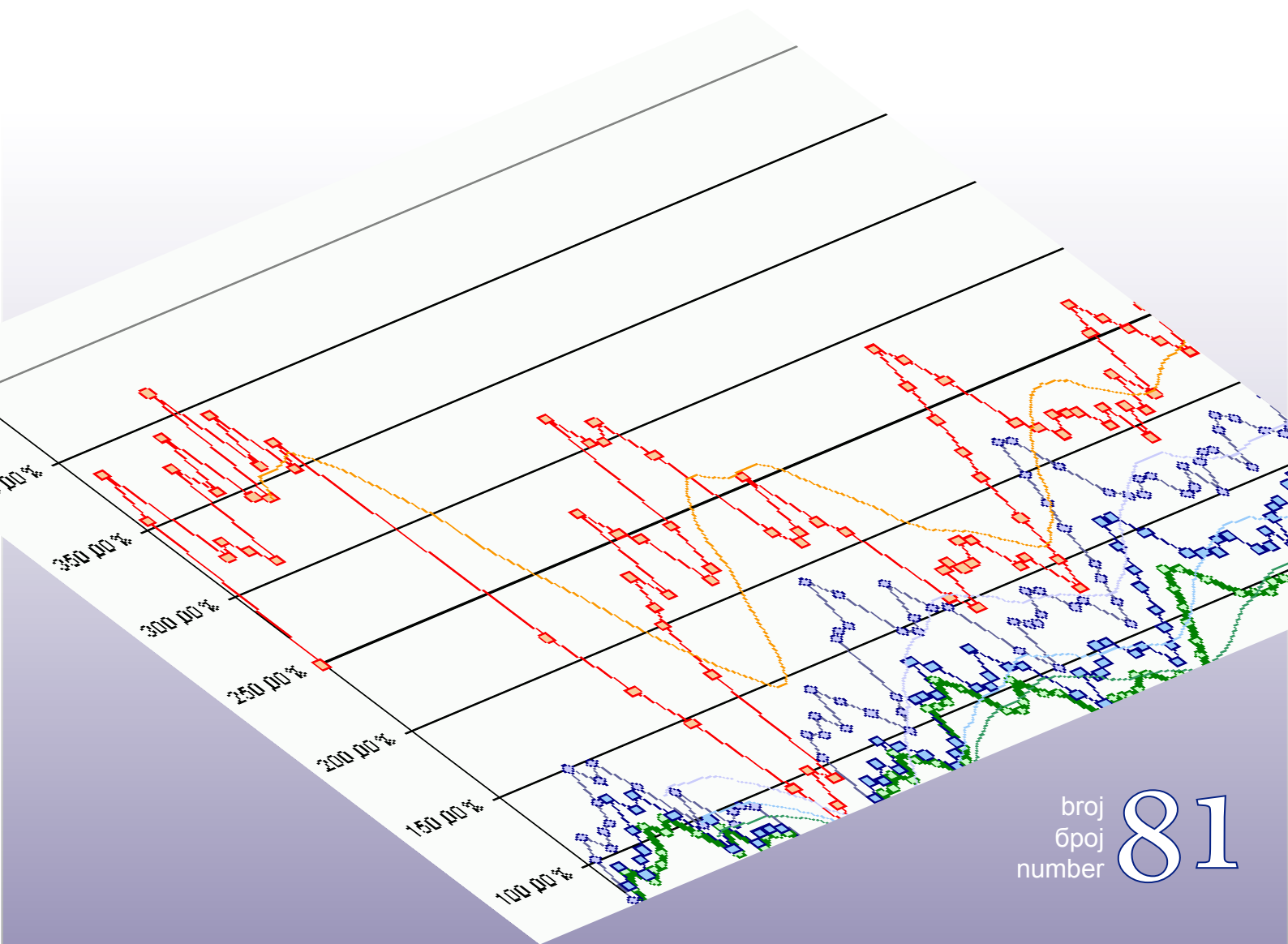




Macroeconomic Unit of the Governing Board of the Indirect Tax Authority

Oma Bilten



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number **81**

With this issue

The result of reforms in the sphere of public finance management in B&H is the harmonized budgeting process at all levels of government. The quality of these reforms is reflected in development of Budget Framework Paper covering the next three year period, and which, at the same time, represents the basis for drafting the Global Fiscal Framework. Another quality of the reform is harmonizing the budget calendar and using the common inputs – macroeconomic projections and projections of indirect tax revenues. According to budget calendar of B&H institutions, the Unit is required to produce indirect tax revenue projections in April for current and next three years. After reforming the system of indirect taxation, projections of indirect taxes became equally important for all levels of government, since the revenues from indirect taxes dominate in tax structures of all B&H governments. Projections of indirect tax revenues are closely linked to projections of macroeconomic indicators, so any deviation from the projected value means the risk for revenue projections. Slowing down the economic recovery of Bosnia and Herzegovina's main export partners (EU, CEFTA) increases the level of risk for achievement of macroeconomic projections, and therefore the projection of revenues from indirect taxes in general. The continued increase in specific excise duties in order to meet the minimum standards of the EU brings revenue growth of excise taxes on cigarettes, but also the increased risk of illegal production and smuggling of cigarettes. Any changes of policies in the area of indirect taxation (such as introduction of differentiated VAT rates, significant increase of standard rate, further differentiation of excise taxes on oil derivatives - "blue diesel", etc.) apart from the fiscal losses and macroeconomic implications, can also destabilize revenue collection, reduce the efficiency of the ITA, overburden companies and significantly increase the risk of fraud. Apart from the mentioned risks, it should also be stated the following two factors which can influence revenue collection in 2012 and coming years, such as the constant increase of oil prices on the world market as well as the implications of Croatia's accession to the EU on the B&H economic system. Given the basic assumptions of the projections of indirect taxes and overall economic conditions in B&H and abroad, the achievement of projected levels of revenues from indirect taxes in the coming years will be subject to many risks which economic policy makers in B&H must be aware of, as well as all the governments which are financed from indirect taxes.

Dinka Antić, PhD
Head of Unit

Table of contents:

Taxation of energy products in B&H	2
Comparative analysis of BiH and German Law on tobacco taxation	7
Consolidated reports: B&H Institutions, entities and SA	13
Consolidated reports: Cantons	14

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Collection of indirect taxes by types – March 2012

(Author: Dinka Antić, PhD)

Introduction

According to the ITA preliminary report by types of revenue 1,094 billion KM of indirect taxes was collected in the first quarter of 2012, after the deduction of refund, which is for 0,38% less than in the same quarter of 2011. This percentage also includes approximately 18,5 million KM of collected revenue that remained unadjusted after linking the Single Account payments with filed returns/declarations in modules of the ITA IT systems. Unlike the previous two years when there was a constant growth of refunds, in the first quarter of 2012 refunds are reduced by 1,82%.

