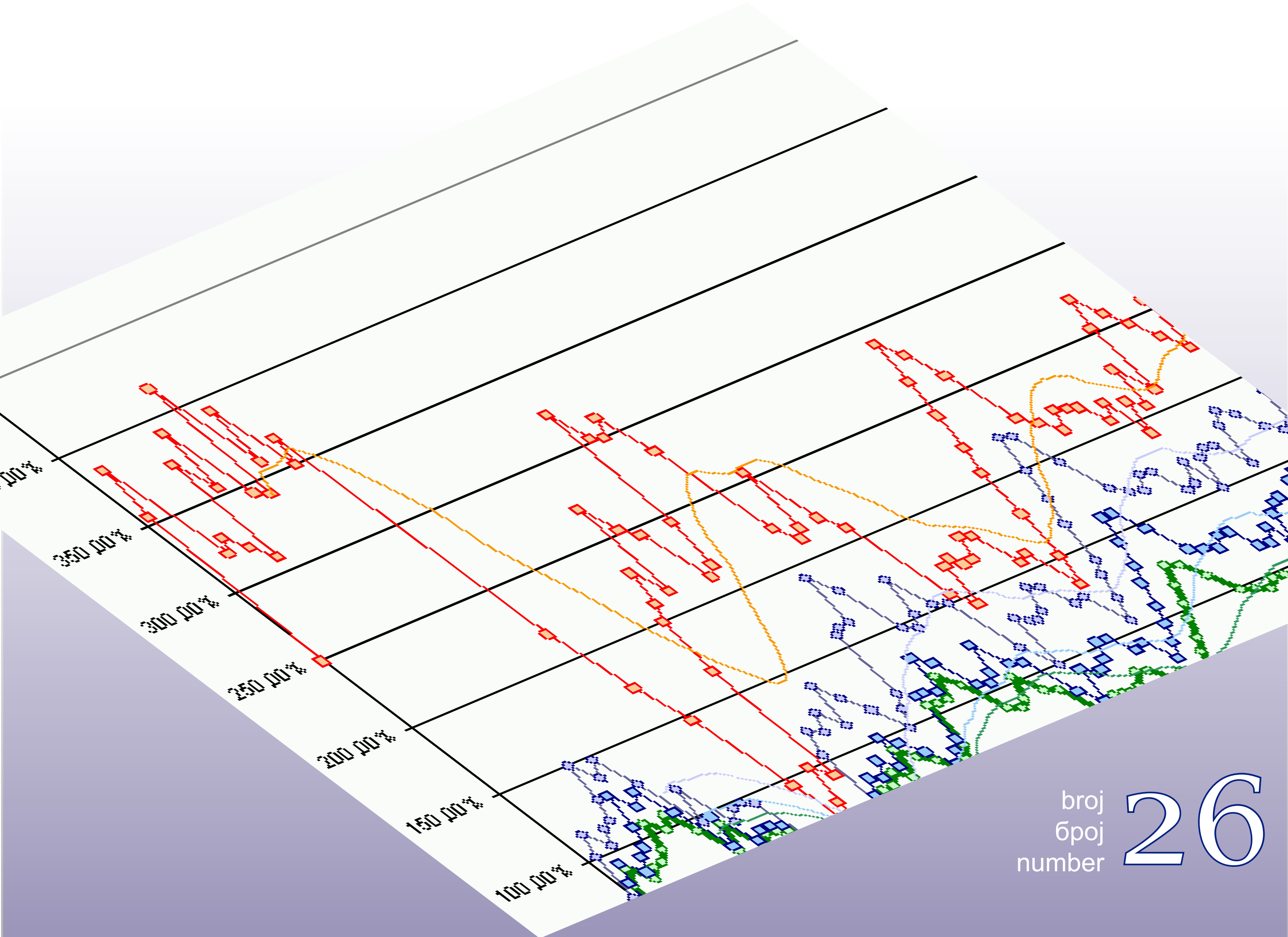
Bosna i Hercegovina
Odjeljenje za makroekonomsku analizu
Upravnog odbora Uprave za indirektno-neizravno oporezivanje

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 …

In the last two years, especially due to introduction of value added tax, public revenues have been in the focus of public in Bosnia and Herzegovina. After strong increase in collection of indirect taxes in the last year and modest increase in 2007, it's finally a time to pay attention to expenditure side of BiH fiscal balance. First of all, it's because possibilities for growth of indirect taxes collection are limited in future, and effects of growth in collection of direct taxes in relation to reforms of income and profit tax are not so high to influence total fiscal balance. Secondly, enormous growth in collection of indirect taxes led to increase of expenditures that already took place (increase of wages of budget beneficiaries) or liabilities were created and their payment should start soon (announcements for increase of wages for budget beneficiaries at all levels, except state level, and institutions-health fund beneficiaries). Increase in public spending of budget and fund beneficiaries, especially in the part where there is no maneuver space for fast reactions (fixed liabilities created by collective agreements with trade unions of public administration, health and education or contracted deals with suppliers), along with pressures for payment of old internal debts may lead to fiscal deficit and jeopardize macroeconomic stability of the country. In this issue, we focused on structural analysis of expenditures of fiscal balance for general government in BiH (without municipalities) in the last three years, providing comparison of situation in BiH with neighboring countries and other complex countries in EU.

