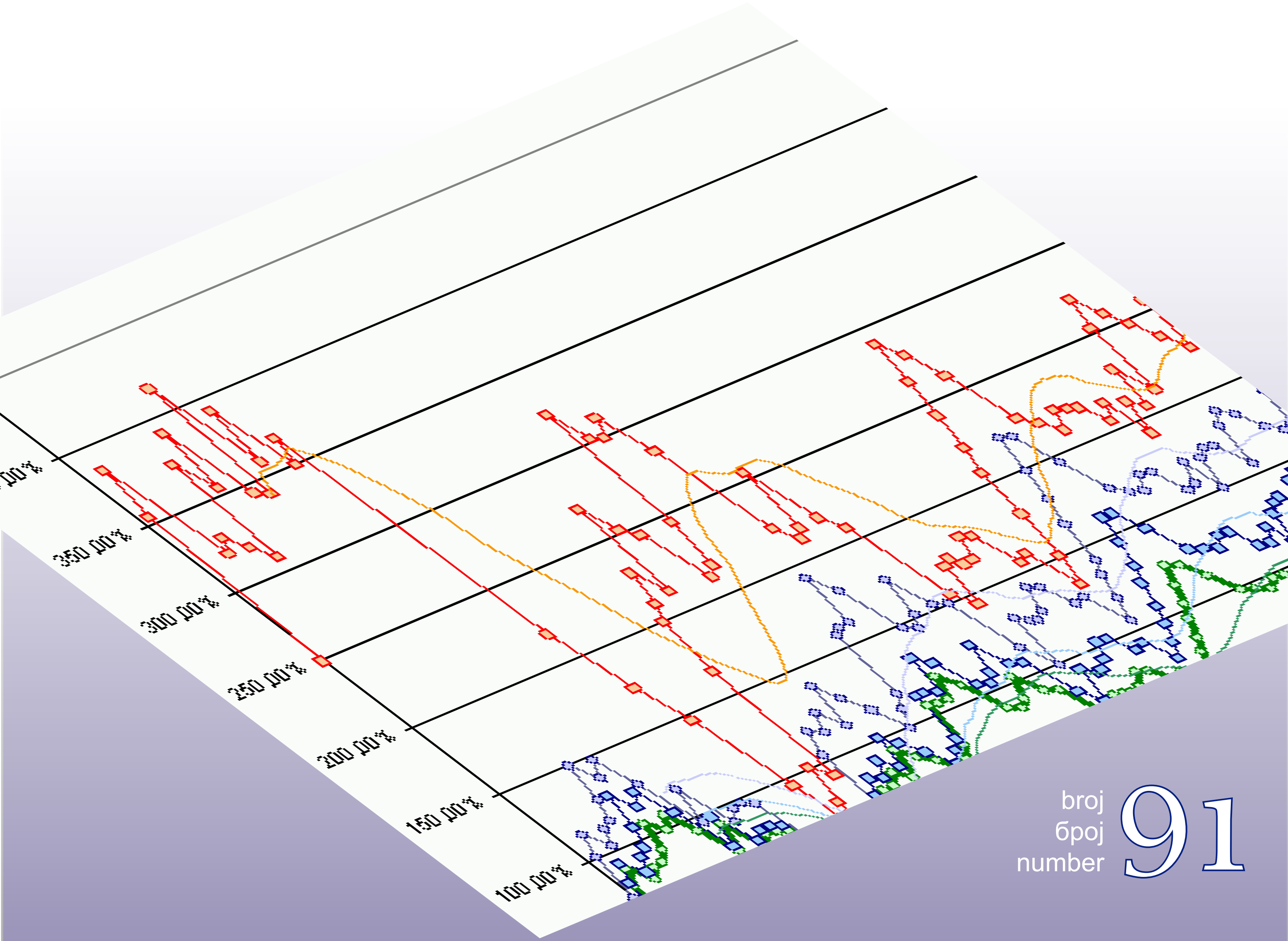
Bosna i Hercegovina
Odjeljenje za makroekonomsku analizu
Upravnog odbora Uprave za indirektno-neizravno oporezivanje

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

The process of harmonization of tobacco products taxation in Bosnia and Herzegovina with the EU standards of taxation, which began on 1st July 2009, when the new Law on Excise Taxes in B&H entered into force, means the introduction of the following EU standards: special excise tax on cigarettes, a concept of the most popular price category of cigarettes, the minimum excise duty on cigarettes and gradual harmonization with the EU minimum excise tax.

Increasing the tax burden on cigarettes in the first years of application the new Law brought a strong increase in excise revenue in 2009 and 2010. A larger reduction in cigarette consumption than projected have happened already in 2011. With the intensification of the negative trends in 2012, the scope of regular cigarette market was reduced by 22% in three years. Since it has not been recorded either increase in imports of tobacco or significant increase in domestic taxable sales of cut tobacco, it can be concluded that a significant reduction in cigarette consumption in 2012 is a result of tax evasion resulting from the growth of illegal imports (internet sales) and illegal domestic sales of cut tobacco. Apart from the growth of tax burden, the increase of tax evasion is a result of the constant expansion of the gap in taxation of cigarettes and the substitutes - cut tobacco. The continuous increase in difference of tax burden on cigarettes and on their substitutes gives a strong stimulation for the consumption of less taxed cut tobacco rather than cigarettes, but also for the cigarette smuggling from countries with lower excise burden, tobacco smuggling and illegal domestic production of cigarettes.

Regarding the size of implications, the measures to combat tax evasion and distortions in the market of tobacco products should simultaneously include as follows:

(i) policy change in the field of taxing cut tobacco and other tobacco products in order to close gap in the tax burden between cigarettes and substitutes;

(ii) extensive operational measures of the state and entity institutions to combat the channels of smuggling cigarettes, cut tobacco, untaxed tobacco sales (via internet portals, marketplaces) and illegal domestic production and sale of cigarettes.