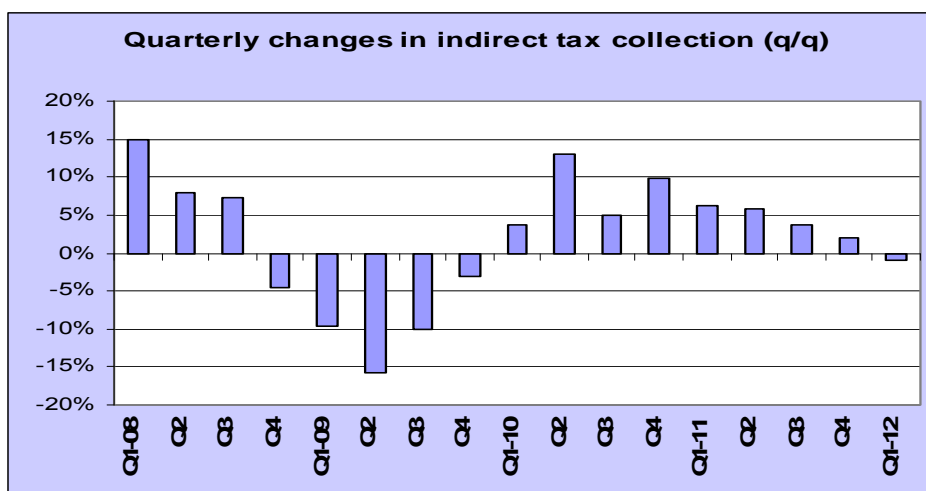


Chart 1

Main types of revenue

	III 2012/ III 2011	Cumulative 2012/ 2011
Customs duty	-22,67%	-22,77%
VAT	12,41%	-0,48%
Excise duties	-15,31%	2,01%

Customs duty

Trend of falling revenue from customs has continued in the first quarter of 2012. The reduction in customs revenue is expected due to abolition of 1% of customs record, but still not in such intensity, given that a large part of imports of goods originating in the EU has already been under the tax free regime (Chart 2). Although there was a slight recovery in collection in March (Chart 3) the reduction of imports and weather conditions that led to a complete blockage of imports in February generally contributed to a significant loss of customs revenue in the first quarter of 2012.

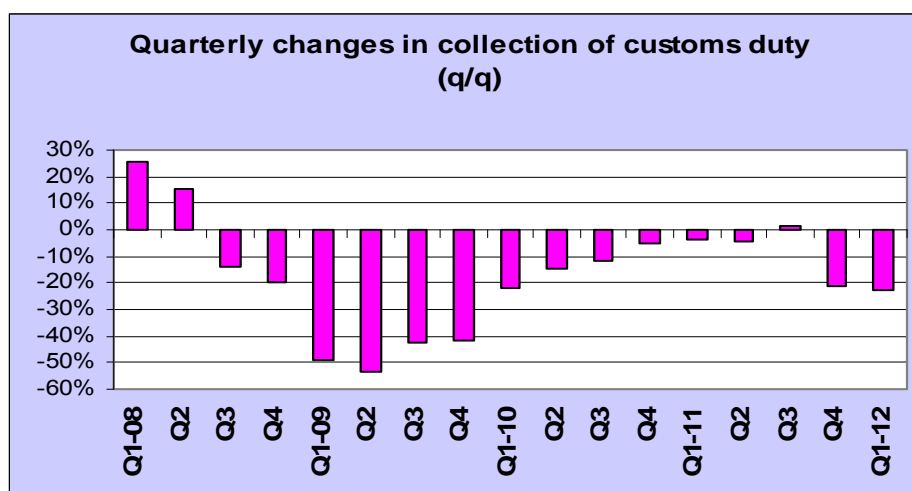


Chart 2

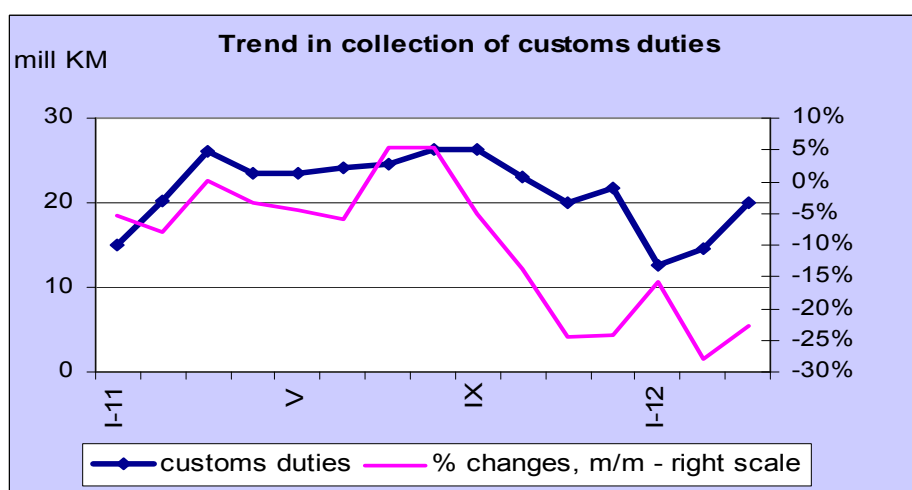


Chart 3

VAT

Trend of revenue collected from VAT in the first quarter of 2012 is largely similar to a quarterly pattern of trend of total revenue from indirect taxes given the dominant share of this revenue in total revenue (Chart 4). The reduction of VAT refunds of 2,8% in the first quarter of 2012 has just partially neutralized the loss of VAT revenue caused by weather conditions since the gross VAT collection is also reduced due to growth of debt in respect of VAT returns. It should be noted that most of the usual unadjusted revenue is subsequently filed in the VAT so a certain improvement of presented indicators can be expected after publication of the final ITA report on the collection in March 2012.

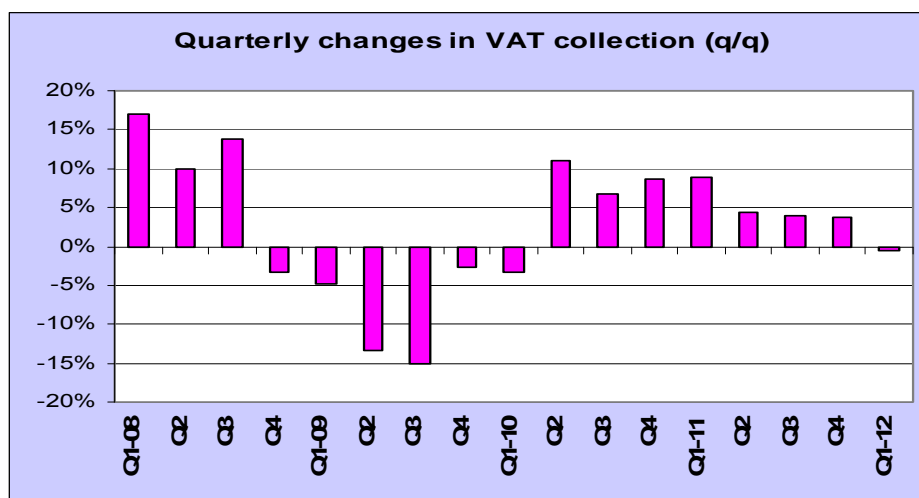


Chart 4

Requests for refunds and tax credits are in a slight decline (Chart 5), which, given the terms of payment of refund, can positively affect the net collection of VAT in April and May 2012. Reduction of claims for refunds and tax credits are partly the result of the significant drop of export in the first two months but also of intensive activities of the ITA to combat fraud in the VAT system.

