 1,6% in 2007. Revenues in future period are related to projected growth of consumption.

Excise on alcohol and beer

After multi-annual decrease, in accordance with forecasts of the Macroeconomic Analysis Unit, this type of revenues changed negative trend in the last year and it grew by 31,5% compared to the last year. Positive trend is expected to continue in this year and projected growth is 12,1%. Revenues in future period are related to projected growth of consumption.

Soft drinks

Excise on soft drinks had instable trend in the last period (see Graph 6). After shortfall in the last year, data for the first two months of the current year are announcing growth, which was projected at the rate of 28,2%. Revenues in future period are related to projected growth of consumption.



Graph 6. Annual growth of revenues from excise on soft drinks, in %

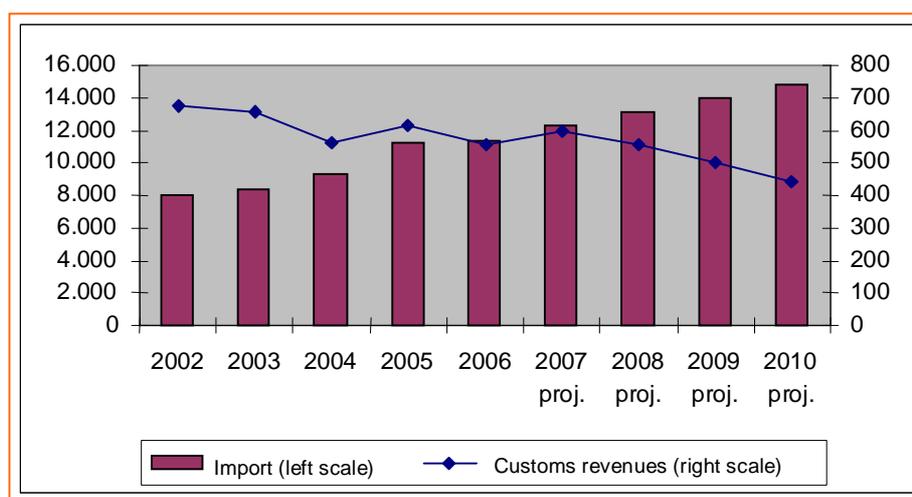
Coffee

According to data for the first two months of 2007, projection is slowdown of revenue growth from excise on coffee from 16,2% in 2006 to 1,9% in 2007. Revenues in future period are related to projected growth of consumption.

Customs

Customs revenues represent extremely variable source of revenues with great number of structural changes and any relying on historical trend of revenues is not good. In this moment, there is a number of ongoing processes that will have key impact on customs revenues in future period. Bosnia and Herzegovina is in a process negotiations with EU on customs concessions aiming to reduce imports of BiH to EU to customs free base for certain groups of products in future period. In preparation of these projections, Macroeconomic Analysis Unit did not have data on dynamics and groups of products that will be covered by this process. Basic assumption was that customs for complete imports from EU will be on customs free basis through next five year period. BiH also joins CEFTA this year and negotiations for joining World Trade Organization are close to the end. All these are the reasons why relatively conservative approach was used in preparation of projections for these revenues.

Besides the above mentioned information, data for the first two months suggest increase of customs revenues in 2007 that was projected at the rate of 7,5% compared to the last year. Such data are consequence of import growth in current year, which is potentially higher than projected expectations and the fact that Bulgaria and Romania became EU members on January 1st, 2007 when bilateral agreements on customs free trade ceased with these two countries. Graph 7 shows trend of imports and customs revenues with projection up to 2010, where assumption was used that import growth will be 8,1% in 2007, in accordance with projections of the Directorate for Economic Planning. Projection for future years is shortfall of revenues as a consequence of applying customs concession towards EU.



Graph 7. Import of products and customs revenues, in million KM

Road tolls

In accordance with the projection of excise on oil and oil derivatives and projection of revenues from road tolls is projected to grow by higher rate (6,2%) compared to the last two years. Projections for the next two years are related to projected growth of real GDP.

Other

Item "Other" in the Table 2 relates to other revenues and tolls, other refunds and collected, but non classified revenues.

Carryover to next year

Item "carryover to next year" in the Table 2 relates to reserves in the Single Account (in the amount of 97 million KM) and funds collected in 2006, but allocated later in 2007. Assumptions used was that there will not be surplus of funds in the reserves account in future i.e. amount of reserves will be equal to refunds.

Funds for allocation

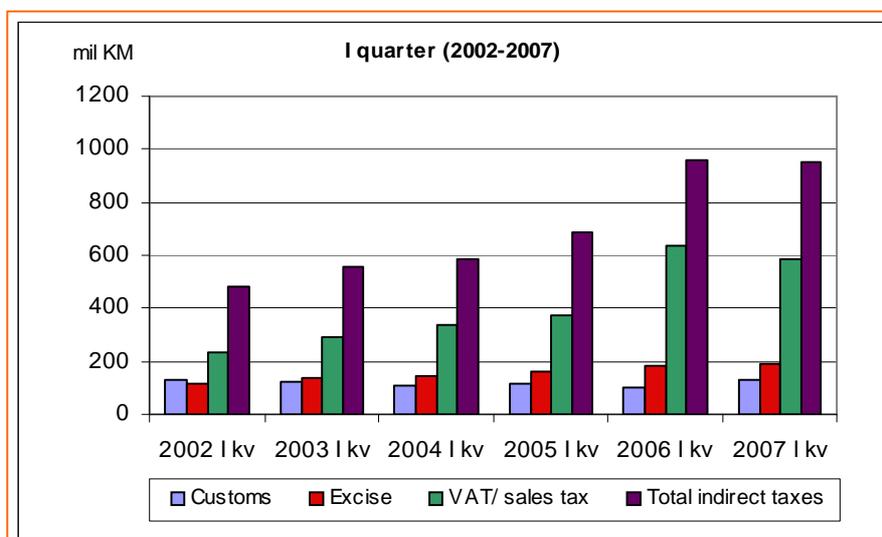
Item „Funds for allocation" in the Table 2 is composed of funds for allocation to budget beneficiaries: BiH institutions, Federation, Republika Srpska and Brčko District.

Collection of indirect taxes in the first quarter of 2007

(Prepared by: Dinka Antic, MSc.)

Analysis of collection of indirect taxes in the first quarter of 2007 is based on data on net cashflow to the Single Account of ITA¹⁰.

In the first quarter of 2007, total amount of 954 mill KM of indirect taxes was collected in BiH and if we include 10,4 mill KM of collected and unadjusted revenues¹¹, which is all together slightly higher than collection last year.



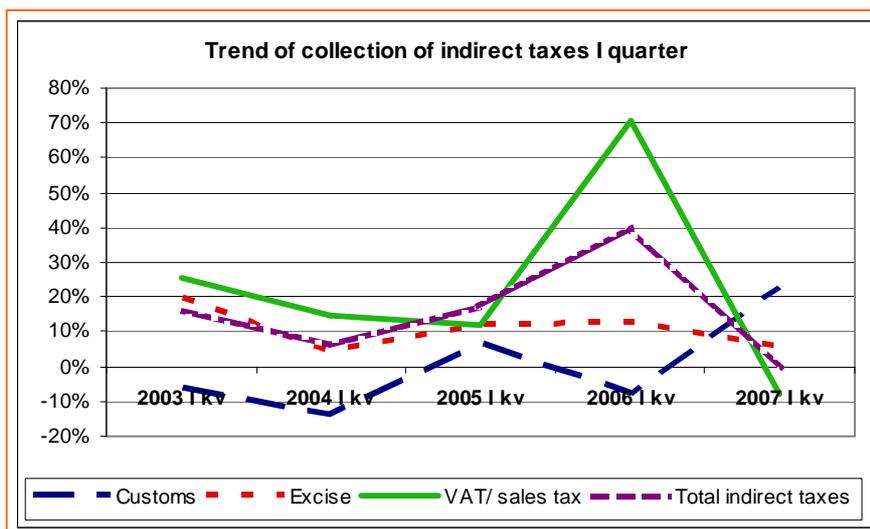
Graph 8.

We should have in mind that the first quarter of 2006 can not be representative for comparison with 2007 due to introduction of VAT and transfer from the sales tax system. In the first quarter of the last year only two declarations were filed for January and February and first refunds were made in March. In the first quarter, payments of lagging sales tax were made to entity accounts as well as payments of sales tax in retail for business that did

¹⁰ Gross collection of VAT on import, collection of VAT according to declaration and other cases of single or enforced collection of VAT. Net VAT collection is obtained after deducting refunds from gross collection. Revenues from other indirect taxes are reduced by amounts of other refunds from the single account.