Moreover, due to the rapid reduction of regular cigarette market, and thus income and profits, the tobacco industry should also contribute to the extensive action by opting for a larger purchase of domestic tobacco, in order to eliminate illegal sales of tobacco and illegal production of cigarettes in the country.

Dinka Antić, PhD
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Analysis of indirect tax collection in 2012

(Prepared by: Dinka Antić, PhD)

TOTAL COLLECTION

According to the ITA report, in December it was collected 411,4 million KM of revenues or 5,8% less than in December 2011 after the refund deduction. Total net collection of revenues from indirect taxes in 2012 amounted to 4,989 billion KM and it was less by 0,16% compared to 2011.

Chart 1

Negative growth in revenues from indirect taxes in 2012 was a surprise given that the cumulative net collection from June was consistently exceeding the collection from 2011. Moreover, in October it reached the growth of 1% and in November it was by 0,1 p.p. above the revised annual revenue projections from October 2012. Unexpectedly considering the traditionally high indirect tax collection, the month of December brought the turning point that not only it annulled the achieved positive effects by then but it brought revenues into the negative zone.

Analysis of quarterly changes (Chart 2) shows that in the past four years, revenue collection from indirect taxes had its downs in five quarters (fourth quarter 2008 – fourth quarter 2009), its highs, for which it was thought to be hints of the crisis end (first quarter 2010 – fourth quarter 2011), and stagnation in the first half of 2012. Revenue growth in the third quarter of 2012 was apparently on a temporary basis given that 2012 ended with negative balance.

In 2012 it was collected approximately 8 million KM less than in 2011. Observed by type of revenue, the growth was recorded in net revenues from excise duties of about 36 million and revenues from VAT of approximately 16,5 million KM. As expected, revenues from customs duties were lower by 50,6 million while it was collected 3,8 million less road tax than in 2011 (Chart 3).

Chart 2

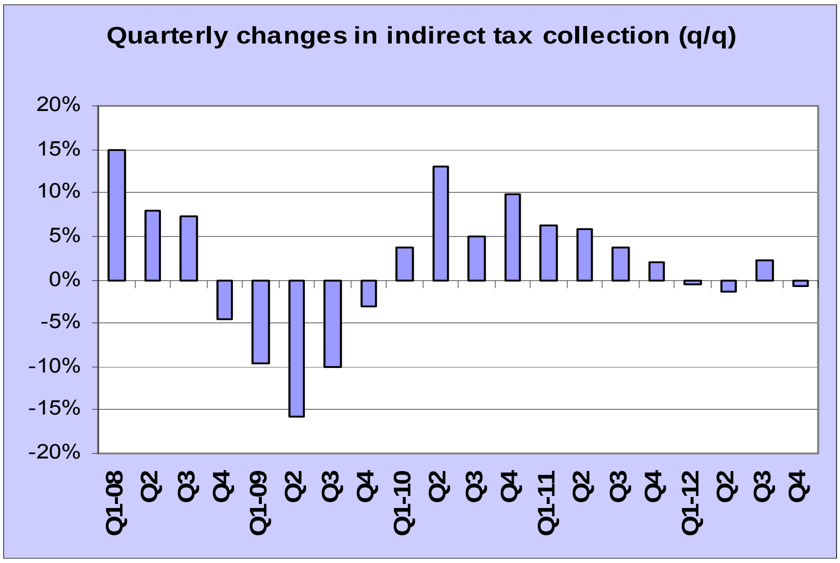
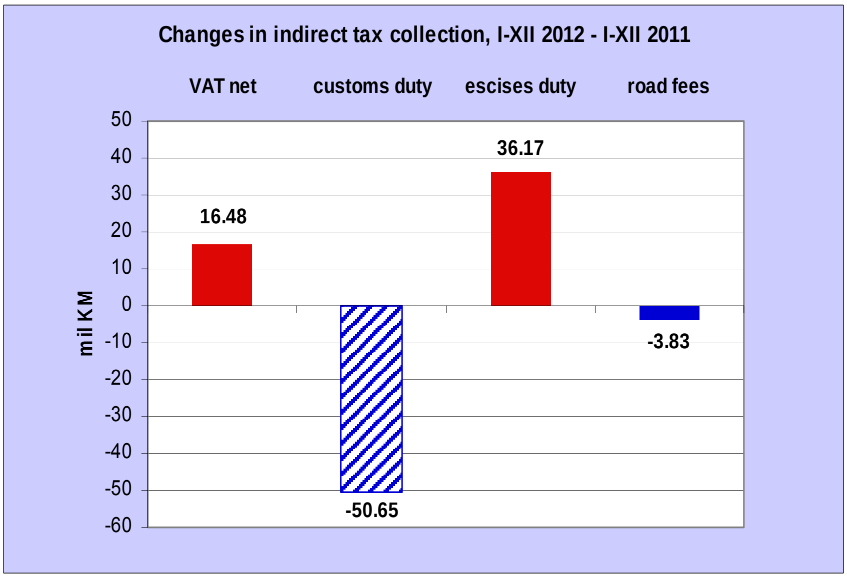
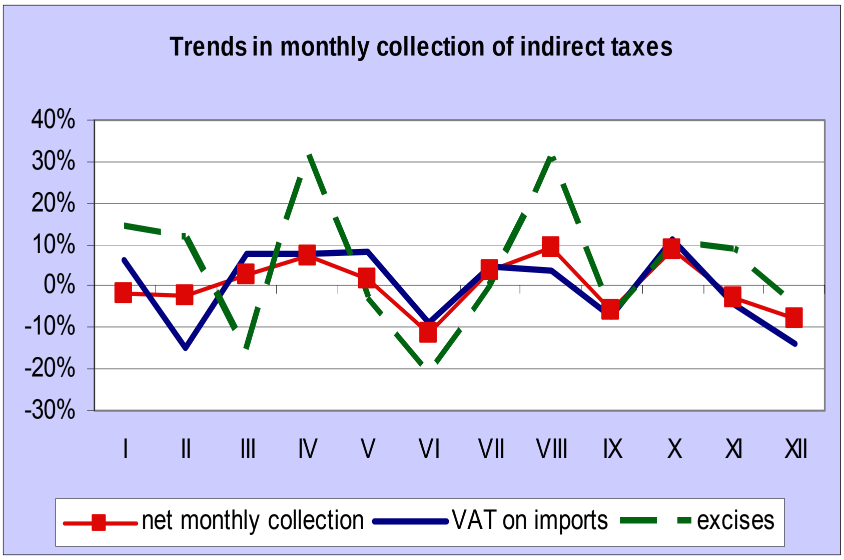


Chart 3



Trends of monthly collection of revenues from indirect taxes in 2012 show sharp fluctuations in the second half of the year. Fluctuation collection ranged from -11% in June to 9,2% in August (Chart 4).