As we announced, we are continuing to show the system of excise in EU. In this issue, we are writing about basics of harmonized system of excise on energy products in EU, review of excise rates on energy products and analysis of excise burden.

We have a pleasure to announce publishing of consolidated monthly reports for general government of BiH for six months of 2007, which include fiscal operations of central governments (budgets of BiH, entities, Brcko District), budgets of cantons and all municipalities in the Federation of BiH and Republika Srpska.

We also publish monthly reports for some cantons for which all municipalities sent their reports to the Unit, and whose data were verified and processed by the time of this issue.

Dinka Antić, MSc
Head of Unit – Supervisor

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Structure of public revenues and fiscal sustainability

(Author: Aleksandra Regoje, Macroeconomist in the Unit)

According to consolidated report for BiH, which includes data for state, entity governments, Brcko District, cantons and extra budgetary funds (hereinafter Central government), public expenditures amounted to 6.715 million KM in 2006 and they increased by 18,72% compared to previous year. Observed in percentage of GDP, expenditures increased from 33,41% in 2005 to 35,15% in 2006.

In comparison of share of expenditures in GDP, we should bear in mind that record in ratio of rate of increase of revenues was in 2006 (21,45% according to consolidated report of the Central government) and expenditures compared to GDP rate. It was a year when VAT was introduced and ITA took over competencies for collection of all indirect taxes. One of factors for this increase of revenues compared to GDP growth rate are specifics of the initial year of VAT introduction such as: increase of collection efficiency, inclusion of part of grey economy, suspension of refunds to taxpayers who are not predominantly exporters in 2006 etc.

	structure			index		share in GDP[1]		
	2004	2005	2006	2005	2006	2004	2005	2006
Expenditures	100,00%	100,00%	100,00%	107,00	118,72	33,49%	33,41%	35,15%
Compensations of employees	29,76%	28,38%	29,16%	102,03	121,99	9,96%	9,48%	10,25%
Use of goods and services	23,16%	23,20%	24,45%	107,19	125,15	7,75%	7,75%	8,59%
Interest	1,57%	1,64%	1,55%	112,05	111,83	0,53%	0,55%	0,54%
Subsidies	3,18%	3,48%	4,29%	117,26	146,19	1,06%	1,16%	1,51%
Social welfare	35,74%	38,90%	35,20%	116,46	107,45	11,97%	13,00%	12,37%
Other expenditures and grants	6,60%	4,40%	5,35%	71,35	144,18	2,21%	1,47%	1,88%
Net purchase of non financial assets	...	...	...	115,94	135,00	0,87%	0,95%	1,13%

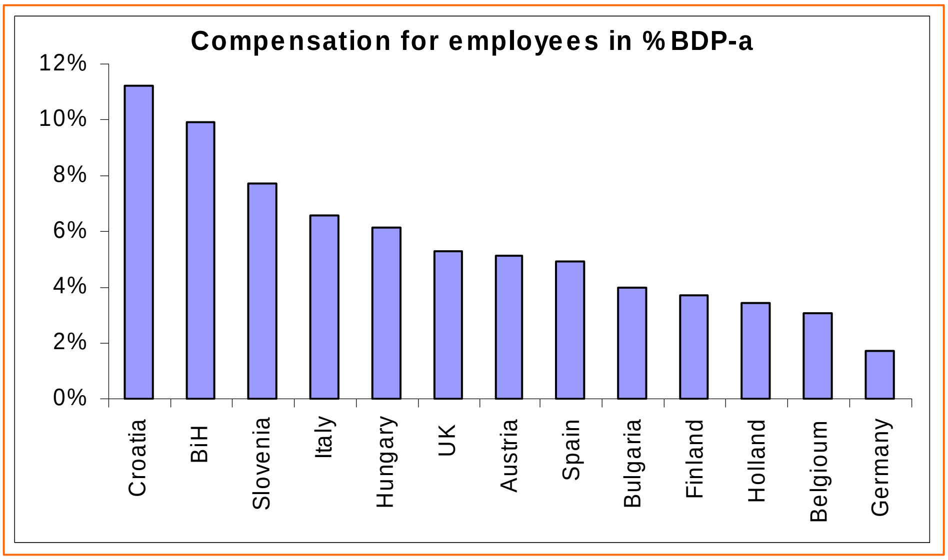
Table 1. Consolidated expenditures of the Central government according to GFS methodology
Source:BiH Central Bank, BiH Statistics Agency

Compensation of employees

Spending on gross wages and compensations in public sector is extremely high and it has tendency of growth in absolute amount and as percentage of GDP. Wages and compensations absorb higher share of GDP than usual for countries in the region and especially for developed European countries (Graph no. 1).