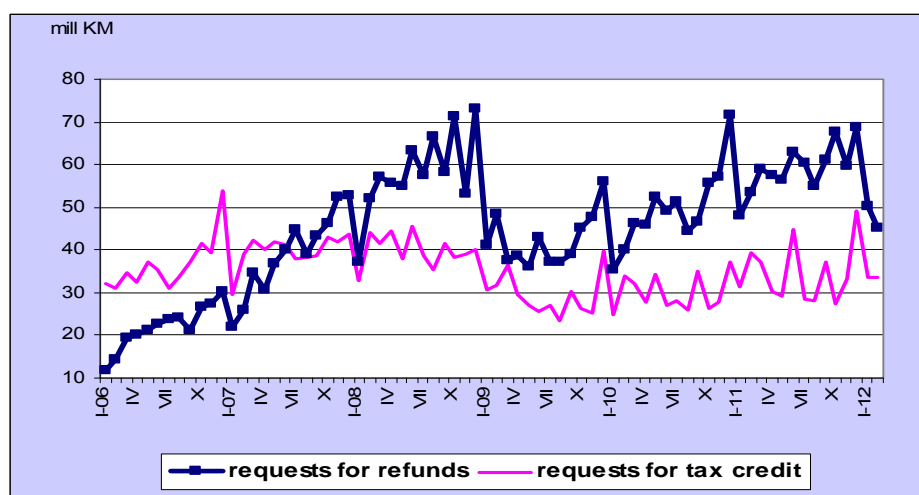


Chart 5

Excise and road fees

First quarter of 2012 is characterized by strong monthly fluctuations in revenue collection from excise duties particularly in the major excise products: oil derivatives and cigarettes (see Table).

Collection of revenue from excise duties in March as a whole was negative, except for coffee and a group of products consisting of alcohol, beer, wine, alcoholic and non alcoholic drinks. A significant decline was recorded for excise duties on cigarettes in March but a growth of 7,22% was achieved quarterly.

	I 2012 / I 2011	II 2012/ II 2011	III 2012/ III 2011	cumulative 2012/ 2011
Total tobacco	20,35%	29,16%	-17,44%	7,22%
imported	13,56%	21,67%	-10,17%	6,44%
domestic	35,17%	53,06%	-33,98%	9,11%
oil derivative	5,92%	-6,46%	-16,39%	-6,18%
imported	-7,41%	-13,65%	-10,16%	-10,44%
domestic	24,28%	5,47%	-23,97%	-0,26%
coffee	-0,12%	-0,38%	14,89%	5,37%
alcohol, beer	4,90%	-24,21%	3,95%	-0,66%
Road fees	11,79%	0,00%	-7,66%	0,60%

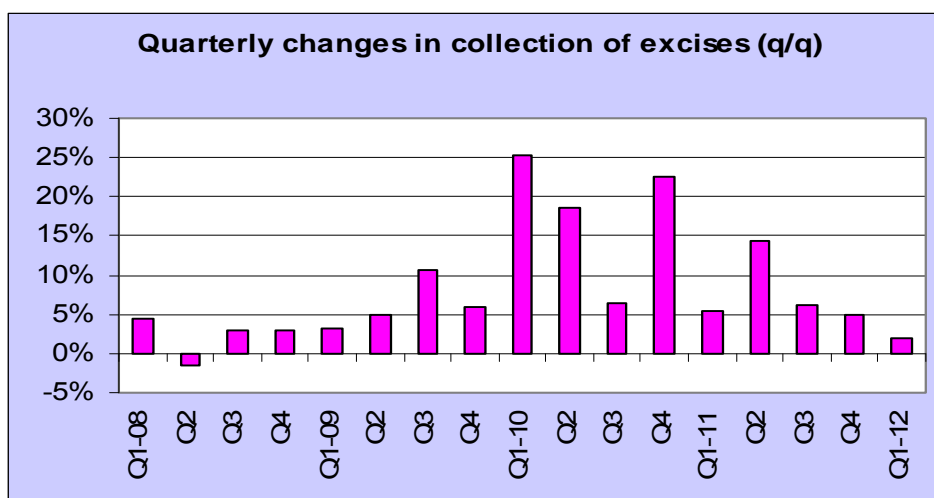


Chart 6

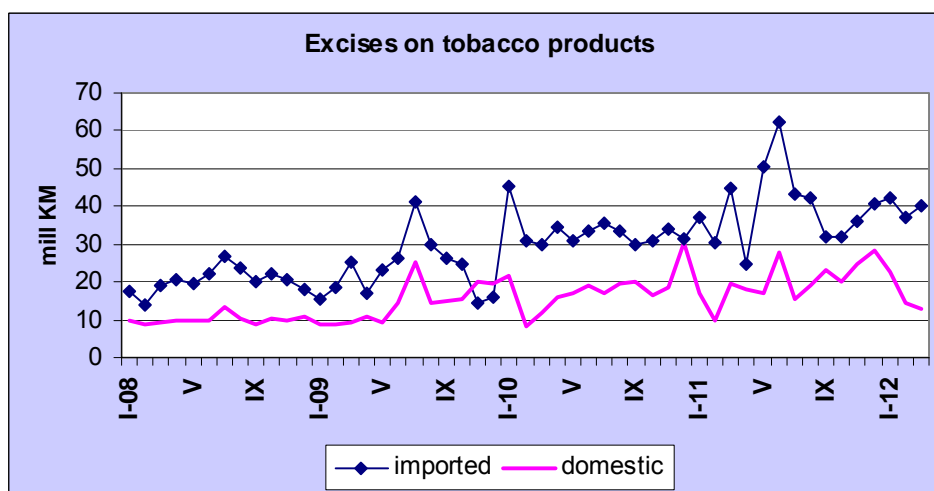


Chart 7

There is a continuation of unfavorable trends in collection of excise duties on oil derivatives. They are mainly a result of the reduced economic activity and consumer spending but also of the policy of differentiated rates and exemptions for certain types of derivatives which may constitute a strong incentive for the misuse in the system of excise taxes (eg. less taxable use of heating oil as a fuel). If we compare the consumption of oil derivatives in the first quarter of 2012 with the

same quarter in the period 2007-2011, it can be concluded that the lower consumption of oil derivative was recorded only in 2010 (Chart 8).