Chart 4



The fact that in the past six years only in December 2008 and 2012 net collection was lower than in the previous month demonstrates how much a negative trend in collection in December was unusual. The negative trend in December 2008 was a result of enormous payments of VAT refunds to taxpayers and the first signal of the global economic crisis in the businesses in B&H. A significant decline in revenues in December 2012 results from:

- A sharp fall in imports in December 2012 of 17,9% compared to the same month in 2011[1]
- Reducing the withdrawal of cigarette excise stamps, as a result of business policies of companies waiting for a new excise tax increase from January 1, 2013.

In Chart 4 it can be seen the extent to which collection of VAT on imports and excise duties determinate the oscillations of the total collection of indirect taxes. It can be noticed that the sharper increase or decrease of these two components of gross revenue led to the more significant increase or decrease in total revenues. Since October, trend of these components of revenue is also synchronized in decline which led to a decline in the total collection in the fourth quarter of 2012. Growth in October 2012 was not sufficient enough to compensate for the decline in revenues in November and December.

While the unpredictable response of companies in the tobacco industry to the increase of excise taxes on cigarettes has become a standard form of behavior, a sharp drop in imports in December, which brought a significant drop in revenue from VAT, is not a common occurrence, regardless of the crisis, and deserves special attention.

From the available statistics of imports by Sectors of the Standard International Trade Classification – SITC[2] it can be concluded that nominally the biggest drop in imports in December 2012 compared to the same month in 2011 was recorded in mineral fuels and lubricants, even 183 million KM.

[1] Source: Announcement of the Agency for Statistics of B&H, Foreign Trade in Goods Statistics, I-XII 2012., www.bhas.ba
[2] SITC - Standard International Trade Classification

Table 1 Review of the import by SITC (in mil KM)

SITC	XII 2011	XII 2012	Change to %
Food and live animals	197	180	-8.6%
Beverages and tobacco	45	45	1.3%
Crude materials, except fuels	36	29	-19.0%
Mineral fuels and lubricants	347	164	-52.7%
...o/w Petroleum and petroleum products	**271**	**93**	**-65.8%**
Animal and vegetable oils and fats	13	12	-8.6%
Chemicals	147	147	0.0%
Products classified by material	237	222	-6.4%
Machinery and transport equipment	275	239	-13.1%
Miscellaneous manufactured articles	105	109	3.7%
TOTAL	**1,402**	**1,148**	**-18.1%**

Source: Announcement of the Agency for Statistics of B&H, Foreign Trade in Goods Statistics, I-XII 2012, www.bhas.ba

The analysis of imports of mineral fuels in December by major trading partners shows a sharp drop in imports of mineral fuels from Russia. As Refinery constantly improves the quality of fuels, rapidly increases the production capacity[3] and derivative exports, the cause for the reduction of oil import can only be the general repair of Refinery in Brod. Unlike previous years, when the repair was conducted in the spring, in 2012 it has been rescheduled for November and December. It should be noted that a significant reduction in imports of mineral fuels from Russia was recorded in February as well, when the snow disaster occurred blocking traffic in most parts of B&H. Even at that time 68% less of mineral fuel was imported from Russia compared to the same month from 2011. Due to the repair the import of mineral fuels from Russia in November was for 36% lower than in November 2011 and in December for even 91%. Reduction in imports in December in the amount of 180 million KM has brought loss to gross VAT of 30 million KM, which corresponds to 0,9% of net VAT from 2011. Keeping in mind that this is the input VAT, which would be offset in the following month when filing December VAT returns, the temporary suspension of oil imports has led to the displacement of part of VAT collection on imports from December 2012 in January 2013, reducing the final net effects of revenues from indirect taxes in 2012.

TRENDS BY TYPE OF REVENUE

Table 2

	XII 2012 / XII 2011	Cumulative 2012/ 2011
Customs Duties	-8,2%	-18,5%
VAT	-9,6%	0,5%
Excise Taxes	-5,0%	2,9%

Customs Duties

Collection of customs revenues in 2012 ranged within expectations. Chart 6 also shows the dynamic effects of the abolition of customs duties on goods originating from the EU. The greatest effects were recorded in the first and second year of the implementation of the EU Stabilization

[3] For example, the increase in imports of mineral fuels from Russia in 2010 and 2011 amounted to even 34% and 38% respectively.

and Association Agreement and from the fourth quarter of 2011, when the customs records was abolished, by the end of the third quarter (Chart 5).