[1] Data from the BiH Statistics Agency for gross domestic product (market prices, includes grey economy)

Note: Data for Italy, Hungary, Austria and Belgium is for 2003., for other countries is for 2004.



Graph 1.
Source:BiH Central Bank, IMF GFS Yearbook 2005

Aforementioned expenditures absorb about 29% of public spending and represent relatively huge burden for economy, not leaving much room for investments.

There are two basic reasons for high spending on wages: (i) level of wages and compensations in public sector is relatively high compared to private sector; (ii) BiH has one of highest shares of employment in public sector in terms of total employment compared to developed countries.

Rationalization of costs for employees through liming employment and control of growth of wages and compensations in public sector is one of priorities in BiH. BiH Council of Ministers adopted the Document for policy of wages in BiH institutions for the period 2007-2010, which limits average growth of wages and compensations at the maximum of 50% of GDP growth rate in this period.

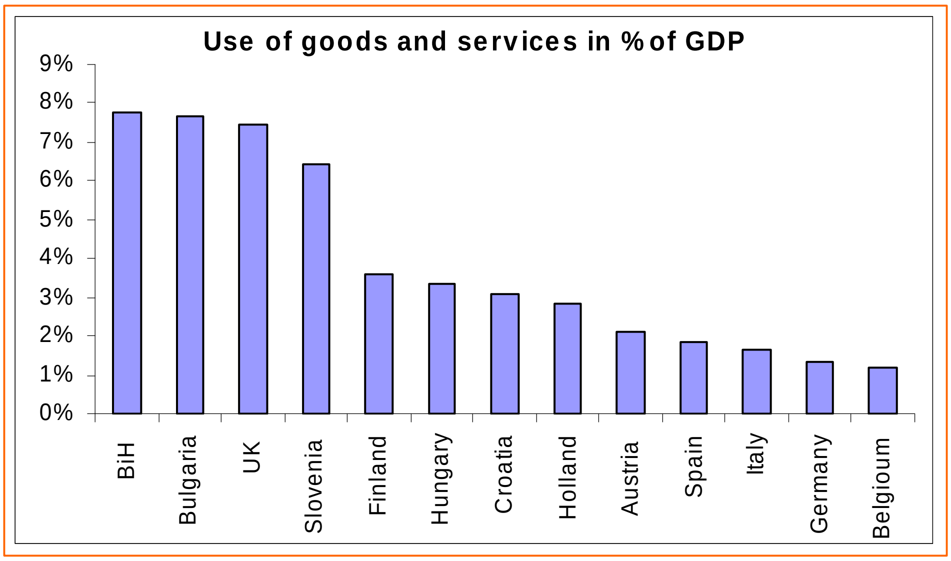
Use of goods and services

According to GFS methodology[2], category for use of goods and services used for production of market and non market goods and services except for capital investments, including goods purchased for resale, minus net changes in stocks. There is high number of transaction related to goods and services that are not classified in this category. For example, goods and services purchased for compensation to employees in kind are classified as compensations to employees; goods and services procured and transferred in kind, not used by the government as classified as subsidies, grants, social welfare or other expenditures depending on purpose.

In comparison with European countries, BiH has relatively high costs of goods and services (Graph no. 2).

[2] International Monetary Fund Government Finance Statistics Manual 2001

Note: Data for Italy, Hungary, Austria and Belgium is for 2003., for other countries is for 2004.



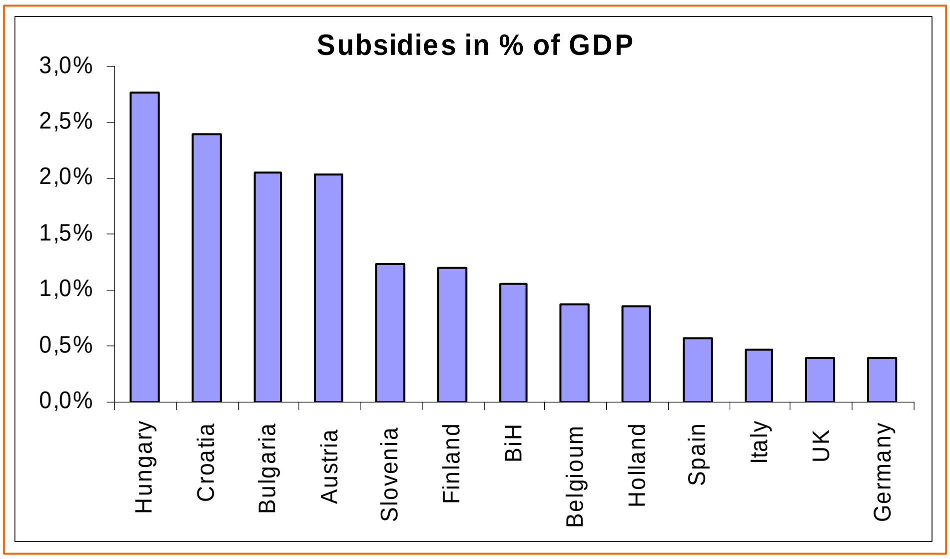
Graph 2.
Source: BiH Central Bank, IMF GFS Yearbook 2005