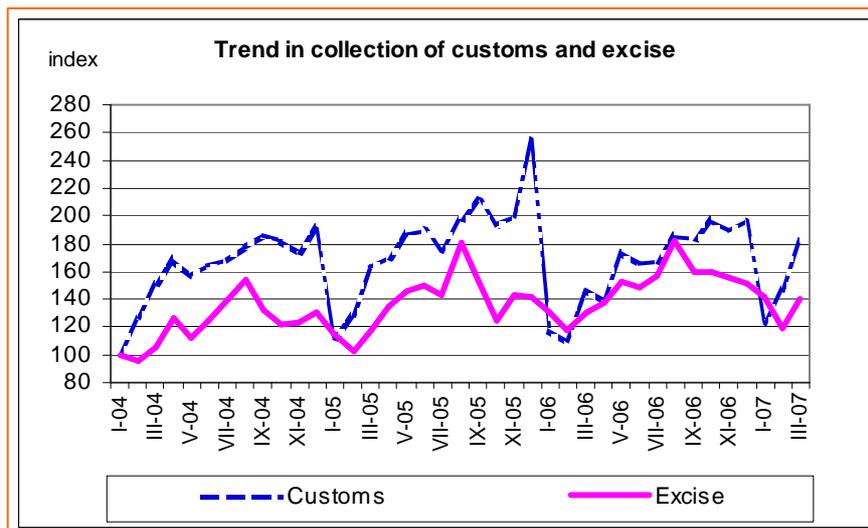
¹¹ Unadjusted revenues include revenues for which relation can not be made between analytics of payment (single account) and analytical records of taxpayers in modules of ITA IT system (VAT, customs, excise)

not join VAT system. High collection of lagging sales tax was caused by enormous import of goods, which were exempt from sales tax or were taxed with 10%, in the last quarter of 2005 and sales tax on services, which were invoices in 2005 and delivered in 2006. Share of lagging sales tax represented 25% of indirect taxes collection in the first quarter of 2006. Collection of indirect taxes by type of revenues in the first quarter shows growth of revenues and customs duties by 22% compared to the same quarter of 2006, primarily due to fast growth of imports and collection of customs on imports of oil from Bulgaria, Romania and Turkey¹² (Graph 9).



Graph 9.

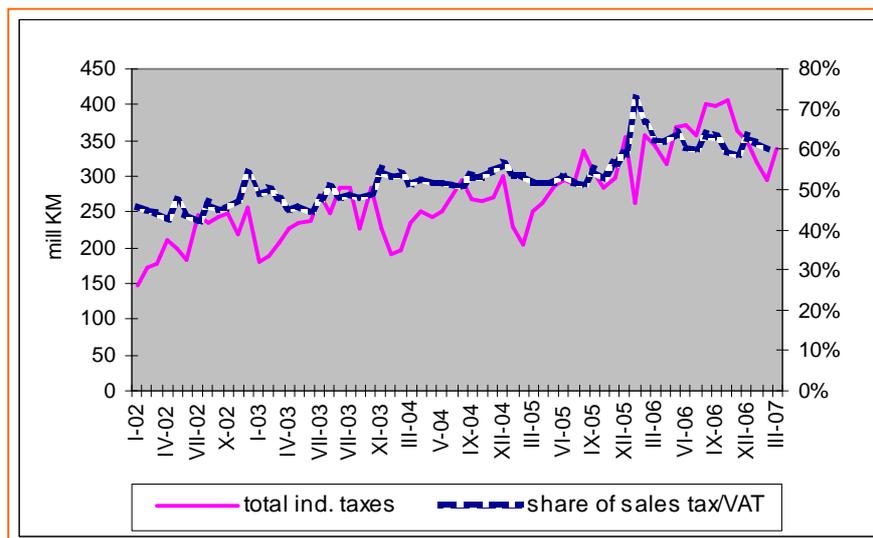
Collection of excise increased by the rate of 6% compared to the first quarter of 2006. (Graph 10)



Graph 10.

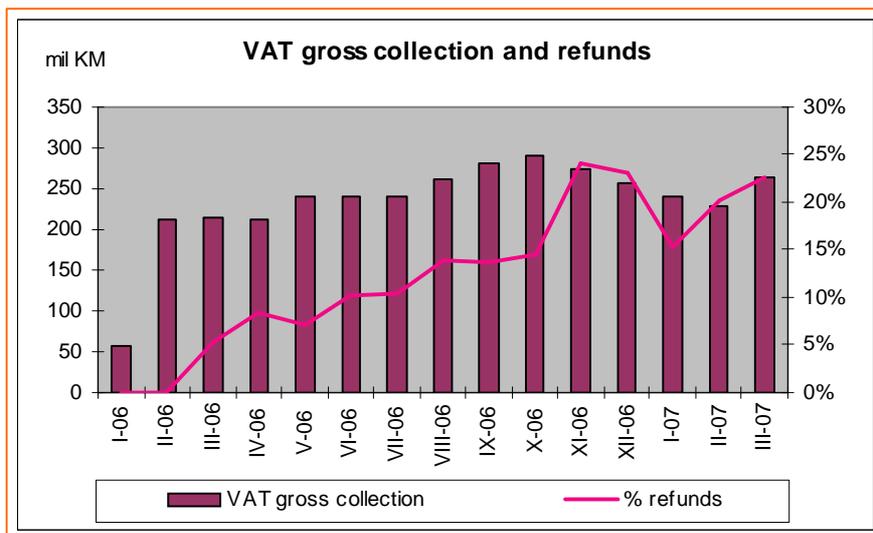
¹² It is expected to have application of free trade agreement with Turkey in future, which will lead to increase of oil import from Turkey and lower customs on these basis.

Highest share in indirect taxes is still held by VAT, but this share is lower than it was the last year due to collection of lagging sales tax in 2006. However, share of VAT is still much higher in the structure of indirect taxes than it was the case with sales tax (Graph 11). This is very important fact, which shows extremely high sensitivity of revenues from indirect taxes and also total revenues of ITA in terms of possible changes of tax policy in the field of VAT (e.g. introduction of lower VAT rates or exemptions). Significance of VAT revenues for fiscal stability of the country will be even higher, since rapid reduction of customs is expected after signing of the agreement with EU.



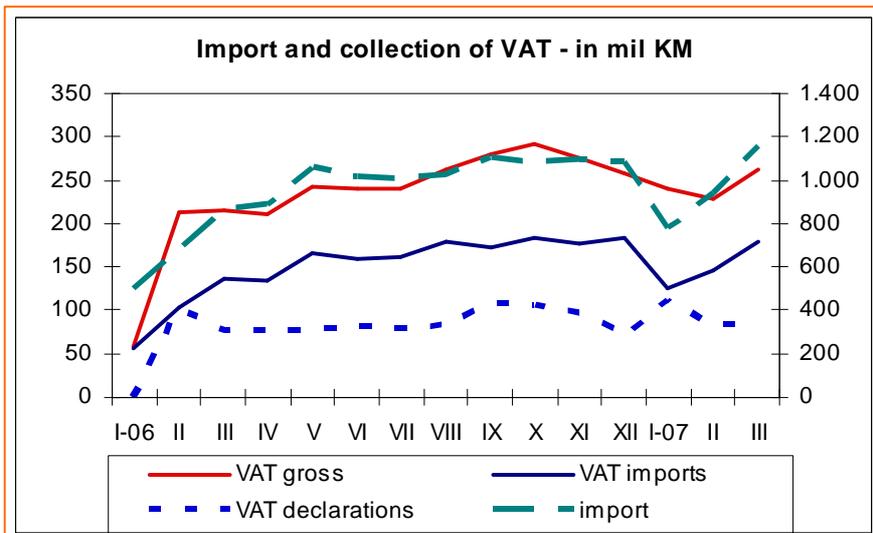
Graph 11.

After slight shortfall of VAT revenues in the beginning of the year, net VAT collection increased by almost 12% in March although almost 60 million KM of refunds were made in March (Graph 12). Rate of refunds compared to gross collection grows, which has been expected since conditions for refunds were relieved. Level of refunds is still below the level that the Unit expected. On March 31st, 2007, 64 million KM of tax credits was registered, which will be used for compensation of future VAT liabilities. Dedication of taxpayers to tax credit instead of cash refunds will bring new shock in terms of great requests in August 2007. At the same time, it's necessary to carefully plan reserves in the single account since outflow from the reserves account is much faster than current inflow from collection.



Graph 12.

Increase in collection is a result of high growth of imports in February and March, which was about 20% on monthly basis. Connection of imports and VAT on imports as well as impact of imports on gross VAT collection can be seen in the Graph 13:



Graph 13.