Chart 5

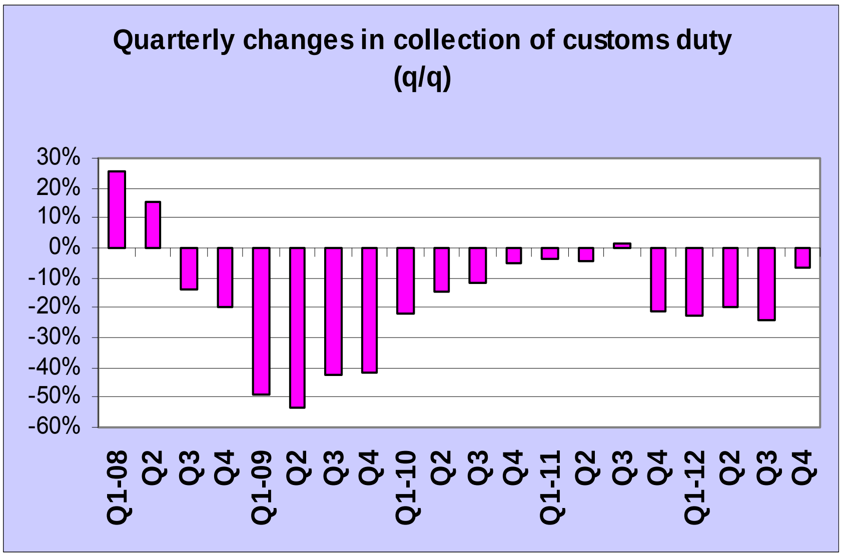
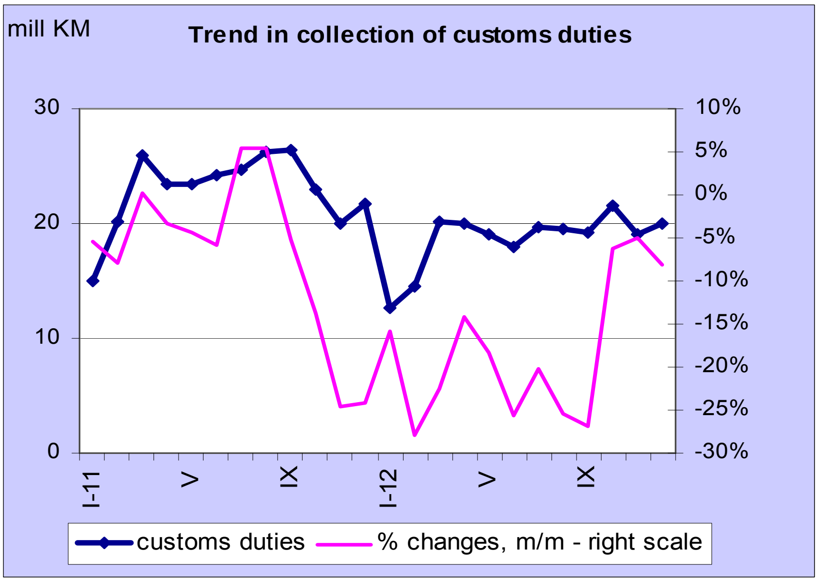


Chart 6

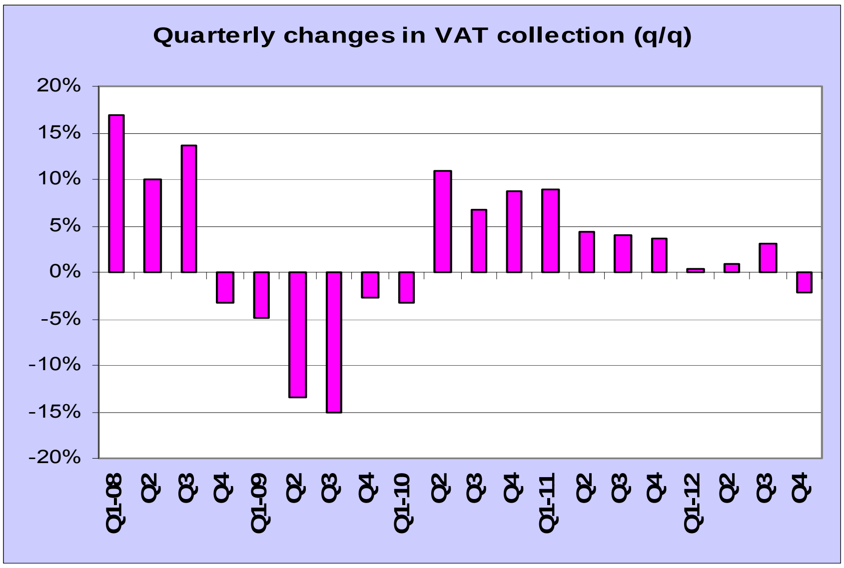


Due to the abolition of customs records the base for comparing the customs collection in the first three quarters of 2012 was higher for the amount of revenue collected based on customs records, which mathematically resulted in high negative customs revenue performance in the first three quarters of 2012.
Already in the fourth quarter, due to the uniformity of the base, it is possible to more realistically look at the effects of customs collection.

VAT

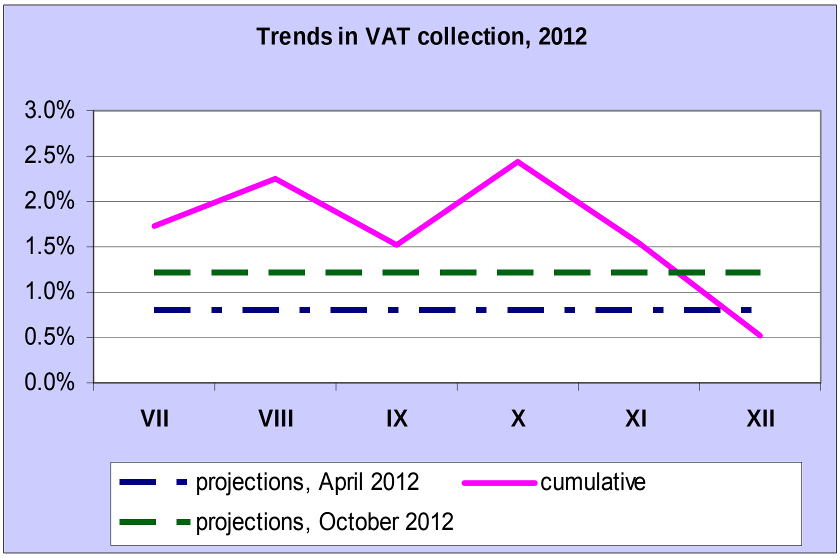
The growing trend of revenue collection from VAT in the first three quarters, 0,3%, 1% and 3,1% respectively, was stopped in the fourth quarter of 2012 when the decline in revenue from VAT of 2,4% was recorded (Chart 7).