Interest
Expenditures for interest absorbed 1,55% of total expenditures and 0,54% of GDP in 2006. These include interest on foreign debt that is serviced from the ITA single account.

Subsidies
Subsidies represent current irretrievable payments to companies on basis of level of their production activities, quantities or values of goods and services they produce, sell, export or import. Subsidies can have purpose to influence level of production or level of product price. They are paid exclusively to producers and not final beneficiaries. Subsidies include transfers to companies to cover their losses caused by determination of prices at the level where costs of production can not be covered, in order to conduct economic and social policy.

According to consolidated report of the BiH Central government, subsidies are 4,29% of expenditures and 1,51% of GDP.

Note: Data for Italy, Hungary, Austria and Belgium are for 2003., for other countries are for 2004.



Graph 3.
Source: BiH Central Bank, IMF GFS Yearbook 2005

European Union uses centralized system of regulating state aid, and World Trade Organization (WTO) regulates government subsidies at the international level. As Bosnia and Herzegovina is preparing to join WTO and sign Stabilization and Accession Agreement with European Union, it will have to undertake and implement regulatory controls that are harmonized with international regulations on state support[3]

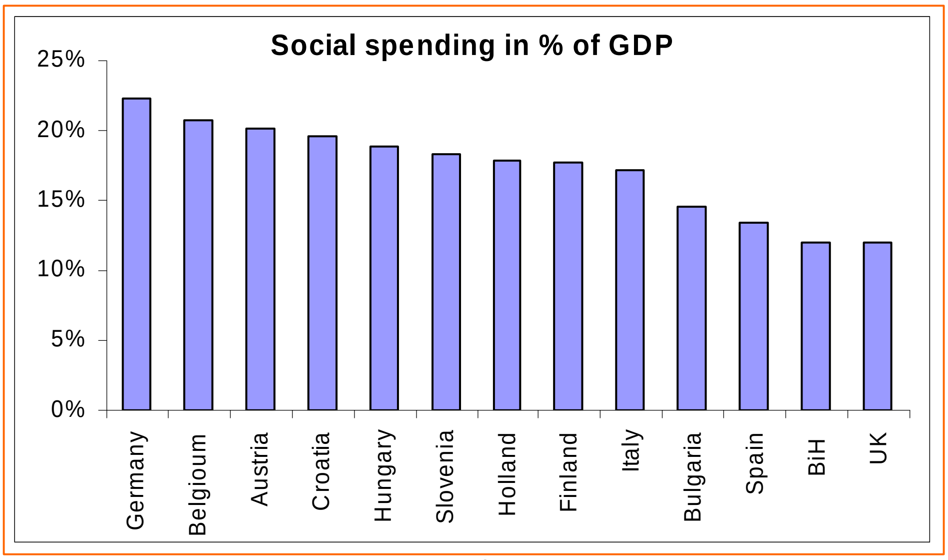
Social welfare

Social welfare represents transfers in money or in kind that have objective to protect total population or its certain segments from some social risks. Examples of such spending are payments on basis of soldiers' rights, unemployment, pensions and typical ways of social welfare. These have highest share in expenditures of the central government and amounted to 35,2% of total expenditures in 2006.

Bosnia and Herzegovina is signatory of International pact on economic, cultural and social rights that oblige countries to provide citizens with social welfare and assistance, right to education, living standards, protection from economic and social exploitation of children and youth, medical aid etc. Social welfare program does not exist at the state level and it's regulated at entity and cantonal level. Differences in cantonal budgets and economic power lead to different spending on social programs.

Spending on social welfare expressed as % of GDP is lower than average of European countries (graph no. 5) and its structure is very different. Social welfare is characterized by relatively lower outflows for pensions and higher on spending for other categories especially for war disabled persons, refugees and displaced persons. Social funds are facing with funding problems and depend very much on assistance from government's budget. Causes of these problems are in high volume of grey economy, avoiding payment of contributions due to high rates and mistrust in social funds, unregistered labor etc. Fight against poverty in BiH requires changes in structure of social aid. Social transfers should be targeted at most vulnerable categories. Right to receive social aid should be determined by real financial situation and not by category status.