It is a positive fact that VAT debts of taxpayers are pretty low in comparison with number of taxpayers and total collection. Approximately 90 million KM of debts was registered on basis of unpaid VAT liabilities, but only 19% (or 16,939 million KM) relates debts on basis of unpaid but declared VAT. The rest relates to debt automatically assessed in the IT system of ITA for taxpayers who failed to file declaration.

Process of medium term planning and budget preparation – case of Netherlands

(Prepared by: Aleksandra Regoje, macroeconomist in the Unit)

Netherlands is constitutional monarch. It includes 12 regions and 450 municipalities. Queen Beatrix is head of the country. Democratically elected parliament has political power and it is based on constitution, which guarantees individual freedoms to citizens. Prime minister and his cabinet have executive power: Members of the prime minister's cabinet are formally appointed by the queen.

Legislative power is held by the parliament with two houses. It is composed of Senate with 75 members and House of Representative with 150 members. Both houses are elected for the period of four years.

Every four years, in the beginning of its mandate, newly elected government makes so called "coalition agreement", which covers basic political decisions, budget rules and fiscal objectives, which they want to achieve by the end of their mandate. Coalition agreement is based on medium term economic forecast developed by **independent body – Central planning office (CBP)**.

Central office prepares medium term economic projections for growth in the next 4 years and calculation of available budget funds under the assumption that there will not be policy changes. In addition to medium term projections, CBP also prepares short term projections of Dutch economy and its environment. Analysis are performed two times a year. Central economic plan (CEP) is released in March / April, which serves as a base for budget planning. Macroeconomic forecasts (revised CEP) along with national budget are published third tuesday in April.

Central office for planning has another important role and that is assessment of political party platforms. CBP as independent institution provides opinion if political platforms are feasible and economically rational, and what effect they have on economy. It should be underlined that political parties do not have legal obligation to send platforms and programs for analysis, but they do it due to competitive reasons. Such analysis in a comparative way inform voters before elections on proposals of policies and their long term consequences. In other hand, political parties are obliged to represent serious programs and implement them after elections.

National budget is composed of budgets of certain ministries. Every budget is separately proposed to the House of Representatives and Senate in the form of account. Budget is composed of items representing policy goals that the government wants to achieve.

All ministers have political responsibility for preparation and implementation of budget for their ministries.

Budget revenues and expenditures are strictly separated. As a result of that, **any excess of revenues above planned ones can not be used for increase of public consumption**. And vice versa, failure to meet revenue plan does not mean automatic reduction of costs. Revenues and expenditures are separated due to a number of reasons. First of all, decision making process will not be efficient if every change in revenue projections automatically causes additional expenditures or reduction of spending. Level of revenues depends on economic fluctuations, which are difficult to anticipate. In case that volume of revenues is always conditioned by public revenues that vary, this would result in higher political instability. In other hand, this rule helps in control of public spending.

Budget preparation processOctober / November (t-2) year

Budget preparation for year (t) starts already in October of (t-2) year. Minister of Finance sends **budget rules** to other ministries, which contains technical and procedural instructions that they need to comply with in budget preparation. Instructions contain procedural rules such as deadline until which ministries must send their budget drafts, but also economic indicators that have impact on amount of public spending.

February / March (t-1) year

Budget preparation for line ministries is done within different units. In budget preparation for ministries, policy context is underlined, i.e. what are budget goals, how to achieve them and how much do they cost. In preparation of draft budget, budgets from current and previous years are also considered. Proposals are sent to Central department for financial and economic affairs, which will consider and forward them to the minister and state secretary * (within line ministry). They make decisions on priorities, i.e. what fields should money be spent on more, and on what less. Following that, they prepare letters on policies and send them to the Ministry of Finance.

March / April (t-1) year

Ministry of Finance performs analysis based on information from letters on policies and economic projections prepared by the Central office for planning. Minister of Finance sends framework letter to line ministries on possibilities and problems of upcoming budget year. This letter says if there is a need to reduce expenditures in some sectors i.e. if there is room for additional expenditures.

April/May (t-1) year

In April, the Council of Ministers considers revenue and expenditure sides of the budget. After the Council makes decision, the Minister of Finance sends a letter to line ministries on total budget amounts.

June (t-1) year

In the mid of June, ministries send preliminary drafts of budgets to Ministry of Finance. It is analyzed if every budget of line ministries in compliance with concluded agreements (coalition agreement, letter on total amounts of budgets), if the goals that the Ministry want to achieve are clear and how much money will be spent on each goal. Ministry of Finance prepares budget memorandum that contains basic economic policies.

June / July (t-1) year

Ministries still consider drafts of their budgets. At the same time, the Ministry of Finance prepares budget memorandum, which represents explanation of national budget and its financial effects. It explains economic situation and policies of entire public sector.

August (t-1) year

In August, the Council of Ministers makes decision on budget memorandum and individual budgets. In this period, updated macroeconomic forecasts of the Central planning office are available.

September (t-1) year

"Budget day" is third Tuesday in September. On that day, the queen comes in golden carriage to Binnenhof and opens first regular session of the parliament. In her speech in official hall (Ridderzaal), she presents program and guidelines for next year. After that, Minister of Finance presents budget proposal to the House of Representatives in behalf of the Council of Ministers.

Source: materials for seminar under the name "Implementation of efficient processes of medium term planning and budget preparation", organized by PKF, funded by UK DFID. Haag, Netherlands,, April 2007

Consolidated reports

(prepared by Aleksandra Regoje, Macroeconomist in the Unit)

Notes to table 3 and 4

The consolidated report includes:

- 1 revenues from indirect taxes collected by the Indirect Tax Authority on the Single Account,
- 2 transfers from the ITA Single Account for external debt servicing,
- 3 transfers from the ITA Single Account for financing Brčko District, cantons, municipalities and Road Directorates,
- 4 revenues of the budget of Bosnia and Herzegovina from the ITA Single Account,
- 5 revenues and expenditures of the budget of the Federation of Bosnia and Herzegovina,
- 6 revenues and expenditures of the budget of the Republika Srpska.

Notes to table 5

The consolidated report includes:

- 1 revenues and expenditures of the budget of Bosnia and Herzegovina (preliminary report),
- 2 revenues and expenditures of the budget of Brčko District,
- 3 revenues and expenditures of the budget of the Federation of Bosnia and Herzegovina,
- 4 revenues and expenditures of the budget of the Republika Srpska,
- 5 revenues and expenditures of the budget of 10 cantons in the Federation

Report includes amortization of foreign debt

November and December data for Bosnia-Podrinje Canton are estimated

Notes to table 6,7 and 8

Consolidated report includes:

- 1 revenues and expenditures of the cantonal budgets,
- 2 revenues and expenditures of the budgets of related municipalities.

Expenditure item of the cantonal budgets "Grants to other levels of government" and "Capital grants to other levels of government" is reconciled with revenue items of municipalities "Grants from other levels of government" and "Capital support from other levels of government"; Since the expenditure item "Grants to individuals" contains grants directed through municipal budgets, in cases where the amount of grants to other levels of government on expenditure side of cantons is lower than received grants on municipal items, the Unit proceeded in the following way:

Remaining difference on items of municipalities "Grants from other levels of government" and "Capital support from other levels of governments" is reconciled with expenditure item of the cantonal budget "Grants to individuals".

* Net lending = lending-repayment of borrowing

** Net financing = Credits received – repayment of debts

General government, January 2007

mill KM

		I
1	Current revenues	347,8
11	Taxes	338,3
111	Indirect taxes	321,0
	VAT	202,5
	VAT on imports	126,6
	VAT from VAT returns	111,6
	VAT from automatic assessment done by ITA	0,1
	One-off VAT payments	0,2
	Other	0,9
	VAT refunds	-36,9
	Custom duties	35,2
	Sales tax	0,7
	Excises	68,3
	on imports	53,7
	on domestic production	14,6
	Railroad tax	13,7
	Other	1,0
	Other refunds	-0,5
112	Direct taxes	17,2
	Income taxes	6,2
	Other tax revenues	11,0
12	Non-tax income	9,5
13	Other revenues	0,0
14	Grants	
15	Transfers from other level of government	0,0
2	Current expenditures	256,1
21	Consumption expenditures	34,5
211	Wages and compensations	30,4
	Wages	28,0
	Compensations	2,4
212	Purchases of goods and services	4,1
22	Grants	14,3
	Transfers to households	10,7
	Transfers to institutions / organizations	0,9
	Subsidies	2,7
23	Interest payments	0,3
24	Other outlays	2,5
25	Transfers from Single Account	201,8
	o/w : BiH Budget	46,2
	o/w: FBiH / Cantons, Municipalities, Road Fund	119,2
	o/w: RS / Municipalities, Road Fund	25,8
	o/w: Brcko	10,6
27	Transfers to lower levels of government	2,7
28	Net lending*	0,0
3	Net acquisition of nonfinancial assets	0,1
4	Government surplus (+)/ deficit(-) (1-2-3)	91,6
	o/w: SA	-11,9
	o/w: FBiH Budget	74,1
	o/w: RS Budget	29,5
5	Net financing**	-24,80