Chart 7



In the last six months net VAT collection has been constantly above the annual revenue projections from April, which led to a revision of projections of VAT collection upwards in October. For eleven months net VAT growth was 1,5%, 0,3 p.p. above the revised projections. However, poor collection in December reduced the final execution for 2012 to only 0,5%, i.e. 0,7 p.p. under the revised projections (Chart 8).

Chart 8



Analysis of gross VAT revenue shows that the cause of the decline in revenues in December was VAT payable on imports, which compared to December 2011 declined by 34,7 million KM or 14,1% (Chart 9), which corresponds to a base of 204 million KM. On the other hand, VAT collection on the basis of applications was lower compared to the same month in 2011, but the decline was far milder than the revenues on imports.

Chart 9

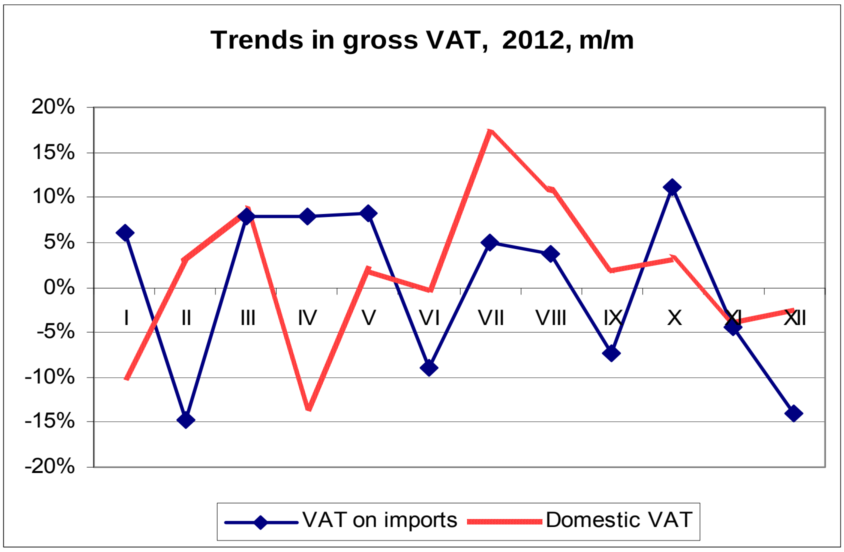


Table 3

	2008	2009	2010	2011	2012	2012/2011
To taxpayers	884.3	663.3	642.9	770.4	782.0	1.51%
To international projects and organizations	45.8	65.8	75.2	97.8	85.3	-12.78%
Other refunds	6.3	10.6	9.7	13.7	15.9	16.26%
Total	**936.4**	**739.8**	**727.8**	**881.8**	**883.2**	**0.16%**
Structure of refunds:						
To taxpayers	94.4%	89.7%	88.3%	87.4%	88.5%	
To international projects and organizations	4.9%	8.9%	10.3%	11.1%	9.7%	
Other refunds	0.7%	1.4%	1.3%	1.5%	1.8%	

In 2012 the ITA had slightly more refunds of indirect taxes (Table 3). However, analysis of structure of VAT refunds indicates that it has been paid 12 million KM more VAT refunds to the taxpayers than in 2011 or 12,5 million KM less to the international organizations and projects than in 2011. Regardless of the downward trend the refund payments to the international projects still remain high, for example compared to 2008 refunds on this basis were higher by 86%.

Debts of VAT returns in 2012 were increased by 57 million KM, which corresponds to 1,1% of net collection in 2011. Cumulative balance of debts resulting from the reported and unpaid VAT on December 31, 2012 amounted to 249,4 million KM. Total debt, which includes the debt by automatic assessment for taxpayers who have not filed VAT returns is 306 million KM.

Excise and road taxes

December has also brought an unexpected decline in revenue from excise duties of 0,5 %, which reduced the cumulative growth for eleven months in the amount of 3,6% to 2,9%. How much the excise drop in December was uncommon, speaks the fact that it has not happened since the ITA has completely overtaken the collection of excise duties. Analysis by type of excise products shows that the main reason is the sharp drop in collection of excise duties on domestic cigarettes of 32% compared to December 2011 or nominally 9 million KM.

Table 4

	XII 2012 / XII 2011	Cumulative 2012/ 2011
Tobacco total	-10,7%	5,9%
Tobacco import	4,3%	10,7%
Tobacco domestic	-32,0%	-3,7%
Oil derivative	2,2%	-2,6%
imported	-0,5%	-8,5%
domestic	5,9%	6,0%
Coffee	6,0%	2,7%
Alcohol, beer	8,2%	8,1%
Road tax, gross	3,2%	-2,0%
Road tax, net	3,6%	-1,3%

Analysis of collection of excise duties on a quarterly basis provides a different picture of the excise tax collection during 2012 (Chart 10). It is noted that the final positive effects of excise duties in the amount of 36 million KM occurred only in the second half of the year. In the third and fourth quarter it was collected 38 million KM more excise duties than in the same period in 2011 (or by 5,8% more), while in the first half it was collected 1,8 million KM less of excise duties than in the same period in 2011. Nevertheless, from Table 5 it can be concluded that a trend of revenue from excise duties on all types of excise products was much better in the second half of the year, which is encouraging in terms of revenue collection in 2013.