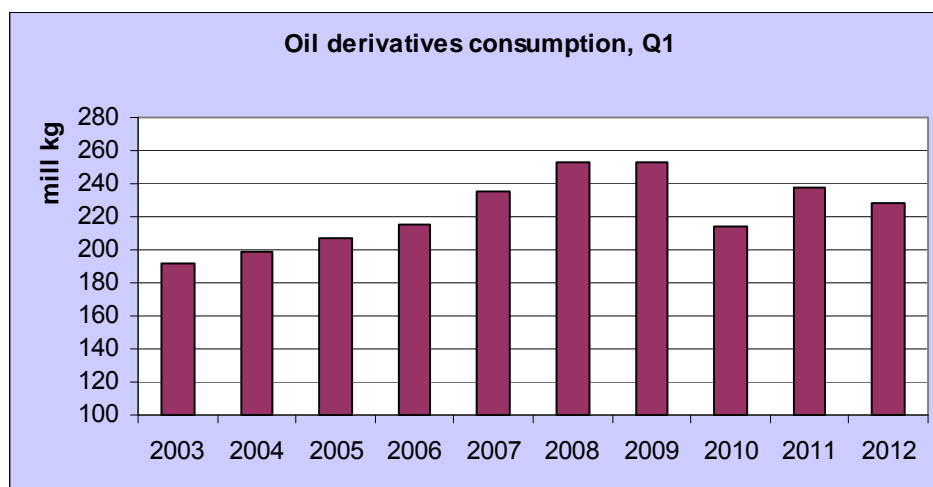


Chart 8

We note that for the need of analysis the consumption of derivative is expressed as the sum of quantities of imported and produced products with the assumption of holding a constant derivative reserve in B&H. Besides the reduction in consumption, the change in structure of derivatives is obvious as well. On the one hand there is a strong increase in the amount of heating oil and on the other side there is a reduction in consumption of diesel and gasoline with a reduction in the amount of gasoline far sharper than that of diesel.

Conclusion

Collection of indirect taxes is traditionally the lowest in the first quarter. But, regardless of that fact, it can be concluded that unfavorable trends in the first quarter of 2012 represent a continuation of negative trends from the second half of 2011. In the first place, unfavorable trends in collection of indirect taxes in the first quarter of 2012 reflect bad trends in macroeconomic system of B&H, decline in exports, decline in economic activities, investments and consumption. Poor image of collection in the first quarter of 2012 was further worsened by the bad weather in February. Most of the private consumption of essential goods is lost and it cannot be recovered by subsequent purchases. In addition, companies due to inability of import or export delayed certain procurements thereby threatening the existing jobs and export contracts. The above implies that a certain part of expected revenue from indirect taxes is irretrievably lost which will in whole mark the collection of revenue in fiscal 2012.

Comparative analysis of BiH and German Law on tobacco taxation

(Author: Aleksandar Eskić, Macroeconomist in the Unit)

Introduction

The market of tobacco and tobacco products is becoming increasingly important in terms of public revenues and revenue from excise tax on cigarettes is currently the most potent revenue that is administered by the Indirect Taxation Authority¹. Currently the solution that is in force is contained in the Law on Excises in BiH and is the result of pre-existing law as well as chosen way of gradual harmonization with the European legislation in this area that was in force at that time. Some of the major news was the introduction of specific excise duty in order to meet the requirements regarding the structure of excise duties on cigarettes. Also, another legal institute was introduced and that is minimum excise duty, which states that if calculated excise duty is less than the current minimum excise duty, then minimum excise duty should be applied. Minimum excise duty shall be determined based on the most popular (most common) retail selling price of cigarettes. The fact is that the small percentage of cigarettes is covered by minimum excise duty up to now, which again is not the case with most EU countries.

Likewise, the European legislation in this area has evolved considerably in recent years. The minimum excise burden on cigarettes is increased by approx. 45% while at the same time differently defined connections and relationships between different components of the total tax burden on cigarettes. Under current regulations, the specific excise rate is introduced by the new Law on Excise in B & H and did not exist in BiH. The legislator has adopted a decision to increase the excise duty at prescribed pace (min 0.15 KM per pack of cigarettes) or more, at the discretion of the Board (the Board) of the ITA BiH. Otherwise, the Board of the ITA B & H is responsible for the creation of fiscal policy in the field of indirect taxation.

A short overview of German Tobacco Tax Act

An example of the German Law on the taxation of tobacco and tobacco products is very interesting. Below are presented some of the analyzed provisions of this Act which came into force in mid July 2009. After nearly 18 months the law has undergone certain amendments in order to "extend" his life so as not to be narrow in relation to economic reality and thus caused additional costs in terms of lost revenues, the confusion that can occur in the market of tobacco and tobacco products, the unequal position of market participants in the industry caused by inadequate treatment of tobacco products, the required commitment of time and human factors, and other related factors when implementing the procedures to supplement the regulatory framework (laws and regulations) that all of this can again find its equivalent in money also. Further repercussions of this situation are numerous, but for the purposes of this analysis they will be abstracted.

The Act is being implemented within the tax territory, and tobacco products are subject to taxes on tobacco. The tax territory is the territory of the Federal Republic of Germany, except for the region Buesingen and the island of Helgoland. Further, the law provides a general definition of tobacco products with very detailed descriptions of the elements that define them. So we have major tobacco products which include: cigars and cigarillos, cigarettes, smoking tobacco (fine cut tobacco and pipe tobacco).

Another important feature of this legislation is that much higher authorities were given to the Federal Ministry of Finance. This was done because of the aforementioned needs of improved "flexibility" of the legal solutions. Federal Ministry of Finance is authorized in terms of procedural simplification and ensures uniformity and equality in taxation without special permission

¹ Overall revenues from taxation of cigarettes are going to reach 1 billion KM which includes excise duty on cigarettes as well as VAT calculated on retail selling price.

Bundesrat², the details such as the determination of the essential properties of tobacco products, such as dimensions, weight, etc. Explanatory notes for when defining what is a cigarette, would lead into account such factors as the size of cut tobacco, cigarette length, type of material used for wrapping tobacco, etc. All with the goal of adequate and uniform tax treatment of what we mean by a cigarette. Also interesting is the fact that the specific excise duty is calculated per cigarette (piece). Since the packaging of cigarettes can vary in terms of number of cigarettes. This narrows the space for evasion of excise duties, competitive market price, thus favoring one group of consumer products compared to other tobacco products. Sure, maybe our most interesting feature of this policy is that it introduces the category of weighted average retail selling price as a reference point instead of the previous most popular (most common) price category of cigarettes.