Table 3. Monthly Consolidated Report

General government, 2006

mill KM

		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Q1	Q2	Q3	Q4	Total
1	Current revenues	218,1	360,4	384,9	342,7	401,7	385,4	494,5	431,5	446,6	442,6	402,8	401,9	963,4	1129,9	1372,5	1247,3	4713,2
11	Taxes	206,0	343,9	355,1	330,5	382,5	368,1	375,6	406,6	418,3	418,5	373,9	369,5	904,9	1081,1	1200,5	1161,8	4348,3
111	Indirect taxes	190,7	322,6	323,6	315,9	366,4	351,2	357,0	388,5	388,9	401,1	355,2	343,7	836,9	1033,4	1134,4	1100,0	4104,7
	VAT	57,3	212,7	203,7	194,4	224,3	215,4	215,6	226,4	242,6	249,2	208,5	198,6	473,7	634,1	684,7	656,3	2448,8
	VAT on imports	56,5	102,6	136,7	134,2	165,7	159,2	161,1	178,5	172,1	184,3	177,8	184,7	295,8	459,2	511,7	546,9	1813,5
	VAT from VAT returns	0,8	100,7	75,9	76,6	75,4	80,2	78,0	83,5	108,1	106,2	95,8	72,2	177,4	232,2	269,6	274,2	953,4
	VAT from automatic assessment done by ITA			0,1	0,7	0,1	0,3	0,1	0,2				0,1	0,1	1,0	0,3	0,1	1,5
	One-off VAT payments	0,1	9,4	2,1	0,3	0,1	0,2	0,2	0,3	0,1	0,2	0,1	0,2	11,6	0,6	0,6	0,4	13,3
	Other			0,1	0,1	0,2	0,3	0,8	0,5	0,5	0,7	0,8	0,8	0,1	0,5	1,8	2,3	4,7
	VAT refunds			-11,2	-17,5	-17,2	-24,7	-24,5	-36,5	-38,3	-42,2	-66,0	-59,5	-11,2	-59,5	-99,2	-167,6	-337,5
	Custom duties	33,3	30,8	41,5	39,3	49,1	47,0	47,4	52,2	51,9	55,7	53,7	55,9	105,6	135,4	151,5	165,3	557,8
	Sales tax	25,0	10,6	4,4	3,0	3,2	2,2	1,9	2,5	1,4	1,9	1,4	1,3	40,0	8,3	5,8	4,5	58,6
	Imported excisable products	7,8	0,2	0,0	0,0	0,2	0,0	0,0	0,0	0,1	0,0	0,1	0,0	8,0	0,2	0,1	0,1	8,4
	Domestic excisable products	1,1	2,0	0,2	0,1	0,1	0,1	0,0	0,4	0,0	0,0	0,0	0,0	3,3	0,4	0,4	0,1	4,2
	Other products	9,4	4,1	2,3	1,2	1,2	0,9	0,8	1,2	0,7	0,9	0,8	0,5	15,8	3,4	2,6	2,2	24,0
	On services	6,5	4,0	1,7	0,9	0,7	0,4	0,4	0,3	0,4	0,5	0,3	0,5	12,2	2,0	1,2	1,3	16,8
	Other	0,2	0,3	0,2	0,7	0,9	0,7	0,6	0,6	0,2	0,4	0,2	0,2	0,7	2,3	1,4	0,8	5,2
	Excises	62,8	56,9	63,1	66,4	74,0	72,2	76,1	88,1	77,1	77,0	75,1	72,9	182,8	212,6	241,3	225,0	861,6
	on imports	50,5	45,7	48,4	54,1	58,0	57,5	61,9	70,1	62,0	62,4	62,2	58,9	144,6	169,6	193,9	183,6	691,7
	on domestic production	12,3	11,2	14,7	12,3	16,0	14,7	14,2	18,1	15,1	14,6	12,8	14,0	38,2	43,0	47,4	41,4	169,9
	Railroad tax	11,9	11,2	12,1	14,3	15,9	14,3	15,8	18,6	15,3	16,4	15,9	15,1	35,1	44,5	49,7	47,4	176,7
	Other	0,4	0,5	0,7	0,7	0,9	0,9	0,9	0,9	1,0	1,1	1,1	1,2	1,6	2,5	2,8	3,4	10,3
	Other refunds			-1,9	-2,2	-1,0	-0,7	-0,6	-0,4	-0,4	-0,2	-0,5	-1,3	-1,9	-3,9	-1,4	-1,9	-9,2
112	Direct taxes	15,3	21,3	31,5	14,7	16,1	17,0	18,6	18,1	29,3	17,4	18,7	25,7	68,0	47,7	66,1	61,8	243,6
	Income taxes	6,9	10,3	20,0	3,6	3,4	5,5	5,6	5,5	6,0	4,2	5,3	9,3	37,3	12,4	17,0	18,7	85,5
	Other tax revenues	8,4	10,9	11,4	11,0	12,7	11,5	13,0	12,7	23,4	13,2	13,4	16,5	30,7	35,2	49,1	43,1	158,2
12	Non-tax income	11,6	16,1	29,7	12,0	19,0	16,9	118,7	24,7	28,0	23,7	28,7	32,7	57,3	47,9	171,4	85,1	361,8
13	Other revenues	0,0	0,0	0,0	0,1	0,1	0,1	0,0	0,0	0,1	0,0	0,0	0,1	0,0	0,3	0,1	0,2	0,7
14	Grants	0,0	0,3	0,1	0,0	0,0	0,2		0,0	0,0	0,0	0,0	-0,3	0,4	0,3	0,0	-0,2	0,5
15	Transfers from other level of government	0,5	0,1	0,1	0,1	0,1	0,1	0,1	0,2	0,2	0,4	0,1	-0,1	0,8	0,3	0,5	0,4	2,0
2	Current expenditures	196,5	282,9	204,0	336,4	377,7	375,4	350,8	366,8	430,6	370,7	372,4	540,3	683,4	1089,6	1148,2	1283,4	4204,6
21	Consumption expenditures	28,5	43,5	46,7	48,2	49,1	62,5	45,0	50,7	56,5	56,0	57,4	99,9	118,8	159,8	152,3	213,3	644,1
211	Wages and compensations	25,8	37,4	39,6	40,5	41,7	53,1	36,3	42,3	42,5	43,8	46,5	61,2	102,8	135,4	121,0	151,5	510,7
	Wages	24,9	34,7	36,5	37,2	38,4	47,7	31,3	35,5	38,0	38,5	39,6	51,3	96,0	123,3	104,8	129,4	453,5
	Compensations	0,9	2,8	3,1	3,3	3,3	5,4	4,9	6,9	4,4	5,2	6,9	9,9	6,8	12,1	16,2	22,1	57,1
212	Purchases of goods and services	2,8	6,0	7,1	7,6	7,4	9,3	8,8	8,4	14,0	12,3	10,9	38,7	16,0	24,4	31,2	61,9	133,5
22	Grants	37,5	10,3	51,3	60,5	90,1	70,6	67,5	68,8	62,9	64,9	68,0	162,1	99,1	221,2	199,1	294,9	814,3
	Transfers to households	32,5	3,6	45,2	38,3	68,7	53,7	41,8	45,0	43,8	46,5	50,3	117,8	81,2	160,7	130,6	214,6	587,1
	Transfers to institutions / organizations	0,8	0,8	2,3	6,0	4,7	3,2	5,2	5,1	4,1	4,2	5,9	10,2	3,9	13,8	14,3	20,3	52,4
	Subsidies	4,2	5,9	3,9	16,2	16,7	13,7	20,5	18,7	15,0	14,1	11,8	34,1	14,0	46,6	54,2	60,0	174,8
23	Interest payments	0,3	12,0	1,6	10,8	9,7	25,4	0,3	11,7	13,2	3,1	11,6	22,9	13,9	45,9	25,3	37,6	122,7
24	Other outlays	0,8	2,3	1,7	6,7	3,6	3,7	3,5	1,7	53,5	2,2	4,2	-18,4	4,8	14,0	58,6	-12,0	65,5
25	Transfers from Single Account	126,4	209,8	95,3	174,6	198,2	194,3	212,0	217,2	207,8	218,9	209,7	211,9	431,4	567,1	637,0	640,5	2275,9
	o/w: BiH Budget	41,1	39,2	43,1	59,4	48,5	48,5	46,2	50,7	46,2	48,5	48,5	46,2	123,4	156,3	143,2	143,2	566,0
	o/w: FBiH / Cantons, Municipalities, Road Fund	67,6	145,7	23,7	94,3	113,9	115,9	124,7	132,5	127,0	134,2	127,5	121,2	237,0	324,1	384,2	382,9	1328,3
	o/w: RS / Municipalities, Road Fund	13,1	15,6	18,7	11,6	24,3	19,7	32,0	24,1	25,2	26,3	23,4	25,2	47,5	55,6	81,3	74,9	259,3
	o/w: Brcko	4,5	9,3	9,8	9,2	11,6	10,2	9,0	9,9	9,4	9,9	10,3	19,3	23,6	31,0	28,3	39,5	122,3
27	Transfers to lower levels of government	3,1	4,8	4,7	37,7	25,0	18,8	21,8	10,4	36,3	22,7	23,7	55,1	12,5	81,5	68,4	101,5	263,9
28	Net lending*	0,0	0,4	2,6	-2,0	1,9	0,2	0,8	6,2	0,5	2,9	-2,2	6,8	3,0	0,0	7,5	7,5	18,1
3	Net acquisition of nonfinancial assets	-22,9	0,4	0,5	0,4	1,5	3,9	22,1	3,6	2,3	4,2	4,5	30,3	-22,0	5,8	28,0	38,9	50,7
4	Government surplus (+)/ deficit(-) (1-2-3)	44,5	77,1	180,4	5,8	22,5	6,1	121,6	61,1	13,6	67,8	25,9	-168,6	302,0	34,5	196,3	-74,9	457,9
	o/w: SA	12,9	30,4	17,0	11,5	12,3	7,3	2,4	-5,2	16,1	11,1	-29,6	-40,7	60,4	31,2	13,3	-59,1	45,7
	o/w: FBiH Budget	-3,9	11,2	124,7	-5,9	1,9	-1,7	103,0	27,5	31,8	35,0	27,4	-101,9	132,1	-5,8	162,3	-39,5	249,1
	o/w: RS Budget	35,5	35,4	38,6	0,3	8,4	0,5	16,2	38,8	-34,3	21,7	28,1	-26,1	109,6	9,1	20,7	23,7	163,1
5	Net financing**		17,2	-4,2	-24,1	-4,3	-31,7	-1,6	-8,2	-67,2	-0,2	-14,1	-86,6	13,0	-60,0	-77,0	-100,9	-225,0