Chart 10

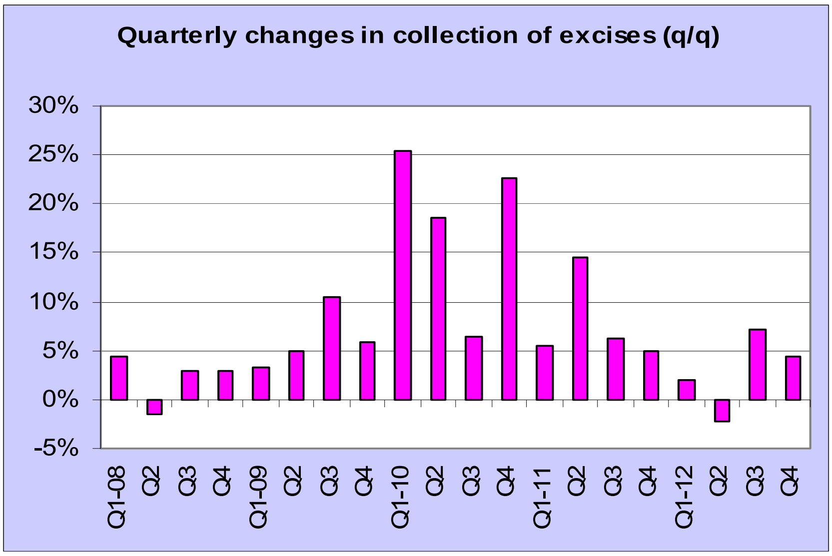


Table 5

	cumulative I-VI 2012/ 2011	cumulative VII - XII 2012/ 2011
Tobacco total	1,7%	10,1%
Tobacco import	4,8%	17,3%
Tobacco domestic	-5,3%	-2,4%
Oil derivatives	-4,2%	-1,2%
imported	-9,6%	-7,6%
domestic	4,0%	7,7%
Coffee	5,2%	10,8%
Alcohol, beer	-0,1%	4,7%
Road tax, gross	-3,8%	-0,5%

As a whole, collection of revenue from excise and road taxes in 2012 was less than expected due to evident strong increase of tax evasion, primarily in terms of abuses in the use of heating oil as motor fuel and due to the growth of illegal importation and illegal domestic production of cut tobacco[4].

CONCLUSION

Despite the positive trends during 2012 the ultimate effects of the indirect tax collection are below the expected ones (Chart 11) for several reasons:

- ***Extraordinary circumstances.*** Turbulent movements began in February, when the snow disasters have reduced and somewhere completely blocked the import, production and consumption. Even then we predicted that a significant part of the ordinary taxpayer sale and consumption of households was lost. This is a one-time effect which should be excluded from the revenue projections for 2013.

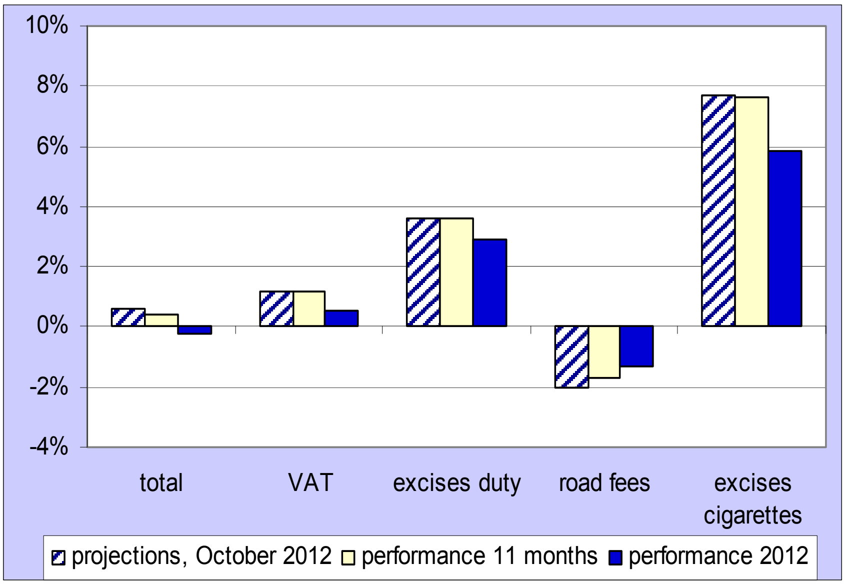
- ***Changes in the structure of derivative consumption and abuses in the use of heating oil.*** Analyses revealed that differentiated taxation of oil derivatives by type of derivatives during the crisis led to a change in the structure of consumption of fuels in favor of less taxed diesel and smaller excise collection. The introduction of additional road tax for highways increased the difference between the tax burden on diesel and heating oil creating an incentive for abuse in the use of heating oil as fuels, causing a decline in revenue from road taxes. Finally, exemptions of certain categories of taxpayers from paying road taxes and the possibility for refunds for heating oil in certain cases have led to the loss of revenue from excise and road taxes[5].

- ***Substitution of cigarette consumption with cut tobacco.*** Continuous increase of excise burden on cigarettes more increases the difference in taxation between cigarettes and cut tobacco as a substitute. In 2012 cut tobacco consumption has escalated. Given that domestic production and imports of tobacco have not been increased, it is obvious that cut tobacco originated from illegal domestic production and illegal imports, resulting in a significant loss of revenue from excise duties and the related VAT[6].

- ***Growth of VAT refunds to taxpayers and debts.*** From the analysis it can be seen the deterioration in VAT collection caused by the growth of VAT refunds to taxpayers in a situation of reduced exports and investments. In addition, a substantial increase in VAT debts is also evident.

[4] See Bulletin No. 90, January 2013.,www.oma.uino.gov.ba.
[5] Ibid.
[6] Ibid.

Chart 11



- ***Dependence of revenue collection on business policy of several major taxpayers.*** Analysis showed the extent to which the final effects of revenue collection in B&H depend on business policy performance in the market and internal decisions of several major payers of indirect taxes – several leading foreign companies in tobacco industry and domestic tobacco and oil industry.

The question is what can be done to mitigate the negative effects that threaten the revenue collection.