Flexibility analysis of the public policy is reflected in the fact that it is a certain amount and structure of excise duties and minimum excise duties over the future periods. It is important to note that these periods do not necessarily coincide with the calendar i.e. fiscal year. Below is a review of the amount and structure of excise duties on cigarettes with concrete examples that would be provided more insight into the specific effects of these provisions.

At the beginning of the application of the new law the amount and the structure of excise duties amounted to 9.82 euro cents per unit (cigarette) and 21.69 percent of the retail selling price of cigarettes that are taxed. If excise duty calculated using the above elements was less than the minimum excise duties, then the amount of excise duties calculated in accordance with the special provision should be applied³.

This leads to the excise duties for 20 units (cigarettes) from 1.964 euro of specific excise duty and 1.085 euro of ad-valorem excise duty which amounts to 3.049 euro. Assuming the retail selling price of 5 euro and the rate of value added tax of 19%, it results in calculated VAT of 0.8 euro, resulting in total tax load of approx. 3.85 euro (77% of retail price).

For the period from May 1st 2011 through December 31st 2011 the excise duty amounts to 9.08 euro cents per unit (cigarette) and 21.94 percent of the retail selling price, and at least 18.156 euro cents per unit minus the amount of value added tax on the retail selling price of cigarettes to be taxed.

*This leads to the excise duties for 20 units (cigarettes) from 1.816 euro of specific excise duty and 1.097 euro of ad-valorem excise duty which amounts to 2.913 euro. Assuming the retail selling price of 5 euro and the rate of value added tax of 19%, it results in calculated VAT of 0.8 euro, resulting in total tax load of approx. 3.712 euro (74% of retail price). Minimum excise duty for the period is **2,833 euro**.*

For the period from January 1st 2012 through December 31st 2012 the excise duty amounts to 9.26 euro cents per unit (cigarette) and 21.87 percent of the retail selling price, and at least 18.518 euro cents per unit minus the amount of value added tax on the retail selling price of cigarettes to be taxed.

*This leads to the excise duties for 20 units (cigarettes) from 1.852 euro of specific excise duty and 1.093 euro of ad-valorem excise duty which amounts to **2.945 euro**. Assuming the retail selling price of 5 euro and the rate of value added tax of 19%, it results in calculated VAT of 0.8 euro, resulting in total tax load of approx. 3.745 euro (75% of retail price). Minimum excise duty for the period is **2,904 euro**. The balance RSP is 4,89 euro.*

$$1,852 + 0,2187 * RSP^4 = 3,7036 - 0,1597 * RSP \text{ which implies } RSP = 4,89 \text{ euro}$$

² The upper chamber of the German Parliament, which is comprised of representatives of state governments

³ Clause 2:

The tax on cigarettes shall at least be equal to the amount (minimum tax rate) calculated from 100 percent of the overall tax load consisting of tobacco tax and sales tax on weighted average retail selling price, less the sales tax on the retail selling price of the cigarettes to be taxed. In determining the tax load, the tax rate current on January 1 each year shall be decisive factor.

⁴ retail selling price (RSP)

For the period from January 1st 2013 through December 31st 2013 the excise duty amounts to 9.44 euro cents per unit (cigarette) and 21.80 percent of the retail selling price, and at least 18.881 euro cents per unit minus the amount of value added tax on the retail selling price of cigarettes to be taxed.

*This leads to the excise duties for 20 units (cigarettes) from 1.886 euro of specific excise duty and 1.09 euro of ad-valorem excise duty which amounts to **2.976 euro**. Assuming the retail selling price of 5 euro and the rate of value added tax of 19%, it results in calculated VAT of 0.8 euro, resulting in total tax load of approx. 3.776 euro (76% of retail price). Minimum excise duty for the period is **2,976 euro**. The balance RSP is 5,00 euro. Here it can be seen that calculated excise duty matches with the minimum excise duty because the RSP is equal to the balancing price.*

$$1,886 + 0,218 * RSP = 3,7762 - 0,1597 * RSP \text{ which implies } RSP = 5,00 \text{ eura}$$

For the period from January 1st 2014 through December 31st 2014 the excise duty amounts to 9.63 euro cents per unit (cigarette) and 21.74 percent of the retail selling price, and at least 19.259 euro cents per unit minus the amount of value added tax on the retail selling price of cigarettes to be taxed.

*This leads to the excise duties for 20 units (cigarettes) from 1.926 euro of specific excise duty and 1.087 euro of ad-valorem excise duty which amounts to **3.013 euro**. Assuming the retail selling price of 5 euro and the rate of value added tax of 19%, it results in calculated VAT of 0.8 euro, resulting in total tax load of approx. 3.813 euro (77% of retail price). Minimum excise duty for the period is **3,052 euro**. The balance RSP is 5,10 euro. Here it can be seen that calculated excise duty is less than the minimum excise duty so the minimum excise duty applies. .*

$$1,926 + 0,2174 * RSP = 3,8518 - 0,1597 * RSP \text{ which implies } RSP = 5,10 \text{ eura}$$

For the period from January 1st 2015 through February 14 2016, at least 19,636 cents per unit minus the sales tax on the retail selling price of the cigarette to be taxed.

Just above described overview of dynamic of the structure and amount of excise and overall tax load on cigarettes leads to a comparison with the solution contained in the Law on Excise Duties in BiH. First of all, the main features are noticeable of German law. And that is that there is a pre-composition of the structure of excise duties, on the one hand, with increased emphasis on the specific component of excise duty with the gradual reduction of ad-valorem excise rates at the same time. Given that the total excise duty on cigarettes is growing largely due to the growth of specific excise duty. But considering that also the weighted average retail selling price increases, it can be reasonably assumed that revenue from ad-valorem excise duty is not reduced, although at very slightly decreasing rate. With the increase in retail selling price the revenue from taxes on value added retail selling price of cigarettes increases as well. All this leads to an increase in portion of overall tax burden in the retail selling price. This actually means that the piece of the pie that stays to the manufacturer and others in the chain is rapidly decreasing as they; quite understandably, tend to compensate by increasing retail selling prices, the depletion of internal reserves in terms of cost savings and improving technology and innovation. At the same time it can be seen it grows and the minimum excise duty during the projected period, which leads to a modest increase in the equilibrium price. In fact, a basic quality of this regulation is a huge contribution to a stable and predictable business environment that is part of its regulatory framework. Taking everything into account, it can be concluded that the market of tobacco products is in its mature phase.

With the aim of comparison and for a clearer insight into the structure of retail selling prices, given the following table in which the equilibrium retail price is dissected for 2013 year, according to German law and the application of the provisions of the BiH Law on the same and the most frequently assumed retail selling price.