Table 4. Monthly Consolidated Report

Preliminary consolidated reports: General government and cantons, 2006

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Q1	Q2	Q3	Q4	Total	
1	Current Revenues (11+12+13+14)	220.994.217	233.224.156	510.009.667	394.295.301	450.802.716	396.999.645	489.290.779	440.832.874	439.773.724	431.448.242	443.712.828	506.475.693	964.228.041	1.242.097.663	1.369.897.376	1.381.636.764	4.957.859.844
11	Taxes	190.541.370	195.097.138	455.586.030	340.920.028	408.805.176	357.660.067	335.683.132	391.247.267	389.111.160	384.949.855	390.376.459	414.925.460	841.224.538	1.107.385.272	1.116.041.559	1.190.251.774	4.254.903.142
	Income & profit tax	10.940.796	15.500.761	26.893.095	9.076.426	8.600.487	10.449.114	11.683.329	10.641.000	12.105.019	10.118.590	13.768.003	18.094.500	53.334.652	28.126.027	34.429.348	41.981.093	157.871.120
	Social security contributions (Brcko)	1.159.755	1.159.755	1.159.755	1.451.012	1.434.132	1.509.170	1.557.544	1.422.516	1.450.109	1.672.942	1.577.398	2.578.228	3.479.264	4.394.314	4.430.169	5.828.567	18.132.314
	Taxes on personal income and self-employment	17.877.001	19.200.887	21.350.495	22.794.700	23.857.786	22.516.033	22.720.088	23.232.184	35.596.361	26.073.900	24.843.671	36.148.690	58.428.382	69.168.519	81.548.633	87.066.261	296.211.795
	Property tax	1.950.681	3.129.385	2.473.694	2.377.044	2.082.013	2.264.665	2.679.360	1.947.178	2.709.144	2.162.412	2.436.610	2.618.171	7.553.761	6.723.722	7.335.682	7.217.193	28.830.357
	Sales tax (incl.excisess) (according to Regulations until 31.12.2005)	68.909.159	32.715.681	17.574.639	11.647.680	10.720.410	12.888.234	7.909.381	6.592.640	9.738.364	5.773.756	6.765.293	6.703.482	119.199.480	35.256.324	24.240.385	19.242.531	197.938.720
	Transfers from Single Account	89.109.324	122.509.217	383.702.367	292.386.991	360.720.437	306.788.093	287.955.504	345.938.755	326.659.238	338.101.787	340.013.245	350.736.952	595.320.908	959.895.521	960.553.497	1.028.851.984	3.544.621.911
	Other taxes	594.654	881.452	2.431.985	1.186.175	1.389.912	1.244.758	1.177.925	1.472.994	852.925	1.046.469	972.239	-1.954.563	3.908.091	3.820.845	3.503.844	64.144	11.296.925
12	Non-tax revenues	29.411.217	36.730.843	53.783.416	52.913.454	41.486.076	38.783.386	142.640.676	49.158.667	50.188.224	45.792.742	52.742.173	86.076.604	119.925.476	133.182.916	241.987.567	184.611.519	679.707.478
	o/w Dividends of public enterprises	441.329	4.192	22.201	19.186	18.056	9.753	8.023.971	10.401.629	6.160.678	7.563.772	14.101.133	24.397	467.722	46.995	24.586.278	21.689.301	46.790.297
	o/w Licenses	134.733	419.578	54.302	70.207	86.609	60.702	329.233	123.900	352.097	334.495	231.160	221.434	608.613	217.518	805.230	787.089	2.418.449
13	Grants	920.329	1.349.206	624.812	367.212	417.556	443.511	10.953.078	392.954	409.391	653.088	551.421	5.326.388	2.894.347	1.228.280	11.755.423	6.530.897	22.408.947
14	Other revenues	121.302	46.970	15.409	94.607	93.907	112.681	13.893	33.986	64.949	52.557	42.776	147.241	183.681	301.195	112.828	242.574	840.277
2	Total expenditures (21+22+23)	207.266.060	228.164.761	267.735.059	322.774.924	349.637.334	359.725.982	316.129.730	325.371.722	422.445.394	353.627.983	356.656.481	686.968.298	703.165.881	1.032.138.240	1.063.946.847	1.397.252.762	4.196.503.730
21	Current expenditures	206.571.782	225.719.780	266.599.247	322.687.857	347.703.717	360.676.643	315.333.574	315.312.662	369.359.568	349.690.358	354.895.869	654.958.820	698.890.809	1.031.068.217	1.000.005.804	1.359.545.047	4.089.509.877
	Wages and compensations	116.768.662	127.743.444	135.295.157	136.390.017	138.340.426	156.558.980	139.295.543	139.247.824	131.460.310	156.511.205	141.829.456	194.286.842	379.807.263	431.289.423	410.003.677	492.627.503	1.713.727.866
	of which: Gross wages	101.803.039	109.737.210	115.565.981	117.662.633	117.647.879	125.153.044	106.352.954	115.415.010	111.394.398	128.669.601	112.859.492	156.074.028	327.106.229	360.463.557	333.162.362	397.603.121	1.418.335.268
	of which: Compensations	14.965.624	18.006.234	19.729.176	18.727.384	20.692.547	31.405.936	32.942.589	23.832.813	20.065.912	27.841.604	28.969.964	38.212.814	52.701.034	70.825.866	76.841.315	95.024.382	295.392.597
	Other taxes and contributions	5.583.842	6.440.281	6.673.122	6.842.300	6.876.431	7.861.675	7.619.561	7.146.465	7.948.854	8.556.895	7.939.189	9.410.374	18.697.245	21.580.406	22.714.880	25.906.458	88.898.989
	Purchases of goods and services	20.855.957	29.510.529	29.855.879	32.652.244	33.716.560	34.710.834	31.115.257	32.741.193	42.686.736	39.049.063	47.193.751	110.768.599	80.222.365	101.079.638	106.543.185	197.011.412	484.856.601
	Current transfers	62.479.537	48.635.620	88.192.288	132.154.608	152.995.336	129.566.281	128.980.371	115.314.191	156.335.998	125.528.767	138.370.806	296.265.120	199.307.445	414.716.226	400.630.559	560.164.692	1.574.818.922
	of which: Grants to other levels of government	6.308.215	8.036.002	6.379.896	39.609.983	29.246.547	24.963.918	22.030.992	14.635.278	35.527.258	28.180.807	29.890.255	58.540.869	20.724.113	93.820.448	72.193.528	116.611.930	303.350.020
	of which: Grants to households	43.559.344	13.956.853	59.481.280	50.635.431	81.312.649	69.786.815	56.971.027	61.457.933	68.101.695	63.185.352	70.738.403	146.840.023	116.997.477	201.734.895	186.530.654	280.763.778	786.026.804
	of which: Grants to non-profit organizations	3.228.182	13.400.386	11.472.824	13.563.565	14.940.028	15.373.101	16.980.089	13.813.589	15.230.597	13.373.893	18.226.231	17.704.228	28.101.392	43.876.694	46.024.276	49.304.352	167.306.713
	of which: Grants to public enterprises	8.678.085	13.030.958	10.961.074	22.692.299	23.783.056	16.986.161	26.887.266	23.286.926	32.893.725	18.505.174	17.141.507	42.731.634	32.670.116	63.461.516	83.067.916	78.378.315	257.577.863
	Capital grants	238.233	1.026.722	4.323.850	3.195.109	5.284.536	5.898.672	7.237.276	7.255.894	17.128.889	15.697.654	7.016.154	19.795.507	5.588.805	14.378.317	31.622.058	42.509.314	94.098.493
	of which: Capital grants to other levels of g.	0	0	105.683	1.184.332	247.933	1.295.483	1.176.584	271.137	3.298.054	1.947.597	1.012.602	1.162.155	105.683	2.727.748	4.745.775	4.122.354	11.701.559
	Interest	402.619	11.999.811	1.832.282	10.845.458	9.800.646	25.439.035	493.717	12.927.266	13.352.733	3.528.526	11.708.013	22.928.977	14.234.711	46.085.138	26.773.716	38.165.516	125.259.082
	Transfers to lower spending units	242.932	363.373	426.670	608.121	689.783	641.166	591.849	679.830	446.049	818.248	838.502	1.503.401	1.032.975	1.939.070	1.717.728	3.160.151	7.849.924
22	Net lending*	-48.495	266.529	-587.196	-2.567.254	-263.385	-2.720.080	-16.744	9.286.646	2.019.244	2.740.957	-1.318.471	6.362.215	-369.162	-5.550.719	11.289.146	7.784.701	13.153.966
23	Other expenditures	742.772	2.178.453	1.723.008	2.654.321	2.197.001	1.769.419	812.900	772.415	51.066.582	1.196.668	3.079.082	25.647.263	4.644.233	6.620.742	52.651.898	29.923.014	93.839.886
3	Net acquisition of nonfinancial assets	-20.678.172	1.386.487	2.511.061	2.880.085	4.212.635	11.231.065	32.198.146	18.074.252	17.784.839	15.299.872	19.919.064	67.162.814	-16.780.625	18.323.785	68.057.237	102.381.749	171.982.145
4	Government surplus/deficit (1-2-3)	34.406.330	3.672.909	239.763.547	68.640.292	96.952.747	26.042.598	140.962.902	97.386.900	-456.509	62.520.387	67.137.284	247.655.418	277.842.786	191.635.638	237.893.293	-117.997.747	589.373.969
	Of which: BIH	6.669.833	6.498.930	7.725.848	44.090.966	13.864.723	4.634.885	11.365.391	9.172.739	11.431.810	3.636.648	10.424.521	-76.597.087	20.894.611	62.590.574	31.969.940	-62.535.918	52.919.207
	Consolidated FBiH	-3.883.214	11.231.096	124.745.395	-5.944.459	1.850.626	-1.702.967	102.956.109	27.479.232	31.847.224	35.011.806	27.354.851	101.880.353	132.093.276	-5.796.799	162.282.566	-39.513.696	249.065.348
	RS	35.510.840	35.422.657	38.662.124	250.787	8.405.236	500.562	16.176.666	38.832.644	-34.278.731	21.671.002	28.075.639	-26.063.734	109.595.621	9.156.585	20.730.579	23.682.907	163.165.692
	Brčko	1.065.308	5.877.899	6.432.186	3.307.649	4.638.913	2.570.879	-520.847	-1.264.360	-755.854	198.588	-1.419.482	-5.294.772	13.375.393	10.517.442	-2.541.061	-6.515.665	14.836.109
	Cantons FBiH	-4.956.438	-55.357.673	62.197.994	26.935.349	68.193.248	20.039.238	10.985.582	23.166.645	-8.700.958	2.002.344	2.701.754	-37.819.473	1.883.883	115.167.836	25.451.269	-33.115.375	109.387.612
5	Net financing **	-34.802	17.164.816	-4.189.102	-24.100.807	-4.326.436	-31.727.119	-1.695.195	-8.261.644	-67.415.204	-259.460	-14.201.529	-86.					