Note: Data for Italy, Hungary, Austria and Belgium are for 2003., for other countries are for 2004.



Graph 5.
Source:BiH Central Bank IMF GFS Yearbook 2005

[3] Eugene Stuart and Davor Vuletić, „Introduction to regulating state aid according to Law of European Community", manual for BiH, Project for support to competivines and state aid in Bosnia and Herzegovina, Sarajevo, 2006.

Net purchase of non financial assets

Net purchase of non financial assets equals gross fixed assets decreased by spending on fixed assets, to which changes in stocks and transactions for other non financial assets are added. Their growth in 2006 amounted to 35% in comparison with previous year, which points out to increase of investment expenditures in public sector.

Observed in % of GDP, net purchase of non financial assets shows positive trend with growth of 0,87% in 2004 up to 1,13% in 2006.

Conclusion

Bosnia and Herzegovina does not have institution that is responsible for conducting fiscal policy. Certain levels of government independently plan their budgets without using same fiscal guidelines. Year of 2006 was marked by strong growth of revenues as consequence of indirect taxes reform. BiH authorities were expected to direct surplus of revenues on development of entrepreneurship and unemployment. If we observer structure of expenditures in 2006 (table 1), there is visible increase of share of wages, compensations and material costs. Information on budget surplus in the amount of 3% of GPD and strong growth of capital expenditures of 35% compared to the last year is encouraging. Since there is trend of declining foreign aid to budgets from which capital expenditures were usually funded, it's necessary to rationalizes spending on wages and material costs in next period. Budget funds should be directed to investments and development of infrastructure. Such investments are necessary for sustainable economic growth and keeping macroeconomic stability.

Oil excise policy in EU

(Author: Dinka Antić, MSc.)

Minimal excise rate on oil in EU

Elimination of borders, liberalization and establishment of EC common market on January 1st, 1993, required harmonization of regulations in the field of taxation of energy products. Up to then, excise taxation was limited to mineral oils and other types of energy such as electric power, natural gas, crude oils (coal, coke, lignite) were not taxed with excise. This selective approach to taxation of energy brought some companies in better position, which led to tax and price competition in the energy sector. In order to ensure proper functioning of the EU market, it was necessary to introduce excise on other types of energy. In order to prevent unloyal competition, minimal common rates and total amount of taxation (that includes VAT) was prescribed as obligatory for all EU member states. Application of minimal excise rates in all member states also ensures stable inflow of revenues to budgets of member states. This also provides stable funding of EU institutions. Inclusion of electric power into excisable products is an obligation derived from UN framework convention on climate changes and Kyoto Protocol, ratified by EU.

Directive on taxation of energy products that is in force in EU since January 1st, 2004, prescribes precise definitions of energy products and minimal tax rates, scope of exempts or possibilities for reduction of excise rate. Directive regulates procedures for approval of exempts, control, audit, determining of moment when tax liability was created and right to refunds. Excise is taxed on oil for machines or heating only. In other hand, use of oil as raw material or for the purpose of production process (electrolysis, metallurgic processes) is not taxed with excise. **Minimal rate of taxation** represents total tax burden in terms of indirect taxes (except VAT) that are directly or indirectly calculated on quantity of energy products in the moment of use. In the member states, total level of taxation can not be lower than minimal rate of taxation determined by the Directive. Directive sets minimal rate of taxation for motor oils, motor oils for industrial or commercial use, and oils for heating and electric energy. As opposed to engine oil, **for commercial or industrial use of energy products significantly lower rate is applied** (use of oil in agriculture, horticulture, fishery, forestry, for facilities and equipment used in construction and public works, use for engines of vehicles outside public roads etc).