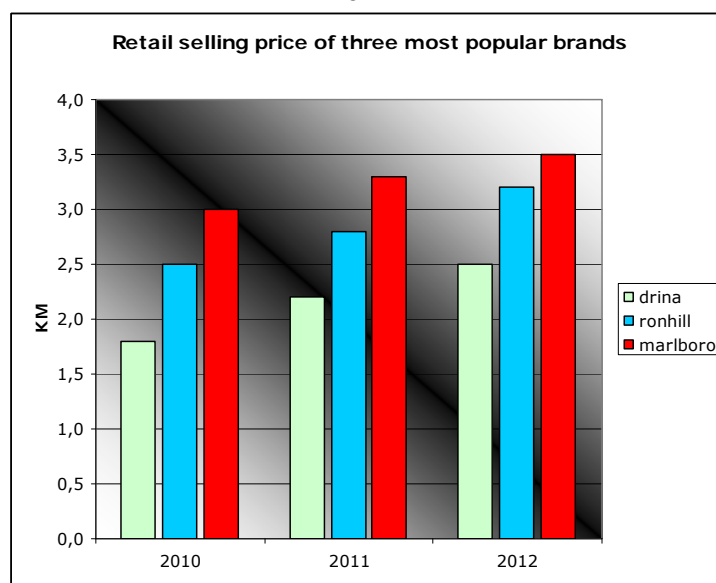
Table 1: Overview of the structure of retail selling price of selected price categories

Country	DE	DE-BiH*	BiH
Retail selling price (KM)	10	10	3,5
Specific excise	3,80 (38%)	0,75 (7,5%)	0,75 (21,4%)
Ad-valorem excise	2,20	4,20	1,47
Total excise	6,00	4,95	2,22
VAT	1,60	1,45	0,51
Overall tax load	7,60	6,40	2,73
% share	76%	64%	78%

* in column DE – BiH clauses from the BiH Law are applied that define the structure of overall tax load

First of all, it can be noticed a huge difference between retail selling prices in Germany and Bosnia and Herzegovina. One of the reasons is certainly much larger share of the specific excise duty under German law. This can be best seen in the middle column. It can be drawn the conclusion automatically that the price pyramid is flatter in Germany so that the difference in retail selling prices of cigarettes in BiH is more pronounced. Below is a chart illustrating the state in the case of three main brands on the cigarette market in Bosnia and Herzegovina for period 2010 - 2012.

Chart 1: Retail selling price of three most popular brands on BiH market for the period 2010 - 2012*



*) remark: retail selling prices have been changed in the analyzed period but the most popular retail selling price is selected

In 2010 the difference between the cheapest and most expensive brand was 1.20 KM, which represents 40% while in 2012 it is 1.00 KM i.e. 29%. And the chart shows that the difference in retail prices of selected brands each year is decreasing. Again, this is primarily a result of the growing importance of specific excise duty.

According to the law office of the Federal Ministry of Finance in January of each year is to publish in the electronic edition of the Official Journal the weighted average retail selling price of cigarettes and fine cut tobacco based on business statistics for the previous year, which applies from February 15th same year. The price will be rounded to three decimal digits in the event of a cigarette, or one decimal digit in the case of fine-cut tobacco. Minimum tax duty on cigarettes

should be rounded to one decimal digit, while the fine-cut tobacco should be rounded to whole numbers.

Also, the Federal Ministry of Finance is hereby authorized to raise taxes on cigarettes by amending the last provisions in the event that the overall minimum excise duty on the weighted average retail price of cigarettes can not be reached. In this process, an increased tax on tobacco should be fixed in such a way that is in relation to the weighted average retail selling price of cigarettes in order to be equal to the total minimum excise duty along with the condition that the amount of tax per unit is equal to the calculated amount of ad valorem excise duty and value added tax. Therefore, the shares so calculated components of the tax burden should be rounded to two decimal digits.

One solution is especially interesting, and refers to the built-in automatic mechanism to prevent induced increases in ad valorem excise duties caused by increasing of value added tax through multiplication coefficient:

$$\frac{100 + \text{prior VAT rate}}{100 + \text{current VAT rate}}$$

Below are shown a few short examples of the above formulas. Should there be an increase in the VAT rate from 17% to 20%, the amount of ad valorem excise duties would be 40.95% instead of the previous 42%. Also, if the VAT rate increased from 19% to 21% coefficient of multiplication would amount to 0.983, which would be applied as such on an ad-valorem excise rate. Conversely, if the VAT rate was reduced from 19% to 17% the multiplication coefficient amounts to 1.017.

In this process, the Federal Ministry of Finance may round coefficient up to 5 decimal digits, and round up a new tax on tobacco up to two decimal places. Such change should not be valid if the resulting total tax burden on tobacco is below the minimum excise duties prescribed by relevant EU directives.

Conclusion

The undisputable fact is that the provisions of the BiH Law on Excise Duties, pertaining to tax cigarettes, are closer to a large extent than applicable to relevant EU directives. This primarily relates to the structure of excise duties, and in order to achieve the minimum level of excise duties determined to increase the dynamics of specific excise duties that are performed by the Law and the decision of the Governing Board of the Indirect Taxation Authority in the amount of 0.15 KM per pack of 20 cigarettes. A minimum excise duty has been introduced too, and as a referring point it has been used the most popular (most common) price category. Simultaneously, on the previous few pages some of the basic provisions of German law on the taxation of tobacco products are presented. Different solutions are offered in it in terms of reaching the structure and the amount of excise duties on cigarettes, as well as the minimum excise burden. The emphasis is on specific excise duty which grows over time, while increasing the total tax burden on cigarettes.

Also, everyday it can be heard various initiatives for changing the current policy which regulates this area. The most common promoters are taxpayers themselves i.e. key players on the market of tobacco products. Provisions of the German Law are just a one of the possible directions in which to consider the taxation of tobacco products. What is particularly interesting is the introduction weighted average retail selling price of cigarettes. The fact is that currently this indicator has been used when analyzing the market of cigarettes and the development of revenue projections. In any case, German law is characterized by that it has a built-in stabilizer in terms of protection from increasing VAT and while automatically reduces the ad-valorem duties for a few percentage points. In any case, it is legal solution worthy of attention by local authorities in the process of possible revision (amending) of existing law.

Consolidated reports

(Author: Aleksandra Regoje)

Table 1 (Consolidated report: B&H institutions, entities, SA)

The preliminary consolidated report includes

- revenues from indirect taxes collected by the Indirect Tax Authority on the Single Account,
- transfers from the ITA Single Account for external debt servicing,
- transfers from the ITA Single Account for financing Brčko District, cantons, municipalities and Road Directorates,
- revenues and expenditures of the institutions of Bosnia and Herzegovina,
- revenues and expenditures of the budget of the Federation of Bosnia and Herzegovina,
- revenues and expenditures of the budget of the Republika Srpska (including budget users outside the system of the Treasury General Ledger of the Republic who have their own bank accounts).