Herceg-Bosnia Canton, 2006

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Q1	Q2	Q3	Q4	Total
1 Total revenues (11+12+13+14)	2.721.625	2.461.928	6.364.440	2.486.384	5.248.452	3.928.865	5.343.492	5.805.679	5.175.557	5.154.936	4.274.061	4.684.151	11.547.993	11.663.702	16.324.728	14.113.148	53.649.570
11 Tax revenues	1.837.132	1.414.744	5.290.069	1.744.575	4.467.753	3.031.099	3.708.422	3.770.025	3.912.244	3.670.497	3.608.848	3.735.310	8.541.945	9.243.427	11.390.690	11.014.655	40.190.718
Income & profit tax	27.018	119.070	243.814	36.255	30.580	79.129	325.258	39.892	18.259	28.732	28.482	25.992	389.902	145.964	383.410	83.207	1.002.484
Taxes on personal income and self-employment	247.750	224.891	224.533	249.296	232.943	256.036	263.778	306.648	597.326	307.477	299.989	421.735	697.174	738.274	1.167.752	1.029.201	3.632.402
Property tax	48.102	44.331	64.464	81.197	72.419	61.275	48.733	75.748	49.924	61.125	84.085	57.831	156.897	214.891	174.404	203.042	749.234
Sales tax (incl.excises)(according to Regulations until 31,12,2005)	1.178.702	920.283	698.661	170.954	265.768	187.157	99.965	141.310	121.575	78.711	98.271	138.984	2.797.646	623.879	362.849	315.966	4.100.341
Transfers from Single Account	317.204	45.099	4.018.519	1.145.715	3.821.691	2.423.061	2.942.685	3.186.250	3.080.486	3.177.391	3.084.780	3.059.013	4.380.823	7.390.467	9.209.420	9.321.184	30.301.894
Other taxes	18.355	61.070	40.078	61.159	44.351	24.442	28.003	20.177	44.674	17.061	13.240	31.754	119.503	129.952	92.854	62.055	404.364
12 Non-tax revenues	765.407	712.641	884.036	549.384	767.309	667.242	1.177.711	705.066	1.091.621	851.727	658.374	838.335	2.362.083	1.983.935	2.974.399	2.348.436	9.668.853
13 Grants	119.087	212.989	173.173	186.366	4.497	222.115	442.904	1.308.985	128.169	630.053	3.000	110.506	505.249	412.978	1.880.059	743.559	3.541.845
of which: Grants from other levels of government	0	112.102	50.985	166.682	0	163.767	390.734	1.308.985	80.000	615.000	3.000	0	163.087	330.449	1.779.719	618.000	2.891.255
14 Other revenues	0	121.554	17.162	6.059	8.893	8.409	14.455	21.603	43.522	2.658	3.839	0	138.716	23.361	79.580	6.497	248.154
2 Total expenditures (21+22)	3.069.757	3.092.860	3.434.284	3.978.310	4.443.339	4.082.700	3.625.418	4.919.347	4.829.378	4.911.703	4.210.877	5.191.070	9.596.901	12.504.350	13.374.143	14.313.650	49.789.043
21 Current expenditures	3.069.757	3.092.860	3.434.284	3.978.310	4.443.339	4.082.700	3.625.418	4.919.347	4.829.378	4.911.703	4.210.877	5.191.070	9.596.901	12.504.350	13.374.143	14.313.650	49.789.043
Wages and compensations	2.006.342	1.981.127	2.045.569	2.092.877	2.550.412	2.376.054	2.246.553	3.067.925	2.965.774	3.361.814	2.560.689	2.600.143	6.033.037	7.019.343	8.280.253	8.522.646	29.855.279
of which: Gross wages	1.650.219	1.913.279	1.648.672	2.023.714	2.429.924	2.297.615	1.341.408	2.554.262	2.129.500	2.616.400	1.974.968	2.013.253	5.212.169	6.751.253	6.025.170	6.604.621	24.593.213
of which: Compensations	356.123	67.848	396.897	69.163	120.488	78.439	905.145	513.663	836.274	745.414	585.721	586.890	820.868	268.090	2.255.083	1.918.026	5.262.066
Other taxes and contributions	177.059	162.465	178.705	182.245	210.661	207.521	215.795	219.153	225.971	244.629	239.592	223.019	518.230	600.427	660.919	707.240	2.486.815
Purchases of goods and services	464.408	608.775	596.761	362.542	519.645	516.423	511.491	403.501	499.012	451.264	553.753	754.223	1.669.944	1.398.610	1.414.003	1.759.241	6.241.799
Grants	334.202	232.177	455.616	1.181.531	920.077	819.370	595.384	1.041.357	945.417	743.718	567.662	742.062	1.021.995	2.920.979	2.582.157	2.053.442	8.578.572
of which: Grants to other levels of government	23.461	25.461	301.236	25.361	367.374	23.461	23.461	38.255	124.271	163.125	23.461	25.717	350.159	416.197	185.988	212.304	1.164.647
Interest	31.051	6.792	16.741	6.617	6.591	6.520	6.491	6.441	15.895	6.341	6.327	6.241	54.584	19.728	28.827	18.909	122.048
Transfers to lower levels	56.696	101.524	140.891	152.499	235.953	156.811	49.705	180.970	177.309	103.936	282.854	865.382	299.111	545.263	407.984	1.252.172	2.504.529
22 Net lending*	0	0	0	0	0												
3 Net acquisition of nonfinancial assets	187.012	338.754	419.590	337.942	371.655	241.803	196.237	352.852	198.812	308.040	338.012	341.174	945.356	951.400	747.901	987.226	3.631.883
4 Government surplus/deficit (1-2-3)	-535.144	-969.686	2.510.566	1.829.868	433.457	-395.638	1.521.837	533.480	147.367	-64.807	-274.828	-848.093	1.005.736	-1.792.048	2.202.684	-1.187.728	228.644
5 Net financing **	0	0	-12.000	-5.475	-7.935	-3.734	-37.439	-12.441	-85.775	0	-11.112	0	-12.000	-17.144	-135.655	-11.112	-175.911