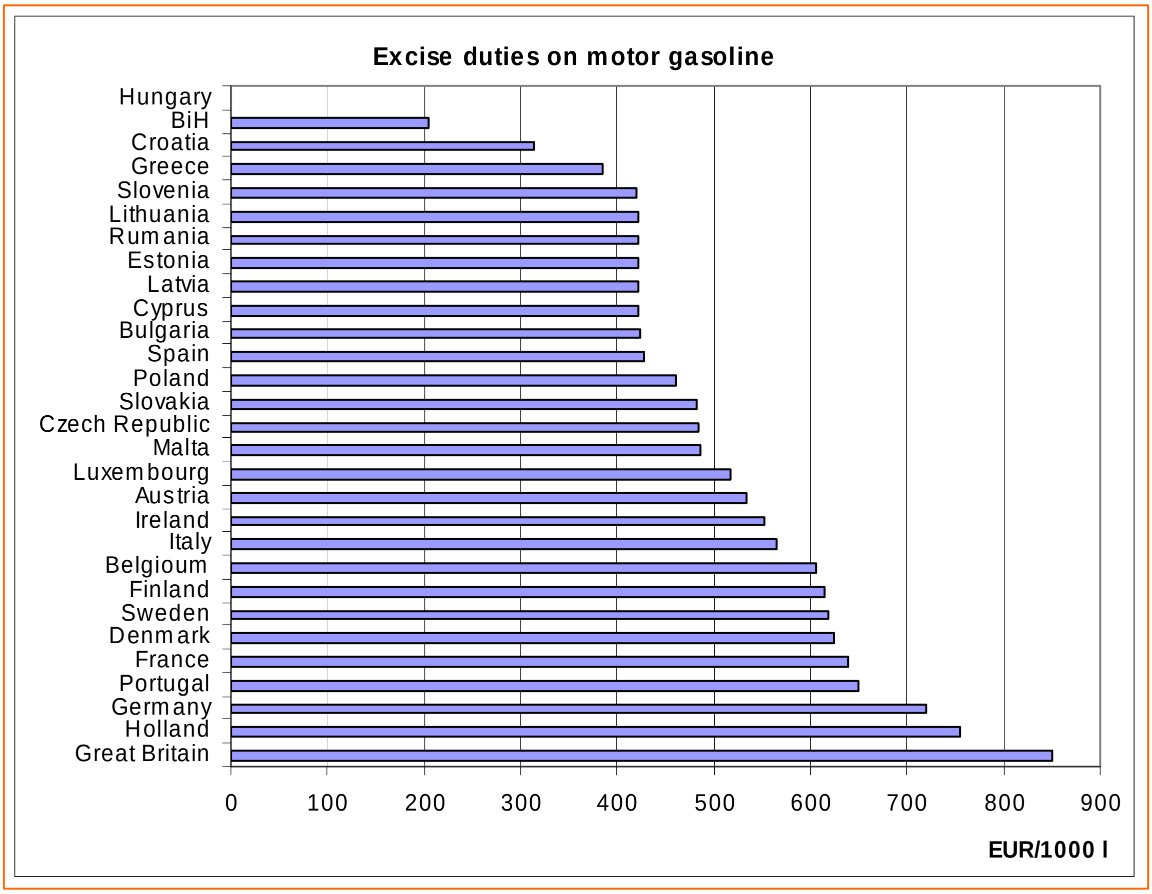
EU excise system also includes:

a. **Differentiated excise rates** that are approved in regards to quality of product, quantity of oil used for heating, or use for public transport, for collection of waste, for needs of military forces, government, disabled persons, hospitals etc.

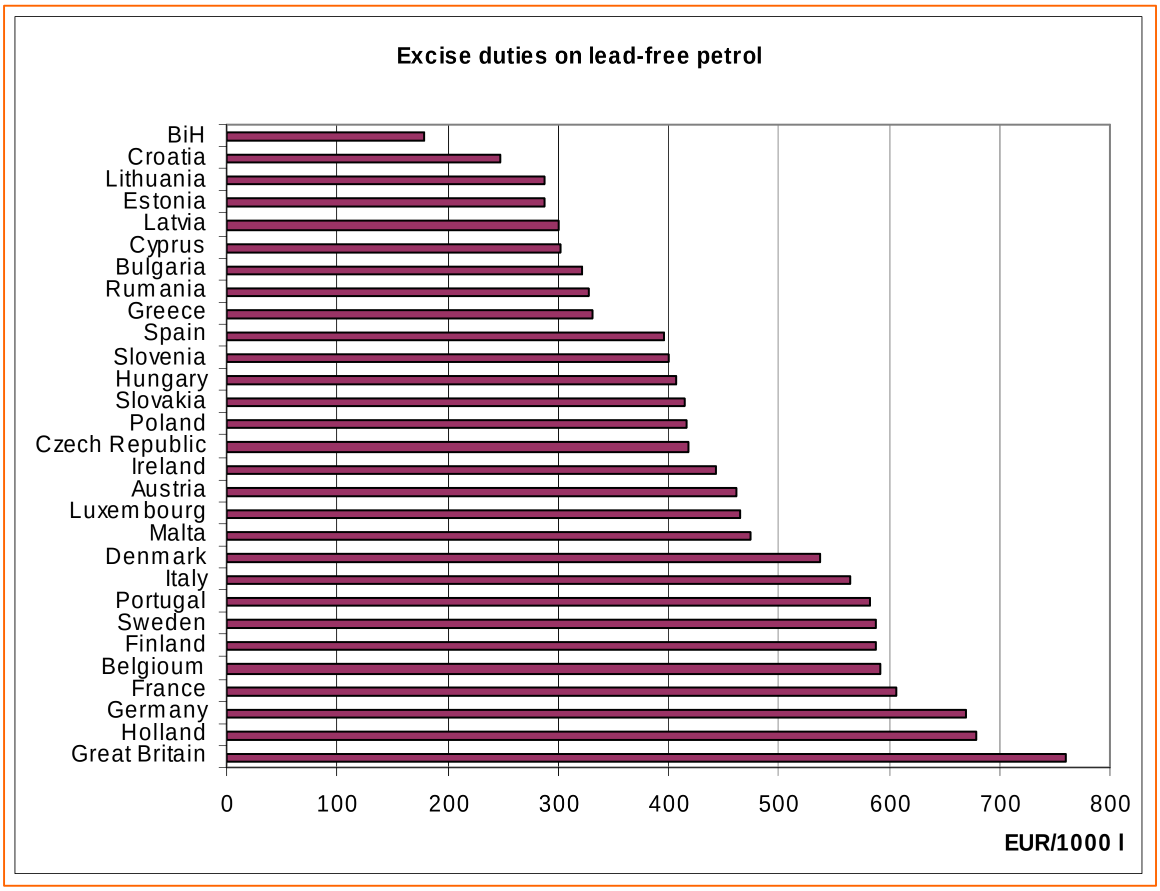
b. **Exempts or reduced rates of taxation** for energy products used for production of electric energy, oil for planes and boats (except for private use), for bio oils, for other types of energy (solar, wind energy, tide, geothermal origin), and energy generated from bio mass or waste etc.