Report doesn't include unadjusted revenues collected on ITA SA.

Tables 2.1- 2.3 (Consolidated reports: Cantons)

1. The consolidated report includes.
 - revenues and expenditures of the cantonal budgets,
 - revenues and expenditures of the budgets of related municipalities
2. Net financing = loans received – repayment of debt

Consolidated report: SA, B&H Institutions, entities, 2012

	I	II	Total
Revenue	418,23	402,51	820,74
Taxes	382,38	357,65	740,03
Direct taxes	23,40	27,75	51,14
Taxes on income, profits and capital gains	22,77	27,02	49,79
Taxes on property	0,63	0,72	1,35
Indirect taxes (net)	358,82	329,75	688,58
VAT	217,88	210,08	427,95
Excises	105,94	85,22	191,16
Road fee	21,18	18,96	40,14
Customs	12,60	14,48	27,09
Other indirect taxes	1,22	1,02	2,24
Other taxes	0,16	0,15	0,31
Social security contributions	0,00	0,00	0,00
Foreign grants	1,86	2,65	4,51
Other (non-tax) revenue	33,83	41,72	75,55
Transfers from other general government units	0,16	0,49	0,65
Expenditure	421,03	383,58	804,61
Expense	416,54	379,83	796,37
Compensation of employees	130,31	131,21	261,52
Use of goods and services	13,38	15,48	28,86
Social benefits	51,64	52,67	104,31
Interest	4,93	5,78	10,71
Interest payments to non-residents	4,17	4,35	8,52
Interest payments to residents other than general government	0,76	1,43	2,19
Subsidies	2,23	2,44	4,67
Grants (to non-residents)	0,00	0,00	0,00
Transfers to other general government units	40,96	39,57	80,53
Transfers from ITA Single Account	162,97	128,67	291,64
Other expense	10,12	4,02	14,14
Net acquisition of nonfinancial assets	4,50	3,75	8,24
Acquisition of nonfinancial assets	4,65	4,15	8,80
Disposal of nonfinancial assets	0,15	0,40	0,55
Gross/Net operating balance (revenue minus expense)	1,69	22,68	24,38
Net lending /borrowing (revenue minus expenditures)	-2,80	18,94	16,14
Net financing = (Minus) Net lending /borrowing	2,80	-18,94	-16,14

Table 1

Bosnian Podrinje Canton, I-XII 2011

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I-XII
1 Revenues (11+12+13+14)	3.697.249	2.791.961	3.072.388	2.847.705	3.319.509	3.217.450	3.542.475	3.363.352	3.564.566	3.161.509	6.171.320	7.859.361	46.608.846
11 Tax revenues	2.458.008	2.272.590	2.579.410	2.473.520	2.751.851	2.753.520	3.144.966	2.857.088	3.148.702	2.719.760	2.660.601	2.808.641	32.628.657
Income and profit tax	185.229	231.726	260.066	266.829	254.359	288.785	293.240	273.934	293.877	239.902	262.115	376.204	3.226.267
Property tax	36.696	57.396	17.098	18.943	32.594	16.238	17.212	38.266	7.930	27.894	22.722	24.011	316.999
Indirect taxes	2.236.037	1.983.262	2.302.100	2.187.529	2.464.619	2.448.225	2.834.328	2.544.691	2.846.677	2.451.748	2.375.496	2.407.858	29.082.569
Other taxes	45	205	147	219	279	272	186	198	218	216	269	567	2.821
12 Non-tax revenues	333.662	249.238	296.102	256.423	257.152	276.204	287.414	316.831	340.030	286.400	316.411	434.989	3.650.857
13 Grants	897.894	266.564	188.410	113.492	307.750	170.457	96.765	182.074	66.584	132.532	3.179.487	4.603.888	10.205.895
14 Other revenues	7.686	3.569	8.466	4.271	2.756	17.269	13.329	7.360	9.250	22.816	14.822	11.843	123.437
2 Expenditures (21+22)	2.785.359	3.139.473	3.183.829	3.612.525	3.019.952	3.691.253	4.276.673	3.209.077	3.311.687	4.658.316	5.465.960	5.152.954	45.507.056
21 Current expenditures	2.785.359	3.139.473	3.182.929	3.612.525	3.020.200	3.691.253	4.276.673	3.209.077	3.311.687	4.658.316	5.466.040	5.153.034	45.506.565
Gross wages and compensations	1.806.673	1.845.386	1.884.689	1.874.802	1.847.800	1.844.746	1.778.089	2.027.603	1.827.167	1.836.360	1.925.258	1.893.362	22.391.936
Purchases of goods and services	250.893	490.418	380.919	350.159	301.222	285.043	375.387	265.136	316.587	412.447	505.516	688.681	4.622.408
Grants	679.792	803.295	916.989	1.387.276	870.937	1.561.250	2.079.686	916.194	1.167.825	2.409.432	3.035.228	2.570.991	18.398.893
Interests	48.001	373	332	288	242	214	43.511	145	108	77	37	0	93.328
Transfers to lower budget units	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Net lending	0	0	900	0	-249	0	0	0	0	0	-80	-80	491
3 Net acquisition of nonfinancial assets	16.181	38.022	73.619	131.687	58.399	190.014	179.208	147.286	173.363	121.142	304.750	719.798	2.153.469
4 Government surplus/deficit (1-2-3)	895.709	-385.534	-185.060	-896.506	241.159	-663.818	-913.406	6.989	79.516	-1.617.949	400.611	1.986.609	-1.051.680
5 Net financing	-144.272	-14.754	-14.623	-14.291	-14.291	-14.185	-152.815	-14.472	-14.391	-15.341	-14.757	0	-428.192