Table 6. Monthly Consolidated Report

Centra Bosnia Canton, 2006

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Q1	Q2	Q3	Q4	Total
1 Total revenues (11+12+13+14)	7.082.504	5.601.177	20.793.188	11.251.306	12.129.841	13.584.148	14.088.538	14.045.226	14.296.396	14.119.749	14.566.407	13.807.101	33.476.869	36.965.295	42.430.161	42.493.257	155.365.582
11 Tax revenues	5.823.072	3.777.297	18.754.133	9.503.229	10.691.159	11.123.786	11.655.802	12.326.831	11.840.719	12.103.518	12.222.191	11.716.568	28.354.501	31.318.174	35.823.352	36.042.278	131.538.305
Income & profit tax	176.799	189.382	159.791	205.500	161.340	178.623	288.014	281.563	163.745	194.117	231.581	209.871	525.973	545.463	733.321	635.568	2.440.326
Taxes on personal income and self-employment	810.804	1.070.566	845.189	1.192.663	1.249.113	1.064.353	1.009.189	1.290.019	1.202.875	1.249.397	1.211.570	1.577.350	2.726.559	3.506.129	3.502.082	4.038.317	13.773.088
Property tax	276.798	265.811	353.594	245.748	509.634	376.047	404.249	518.124	306.793	377.270	673.228	352.405	896.202	1.131.430	1.229.166	1.402.902	4.659.700
Sales tax (incl.excises)(according to Regulations until 31,12,2005)	4.517.222	2.199.844	1.027.521	775.231	752.752	693.514	748.245	269.242	503.075	355.475	413.896	503.631	7.744.587	2.221.498	1.520.562	1.273.002	12.759.649
Transfers from Single Account	0	0	15.908.054	6.866.815	7.959.775	8.765.717	9.159.256	9.902.740	9.599.936	9.873.006	9.640.866	9.007.333	15.908.054	23.592.308	28.661.931	28.521.205	96.683.498
Other taxes	41.448	51.694	459.984	217.271	58.544	45.531	46.850	65.144	64.295	54.253	51.050	65.980	553.126	321.346	176.289	171.283	1.222.045
12 Non-tax revenues	1.182.327	1.564.756	1.931.312	1.723.396	1.381.221	2.427.143	1.739.050	1.696.702	2.398.731	1.689.430	2.167.511	1.878.151	4.678.394	5.531.760	5.834.483	5.735.092	21.779.728
13 Grants	73.227	249.860	73.850	17.564	43.942	33.219	660.800	12.000	29.834	272.054	167.244	202.301	396.937	94.726	702.634	641.599	1.835.896
of which: Grants from other levels of government	67.625	0	0	0	0	0	658.500	12.000	0	194.062	136.396	130.961	67.625	0	670.500	461.419	1.199.544
14 Other revenues	3.878	9.265	33.893	7.117	13.519	0	32.887	9.693	27.112	54.747	9.461	10.081	47.036	20.636	69.692	74.289	211.653
2 Total expenditures (21+22)	8.175.663	9.297.409	10.747.270	11.369.770	12.992.618	11.144.540	10.527.571	11.561.815	13.634.352	14.174.195	13.978.658	17.580.709	28.220.342	35.506.927	35.723.737	45.733.563	145.184.570
21 Current expenditures	8.175.663	9.297.409	10.747.270	11.369.770	12.992.618	11.144.540	10.527.571	11.561.815	13.634.352	14.174.195	13.978.658	17.580.709	28.220.342	35.506.927	35.723.737	45.733.563	145.184.570
Wages and compensations	5.325.897	5.636.367	6.398.157	7.388.453	8.019.114	6.569.797	5.858.286	6.005.212	6.525.827	7.191.671	6.575.526	7.024.739	17.360.421	21.977.364	18.389.326	20.791.936	78.519.047
of which: Gross wages	4.296.812	4.461.655	5.073.835	6.262.411	5.084.558	5.167.453	5.082.514	4.944.567	5.288.182	5.190.926	5.266.462	5.341.938	13.832.302	16.514.421	15.315.264	15.799.326	61.461.314
of which: Compensations	1.029.085	1.174.712	1.324.322	1.126.042	2.934.557	1.402.344	775.772	1.060.645	1.237.645	2.000.745	1.309.065	1.682.800	3.528.119	5.462.943	3.074.062	4.992.610	17.057.733
Other taxes and contributions	501.729	530.479	609.570	748.800	602.436	624.048	615.813	579.792	648.237	624.390	624.912	651.926	1.641.779	1.975.284	1.843.842	1.901.228	7.362.133
Purchases of goods and services	1.175.113	1.506.999	1.258.996	1.181.912	1.116.607	1.034.770	915.837	1.022.498	1.344.900	1.736.419	2.048.221	2.590.984	3.941.108	3.333.290	3.283.235	6.375.624	16.933.257
Grants	1.118.975	1.525.678	2.352.424	1.944.113	3.151.474	2.750.255	3.059.349	3.765.432	4.932.513	4.496.308	4.548.026	7.090.555	4.997.076	7.845.842	11.757.294	16.134.890	40.735.101
of which: Grants to other levels of government	58.751	90.860	695.008	339.308	875.194	976.124	708.160	1.126.299	854.819	1.282.424	521.672	949.841	844.618	2.190.625	2.689.279	2.753.937	8.478.458
Interest	5.624	47	13.004	138	18.648	300	8	26.630	13.795	12.762	35.201	20.015	18.675	19.087	40.433	67.979	146.173
Transfers to lower levels	48.325	97.839	115.119	106.354	84.338	165.369	78.277	162.251	169.080	112.645	146.771	202.490	261.284	356.061	409.608	461.907	1.488.859
22 Net lending*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Net acquisition of nonfinancial assets	19.788	-340.040	586.498	355.227	1.064.816	1.016.908	782.019	903.055	958.033	1.536.516	1.244.781	1.343.333	266.247	2.436.951	2.643.106	4.124.629	9.470.933
4 Government surplus/deficit (1-2-3)	-1.112.948	3.356.192	9.459.420	-473.690	-1.927.593	1.422.700	2.778.949	1.580.356	-295.988	-1.590.962	-657.032	-5.116.941	4.990.280	-978.583	4.063.317	-7.364.935	710.079
5 Net financing **	-25.764	-651	-14.968	-18.416	-14.937	-16.539	-690	-28.348	-31.880	-63.650	0	-64.296	-41.383	-49.892	-60.918	-127.946	-280.138