c. **Right to refund** that all taxpayers have if they invest with objective to reduce use of energy, which is from 50% to 100% of paid excise.

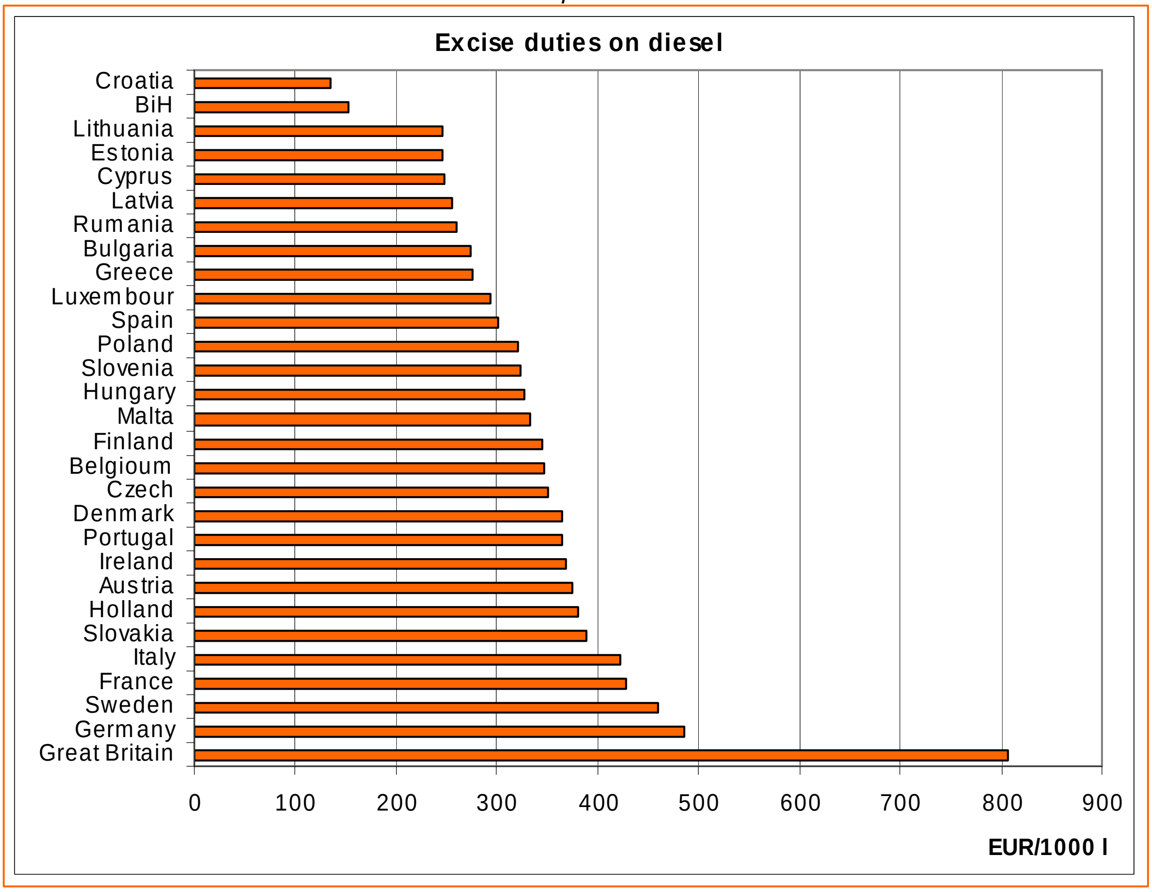
Member states are free to set excise rate that is higher than minimal rates determined by EU directives. Minimal excise rate is set in EUR per 1,000 liters of oil. For example, minimal excise for motor gasoline amounts to 421 EUR/1000 l or 0, 421 EUR per 1 liter. Minimal excise for unleaded gasoline amounts to 359 EUR / 1000 l or 0,359 per1 liter, and for diesel it's 302 EUR.