In addition to further modernize and strengthen the ITA and other institutions in B&H to combat tax frauds and abuses in the market and their faster processing, it is imposed as an urgent need to redefine the excise policy in B&H and differentiated taxation substitutes, such as diesel and heating oil, and cigarettes and cut tobacco. It is necessary to close as soon as possible the gap in taxation of these substitutes, in order to reduce tax evasion and to eliminate distortions that threaten the regular market (grey economy, illegal production, trafficking and smuggling).

Given the current economic structure it is realistic to expect that future revenue performance will be strongly influenced by business policies of the largest taxpayers. Unfortunately, it cannot be expected to improve the structure of revenue collection and to mitigate risks on public revenues and budgets until significant economic growth in other sectors of the economy is achieved.

From the Unit's activities

(Prepared by: Aleksandar Eskić, Macroeconomist in the Unit)

Representatives of the Unit participated in the Seminar ''Metadata and classification system'' within the Project ''Strengthening the institutional capacity of BiH statistical system – metadata and classification system development'' which was held on 16 January 2013 in the Agency for statistics of BiH in Sarajevo. Implementation of the activities foreseen in this project will significantly contribute to the fulfilment of priorities stated in European partnership for BiH:

- Implement the agreement between the Entities in the statistical system on improvement of the work of the Central Statistical Agency in Bosnia and Herzegovina and improve the range and quality of statistics, in particular at State level.
- Develop reliable economic statistics and build up institutional capacity to produce and publish basic statistical data harmonized with European standards, in particular in the areas of national accounts, agricultural, macro-economic and business statistics, and social statistics, including education, labor and health statistics.

As for Bosnia and Herzegovina, it is planned that the strategy on metadata is completed by September 2013 whereas the full implementation of this system is expected by the end of 2015. It is important to emphasize the need, when implementing strategies related to metadata, to determine a person within the statistical agency whose task is to certify any change of metadata at regular time periods. This concept is particularly relevant for metadata concerning data exchange with international organizations involved in the initiative for metadata standards.

As for the European Union, in the past few years had elapsed in the accelerated improvement of statistical systems, particularly in the fiscal area. One document[7] is very important and that is ''Towards robust quality management for European Statistics'' that the Commission has submitted to Parliament in April 2011. The objective of this document is to set a strategy that the EU would provide a framework for quality management in relation to the coordination of economic policies that include mechanisms to ensure the high quality of statistical indicators. In the specific context of the EU fiscal surveillance system and of the excessive deficit procedure (EDP) exercise, the Commission has been entrusted with the task of regularly assessing the quality both of actual data reported by Member States and of the underlying government sector accounts compiled according to the European System of Accounts. Recent developments, in particular, the inaccuracy of the Greek government deficit and debt statistics, have however demonstrated that the system for fiscal statistics did not sufficiently mitigate the risk of substandard quality data being notified to Eurostat. To address this issue, the Commission expressed the need to grant Eurostat extended powers in the field of fiscal statistics[8]. This Communication builds on the existing framework which lays the foundations for a governance framework for the production of European statistics. Its aim is first to address the weaknesses which have become apparent from experience gained in recent years and second to raise the quality of European statistics. It also takes into the account statistical implications of the legislative proposals adopted by the Commission[9]: strengthening the Stability and Growth Pact with prudent fiscal policy making; preventing and correcting macroeconomic imbalances; establishing national fiscal frameworks of quality, and in particular the need to put in place public accounting systems, subject to appropriate internal control and audit mechanisms, comprehensively and consistently covering all sub-sectors of general government, and stronger enforcement. From all the above, it can be concluded that the general local, business and the research community need such a standardized and pretty accurate statistical system in order to open itself and to be able to integrate in this segment with the EU so the decisions would be made on the basis of clear procedures and standards in different areas of social and economic life.

[7] COM (2011) 211 final
[8] These powers were granted by the Council in August 2010.
[9] on September 29th, 2010

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,
- 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.*

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

Table 2 (Consolidated report: B&H institutions, entities, BD)

Preliminary consolidated report includes:
- revenues and expenditures of the budget of 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*,
- revenues and expenditures of the budget of Brčko District.

**Includes: (A) Budget of the Republic and extra-budgetary funds recorded in Treasury General Ledger of the RS, (B) total foreign debt for the projects realized through municipalities and companies, and (C) Budget users who have their own bank accounts (including some foreign project implementation units established by ministries)*

Preliminary consolidated report: SA, B&H Institutions, entities (2012)

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I-XII
Revenue	418,2	402,4	532,5	502,9	501,9	540,1	519,9	572,2	526,4	554,4	523,4	505,0	6.099,3
Taxes	382,4	357,6	455,6	440,0	460,7	441,2	484,6	508,9	457,5	496,8	451,3	447,4	5.384,0
Direct taxes	23,4	27,8	58,3	40,5	34,4	28,9	29,1	29,0	26,2	30,7	28,5	35,5	392,1
Taxes on income, profits and capital gains	22,8	27,1	57,3	39,6	33,4	27,9	27,9	27,9	25,3	29,7	27,6	34,4	380,9
Taxes on property	0,6	0,7	1,0	0,9	1,0	1,0	1,1	1,1	0,9	1,0	0,9	1,0	11,2
Indirect taxes (net)	358,8	329,8	397,1	399,5	426,2	412,0	455,3	479,9	431,0	465,0	421,6	411,4	4.987,6
VAT	217,9	210,1	264,0	252,3	267,4	260,0	282,4	300,0	284,6	306,2	259,8	258,1	3.162,8
Excises	105,9	85,2	91,1	102,9	114,4	109,2	124,5	129,3	100,8	110,8	116,8	108,4	1.299,3
Road fee	21,2	19,0	20,6	22,7	23,9	23,5	27,0	29,6	25,1	24,9	24,6	23,7	285,7
Customs	12,6	14,5	20,1	20,1	19,1	18,0	19,7	19,6	19,2	21,5	19,1	19,9	223,5
Other indirect taxes	1,2	1,0	1,3	1,5	1,4	1,4	1,6	1,4	1,3	1,7	1,3	1,3	16,4
Other taxes	0,2	0,1	0,1	0,0	0,1	0,3	0,3	0,0	0,3	1,0	1,2	0,5	4,2
Social security contributions	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Foreign grants	1,8	1,1	0,6	1,1	0,4	7,1	0,4	1,3	2,0	1,0	2,4	8,9	28,3
Other (non-tax) revenue	33,8	43,2	77,0	61,9	40,8	91,8	34,8	62,0	66,9	56,6	69,7	48,7	687,0
Transfers from other general government units	0,2	0,5	-0,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0