Table 2.1

Sarajevo Canton, I-XII 2011

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I-XII
1 Revenues (11+12+13+14)	51.622.152	52.652.211	61.202.577	67.153.382	58.611.696	60.914.086	67.473.949	66.420.544	62.732.433	58.475.140	57.944.245	57.139.304	722.341.718
11 Tax revenues	42.114.077	41.974.212	49.071.979	48.508.628	48.706.993	49.153.631	54.382.600	52.350.426	50.157.221	47.476.444	46.464.913	53.001.742	583.362.865
Income and profit tax	8.059.318	9.877.283	13.275.437	13.664.533	11.567.675	11.971.119	12.146.282	12.616.542	10.239.173	10.610.061	10.591.041	15.704.855	140.323.320
Property tax	2.502.568	4.110.946	3.343.993	3.881.202	2.274.252	2.682.229	1.983.267	1.613.187	2.022.952	2.202.623	2.306.103	3.296.948	32.220.269
Indirect taxes	31.515.734	27.968.069	32.431.169	30.941.490	34.838.582	34.480.525	40.236.521	38.101.109	37.880.663	34.645.438	33.551.573	33.982.949	410.573.822
Other taxes	36.457	17.913	21.381	21.403	26.483	19.758	16.530	19.588	14.432	18.322	16.195	16.990	245.454
12 Non-tax revenues	8.628.638	9.259.151	10.016.677	15.462.000	10.325.780	9.866.457	10.842.503	11.825.015	10.051.569	8.930.035	10.141.444	2.706.608	118.055.877
13 Grants	879.437	1.129.024	1.534.270	2.787.829	842.083	1.893.998	2.248.746	2.245.103	2.123.643	2.068.661	1.337.888	1.430.954	20.521.636
14 Other revenues	0	289.825	579.650	394.925	-1.263.160	0	100	0	400.000	0	0	0	401.340
2 Expenditures (21+22)	44.725.928	49.315.028	56.304.990	55.140.936	60.486.136	64.672.739	59.837.679	54.503.558	54.982.215	58.490.010	57.132.538	77.675.201	693.266.959
21 Current expenditures	44.794.307	49.386.709	56.402.535	55.312.974	60.611.369	64.826.848	59.996.291	54.556.716	55.110.799	57.872.442	56.849.946	79.697.968	695.418.904
Gross wages and compensations	23.203.235	23.382.239	23.773.836	25.095.367	24.180.487	24.376.177	26.852.292	22.736.845	23.936.838	23.637.173	23.837.784	25.908.992	290.921.266
Purchases of goods and services	2.672.925	5.176.923	6.441.675	6.515.849	5.322.520	5.678.051	4.654.890	4.403.902	5.753.238	4.982.611	5.844.040	10.159.750	67.606.375
Grants	18.852.012	20.597.122	25.726.075	23.645.375	30.830.036	34.371.654	28.430.745	27.144.262	25.021.568	29.123.479	26.875.131	43.268.959	333.886.418
Interests	66.134	230.426	460.948	56.383	278.326	400.966	58.364	271.707	399.155	129.180	292.990	360.267	3.004.845
Transfers to lower budget units	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Net lending	-68.379	-71.681	-97.546	-172.038	-125.233	-154.109	-158.611	-53.158	-128.585	617.568	282.592	-2.022.767	-2.151.945
3 Net acquisition of nonfinancial assets	2.464.599	2.749.881	1.380.650	2.975.764	2.018.170	4.854.635	342.653	3.370.299	2.607.898	1.892.207	2.761.731	6.634.370	34.052.857
4 Government surplus/deficit (1-2-3)	4.431.624	587.302	3.516.937	9.036.682	-3.892.611	-8.613.287	7.293.617	8.546.687	5.142.321	-1.907.078	-1.950.025	-27.170.267	-4.978.098
5 Net financing	-325.540	-260.602	-2.551.268	-269.699	-317.900	-2.303.393	4.669.304	-254.970	-2.585.985	-270.738	4.655.720	-2.331.408	-2.146.478

Table 2.2.

Una-Sana Canton I-XII 2011

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I-XII
1 Revenues (11+12+13+14)	19.263.874	16.405.053	19.282.566	18.578.366	18.851.551	20.765.687	21.850.154	20.460.659	22.271.247	19.805.686	18.328.926	18.728.268	234.592.036
11 Tax revenues	15.185.987	13.341.201	15.322.108	14.875.171	15.536.856	16.735.093	17.391.648	17.096.116	17.051.849	15.627.278	15.324.325	15.447.200	188.934.833
Income and profit tax	1.481.240	1.423.380	2.263.603	2.461.237	1.637.749	1.811.396	2.184.379	1.423.538	1.723.151	1.556.877	1.576.105	1.970.183	21.512.837
Property tax	625.346	609.199	629.053	351.378	407.572	385.765	321.999	324.876	614.865	577.603	332.556	485.694	5.665.906
Indirect taxes	13.069.829	11.306.190	12.425.926	12.059.914	13.489.669	14.533.149	14.883.638	15.346.643	14.711.958	13.491.060	13.069.570	12.990.059	161.377.605
Other taxes	9.573	2.432	3.526	2.641	1.866	4.782	1.631	1.059	1.876	1.738	346.095	1.265	378.484
12 Non-tax revenues	3.167.182	2.533.691	3.376.067	3.272.591	3.230.101	2.949.296	3.856.686	2.751.805	4.747.809	3.553.234	2.521.009	2.038.390	37.997.862
13 Grants	851.697	396.366	393.839	430.603	84.250	1.081.358	601.820	612.737	471.588	625.175	483.592	1.221.375	7.254.401
14 Other revenues	59.007	133.795	190.552	0	343	-60	0	0	0	0	0	21.302	404.940
2 Expenditures (21+22)	16.440.652	17.676.327	19.815.052	18.928.354	20.998.548	19.641.829	18.222.280	16.605.652	19.897.935	17.133.203	20.303.991	29.457.571	235.121.394
21 Current expenditures	16.440.652	17.676.327	19.416.625	18.928.354	20.998.548	19.641.829	18.222.280	16.605.652	19.897.935	17.083.696	20.303.991	29.457.571	234.673.460
Gross wages and compensations	13.619.010	11.934.914	12.816.769	13.564.743	11.648.672	12.784.196	11.565.531	10.762.381	12.368.327	11.641.848	13.736.090	13.814.719	150.257.199
Purchases of goods and services	900.713	1.439.588	2.538.286	1.947.240	2.779.372	1.987.831	2.288.172	2.049.457	1.868.256	2.105.976	2.646.523	4.469.332	27.020.746
Grants	1.380.994	3.890.567	2.779.259	2.906.299	6.194.097	3.910.443	4.043.234	3.018.851	4.258.547	3.132.899	2.920.116	9.296.556	47.731.863
Interests	112.989	104.767	253.433	76.550	121.749	168.803	269.060	133.609	167.725	112.288	390.167	276.077	2.187.216
Transfers to lower budget units	426.946	306.493	1.028.879	433.521	254.657	790.557	56.283	641.353	1.235.080	90.685	611.095	1.600.887	7.476.436
22 Net lending	0	0	398.427	0	0	0	0	0	0	49.507	0	0	447.934
3 Net acquisition of nonfinancial assets	291.426	208.423	303.783	314.966	644.970	621.038	806.230	749.450	1.963.396	714.915	814.007	4.135.385	11.567.988
4 Government surplus/deficit (1-2-3)	2.531.795	-1.479.697	-836.269	-664.953	-2.791.968	502.820	2.821.644	3.105.557	409.915	1.957.568	-2.789.071	-14.864.689	-12.097.346
5 Net financing	-5.515	-105.378	192.203	-263.772	-66.212	-172.678	-1.637.113	-324.620	1.286.833	-189.681	1.793.870	3.851.844	4.359.782

Table 2.3