Table 7. Monthly Consolidated Report

Zenica-Doboj Canton, 2006

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Q1	Q2	Q3	Q4	Total
1 Total revenues (11+12+13+14)	14.300.878	7.612.798	37.168.513	18.659.127	20.835.779	22.867.285	12.399.405	24.056.685	22.873.023	25.481.920	24.218.639	44.691.257	59.082.189	62.362.191	59.329.113	94.391.816	275.165.309
11 Tax revenues	11.476.957	4.695.665	32.619.768	15.637.471	17.870.614	19.331.294	8.130.769	20.209.261	19.283.449	19.990.002	20.037.622	33.209.538	48.792.390	52.839.379	47.623.479	73.237.163	222.492.411
Income & profit tax	597.651	578.673	379.738	445.291	1.184.729	594.352	482.047	564.773	608.642	560.526	736.265	762.252	1.556.063	2.224.372	1.655.462	2.059.043	7.494.939
Taxes on personal income and self-employment	1.644.457	1.314.073	2.104.171	2.011.875	2.284.532	1.912.552	1.879.155	1.997.723	2.138.223	2.200.562	2.232.139	4.146.706	5.062.701	6.208.959	6.015.101	8.579.406	25.866.167
Property tax	372.990	547.271	727.961	630.257	423.130	515.746	645.703	554.422	477.537	747.804	691.993	842.014	1.648.223	1.569.132	1.677.662	2.281.811	7.176.827
Sales tax (incl.excises)(according to Regulations until 31.12.2005)	7.370.780	2.148.140	2.305.680	817.063	919.597	2.015.799	1.057.631	1.062.786	518.608	475.948	820.339	1.384.929	11.824.600	3.752.458	2.639.025	2.681.216	20.897.299
Transfers from Single Account	1.450.249	40.808	26.992.150	11.687.781	12.994.875	14.236.122	4.003.712	15.965.898	15.474.625	15.938.696	15.498.335	25.990.576	28.483.206	38.918.778	35.444.234	57.427.607	160.273.825
Other taxes	40.830	66.700	110.067	45.204	63.752	56.724	62.520	63.660	65.814	66.466	58.552	83.063	217.598	165.680	191.994	208.080	783.352
12 Non-tax revenues	2.817.076	2.866.176	4.509.626	3.021.657	2.956.747	3.189.067	4.193.772	3.821.275	3.530.313	5.474.552	4.181.017	11.180.146	10.192.878	9.167.470	11.545.360	20.835.714	51.741.423
13 Grants	6.845	50.957	39.119	0	8.418	346.924	74.865	26.149	59.260	17.366	0	295.313	96.921	355.342	160.273	312.679	925.216
of which: Grants from other levels of government	0	4.283	1.750	0	8.418	3.000	8.983	3.983	0	1	0	208.829	6.033	11.418	12.967	208.830	239.248
14 Other revenues	0	6.260	0	0	0	6.260	6.260										
2 Total expenditures (21+22)	13.111.795	15.025.997	16.525.362	16.798.492	16.240.473	17.586.679	16.081.453	18.322.359	21.103.732	19.671.003	21.512.815	32.821.492	44.663.154	50.625.644	55.507.544	74.005.310	224.801.652
21 Current expenditures	13.116.795	15.025.997	16.525.362	16.798.492	16.240.473	17.586.679	16.081.453	18.322.359	21.103.732	19.671.003	21.512.815	32.821.492	44.668.154	50.625.644	55.507.544	74.005.310	224.806.652
Wages and compensations	7.519.795	8.191.325	8.312.479	8.210.224	8.290.918	8.347.599	7.638.703	11.510.671	9.491.006	9.411.649	9.572.850	10.648.051	24.023.599	24.848.741	28.640.381	29.632.550	107.145.270
of which: Gross wages	6.308.309	6.775.642	6.713.910	6.830.023	6.835.822	6.772.108	6.657.099	8.471.342	7.918.947	7.943.466	7.996.582	8.669.322	19.797.862	20.437.953	23.047.388	24.609.370	87.892.572
of which: Compensations	1.211.485	1.415.683	1.598.568	1.380.201	1.455.096	1.575.490	981.605	3.039.329	1.572.060	1.468.183	1.576.268	1.978.730	4.225.737	4.410.788	5.592.993	5.023.180	19.252.698
Other taxes and contributions	751.679	805.822	814.089	826.219	810.511	821.258	808.906	1.012.471	938.797	942.235	934.428	1.028.905	2.371.589	2.457.989	2.760.174	2.905.568	10.495.320
Purchases of goods and services	2.377.422	3.315.904	3.182.616	3.070.810	2.981.777	3.201.071	2.417.818	2.494.262	3.270.306	3.097.821	4.233.106	9.455.859	8.875.942	9.253.659	8.182.385	16.786.785	43.098.770
Grants	2.182.597	2.510.330	3.753.037	4.225.925	3.871.411	4.639.406	4.566.421	3.118.056	7.117.540	5.902.373	6.142.511	11.087.321	8.445.964	12.736.742	14.802.018	23.132.204	59.116.927
of which: Grants to other levels of government	34.063	127.835	95.601	131.909	159.883	119.928	268.455	150.721	284.082	332.317	460.486	268.244	257.499	411.720	703.259	1.061.047	2.433.525
Interest	75.916	5.842	3.605	19.310	7.192	3.601	65.337	0	6.197	6.313	9.270	4.378	85.363	30.103	71.534	19.961	206.961
Transfers to lower levels	209.387	196.774	459.536	446.003	278.664	573.745	584.268	186.899	279.886	310.612	620.651	596.978	865.697	1.298.412	1.051.053	1.528.241	4.743.403
22 Net lending*	-5.000	0	-5.000	0	0	0	-5.000										
3 Net acquisition of nonfinancial assets	466.307	-241.976	611.977	168.650	1.672.300	2.766.889	3.996.770	5.035.568	5.703.365	3.639.089	3.641.539	6.453.239	836.308	4.607.839	14.735.704	13.733.867	33.913.717
4 Government surplus/deficit (1-2-3)	722.776	-7.171.223	20.031.175	1.691.985	2.923.007	2.513.717	-7.678.817	698.757	-3.934.075	2.171.827	-935.714	5.416.526	13.582.727	7.128.709	10.914.135	6.652.639	16.449.940
5 Net financing **	-25.281	-12.498	-12.498	0	-24.996	-12.498	-24.601	0	-24.956	-33.303	-12.498	-66.177	-50.276	-37.493	-49.557	-111.977	-249.304

Table 8. Monthly Consolidated Report

From the work of the ITA Governing Board

(Prepared by: Šerifa Mujčić, Milan Kuridža)

78th session of the ITA Governing Board took place

78th session of the Governing Board took place on April 17th, 2007, in Banja Luka. Amongst other, the following issues were discussed in the session:

- 1 independent external audit (consideration of report on independent external audit for 2005 and report on activities on selection of independent external auditor for 2006)
- 2 activities on preparing draft law on excise in BiH
- 3 rulebook on control of indirect taxes
- 4 strategy for training / education in ITA (as part of this item – giving agreement on rulebook on changes on internal organization and systematization of ITA)
- 5 allocation of revenues from indirect taxes (making decision on temporary allocation for May 2006 and activities on preparation of general document on allocation of revenues from indirect taxes)

At this session, the Governing Board concluded to ask independent external auditor to send a report on audit for 2005 for members of the Governing Board to able to express their opinion about it. The report will be discussed in the following session of the Governing Board. It was agreed to prepare proposal of project task for audit in 2006. The Governing Board concluded that guidelines for preparing draft law on excise in BiH should be provided by ministers of finances. After they talk to working body of the BiH Parliamentary Assembly, working group for preparing the law should propose text for the draft of this Law to the ITA Governing Board at the next session.

Rulebook on control of indirect taxes was adopted with incorporated objections of the Governing Board members. Strategy was accepted for further education of ITA employees and approval was given for the part of proposed of Rulebook on changes and amendments of the Rulebook on internal organization and systematization of posts in ITA.

Decision was made for temporary allocation for May 2007, according to which allocation of indirect taxes in that month will be based on coefficients that were used in April. It was concluded that the working group for preparing general document on allocation of revenues from indirect taxes should propose text of this document at the next session. This document would work out all models of temporary allocation, temporary and final reconciliation.

The Governing Board has an attitude that initiatives of SDP BiH delegates and Jerko Ivankovic Lijanovic to change and amend the Law on Value added tax, which would increase VAT rate from 17% to 21% are not grounded.