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	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I-XII
Expenditure	421,0	386,8	457,0	480,1	456,3	483,8	504,2	534,5	513,9	537,4	510,2	752,8	6.037,9
Expense	416,5	382,3	453,2	475,2	450,4	467,9	490,1	523,9	504,9	525,5	497,5	700,7	5.888,0
Compensation of employees	130,4	131,5	133,0	133,6	129,2	129,2	134,0	126,2	129,6	130,5	133,9	134,5	1.575,7
Use of goods and services	13,3	17,2	26,2	29,4	27,7	31,8	24,0	26,5	36,6	26,7	32,8	83,7	375,8
Social benefits	51,5	52,7	65,1	55,1	45,3	57,9	58,8	57,5	57,9	59,7	62,0	99,2	722,7
Interest	5,0	5,8	19,2	8,5	14,3	27,6	5,1	9,5	17,3	12,3	15,0	20,5	160,1
Interest payments to non-residents	4,2	4,4	9,7	7,3	9,8	20,7	3,0	6,4	9,8	8,2	8,3	17,3	109,1
Interest payments to residents	0,8	1,4	9,6	1,2	4,5	6,9	2,0	3,2	7,5	4,1	6,7	3,2	51,0
Subsidies	2,2	2,4	4,0	13,8	6,1	8,4	17,8	15,7	43,7	19,0	32,4	70,5	236,2
Grants (to non-residents)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Transfers to other general government units	40,9	39,9	40,0	51,0	47,6	50,6	46,3	69,4	44,3	53,6	46,1	80,3	609,8
Transf.from SA (BD, cantons, mun, funds, road f.)	162,9	128,7	169,4	172,2	173,1	152,7	196,1	211,1	158,2	195,3	166,6	130,0	2.016,3
Other expense	10,2	4,0	-3,6	11,7	7,2	9,7	8,0	7,9	17,3	28,5	8,7	82,0	191,5
Net acquisition of nonfinancial assets	4,6	4,5	3,8	5,0	5,9	15,9	14,1	10,6	9,0	11,8	12,7	52,1	150,0
Acquisition of nonfinancial assets	4,7	4,9	4,3	5,3	6,2	17,7	14,6	11,3	9,3	15,2	13,2	59,7	166,3
Disposal of nonfinancial assets	0,1	0,4	0,5	0,3	0,3	1,8	0,5	0,7	0,3	3,4	0,5	7,6	16,3
Gross/Net operating balance (revenue minus expense)	1,8	20,1	79,3	27,8	51,5	72,2	29,8	48,3	21,5	28,9	25,9	-195,8	211,3
Net lending /borrowing (revenue minus expenditures)	-2,8	15,6	75,5	22,8	45,6	56,3	15,7	37,7	12,5	17,0	13,2	-247,9	61,3
Net financing = (Minus) Net lending /borrowing	2,8	-15,6	-75,5	-22,8	-45,6	-56,3	-15,7	-37,7	-12,5	-17,0	-13,2	247,9	-61,3

Table 1.

Preliminary consolidated report: B&H Institutions, entities, BD (2012)

	Q1	Q2	Q3	Q4	Total
Revenue	930,4	1.090,3	1.108,3	1.154,3	4.283,3
Taxes	766,0	882,3	928,7	953,9	3.530,9
Direct taxes	113,9	109,0	91,7	100,1	414,7
Taxes on income, profits and capital gains	110,1	103,8	86,0	94,2	394,1
Taxes on payroll and workforce	1,5	2,2	2,2	2,5	8,4
Taxes on property	2,4	3,0	3,5	3,4	12,2
Indirect taxes	651,3	772,5	836,2	850,8	3.110,8
Other taxes	0,7	0,7	0,8	3,1	5,3
Social security contributions	0,0	0,0	0,0	0,0	0,0
Foreign grants	3,5	8,6	3,7	12,4	28,3
Other (non-tax) revenue	160,9	199,4	175,5	187,1	722,9
Transfers from other general government units	0,0	0,0	0,4	0,9	1,3
Expenditure	832,5	963,6	1.044,4	1.377,1	4.217,6
Expense	819,7	932,0	1.007,8	1.295,1	4.054,4
Compensation of employees	414,6	412,1	409,9	419,6	1.656,2
Use of goods and services	60,3	96,7	95,6	167,3	419,8
Social benefits	174,1	163,4	184,3	235,7	757,4
Interest	30,1	50,5	32,0	47,9	160,5
Interest payments to non-residents	18,3	37,8	19,2	33,9	109,1
Interest payments to residents	11,9	12,7	12,8	14,1	51,4
Subsidies	9,2	29,5	78,1	123,1	240,0
Grants	0,0	2,1	5,8	1,3	9,2
Transfers to other general government units	120,8	149,1	169,0	181,0	619,8
Other expense	10,6	28,5	33,2	119,2	191,5
Net acquisition of nonfinancial assets	12,9	31,7	36,6	82,0	163,2
Acquisition of nonfinancial assets	13,9	34,1	38,0	93,5	179,5
Disposal of nonfinancial assets	1,0	2,4	1,4	11,5	16,3
Gross/Net operating balance (revenue minus expense)	110,7	158,4	100,6	-140,8	228,9
Net lending /borrowing (revenue minus expenditures)	97,9	126,7	64,0	-222,8	65,8
Net financing = (Minus) Net lending /borrowing	-97,9	-126,7	-64,0	222,8	-65,8

Table 2.

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