Graph 5.



Graph 6.



Graph 7.

Minimal excise on car diesel amounts to 302 EUR /1000l, and diesel for industrial use, heating and business use is taxed with much lower minimal excise in the amount of 21 EUR/1000l. In order to protect environment, some countries have different scale of rates for certain use or some countries, such as Belgium, provide exempts to industries that sign contract with government and accept obligations in regards to protection of environment.

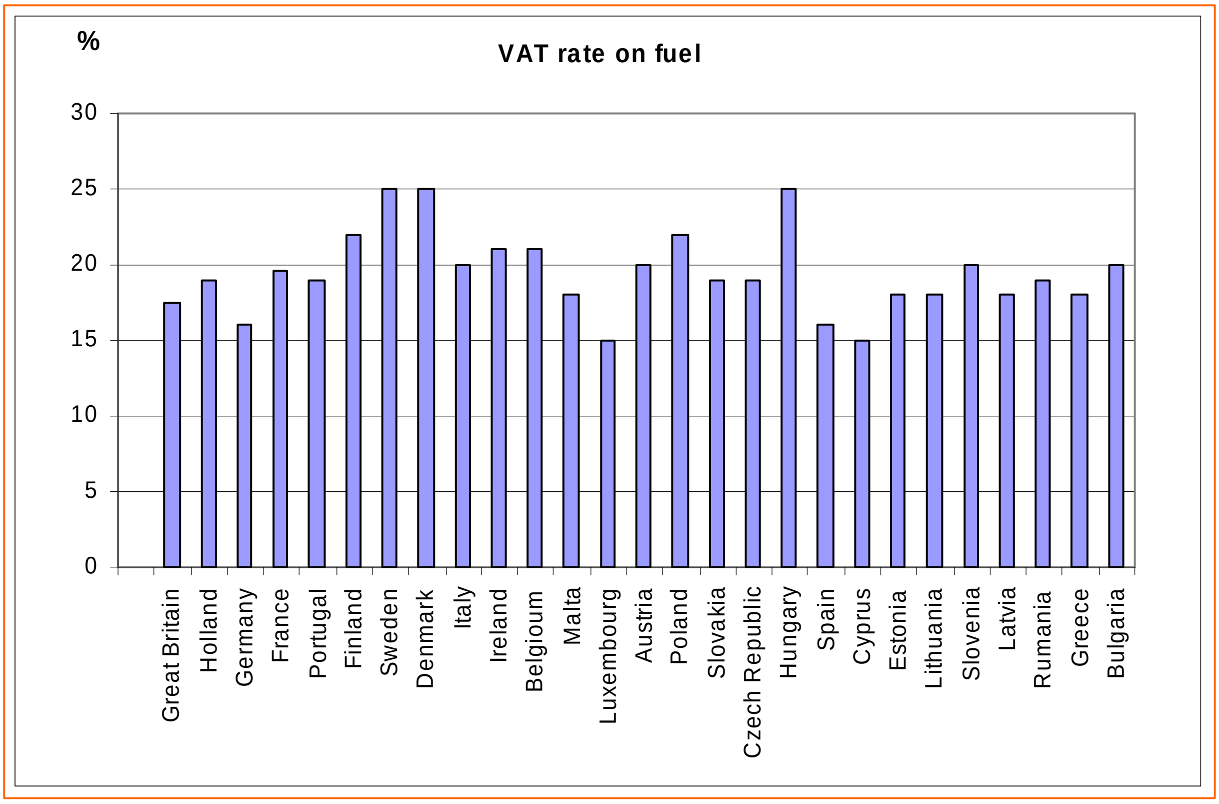
As it can be seen from the previous graphs "old" member states of EU had excise rates on both types of gasoline higher than minimal prescribed rate. However, almost all new member states (except Slovenia and Slovakia) have excise rate below prescribed minimal rate. In the last two years, there was trend of increasing excises in old and new member states as the result of implementation of transitional arrangements that every new member state agreed to. All this had an impact on increase of average excise in extended EU (Table 2):

EUR/ 1 l

Average excise on diesel (€ / 1 l)	EU-15	EU-27	New member states
2005	0.388	0.336	0.271
2007	0.401	0.355	0.297

Table 2.

Oil retail price is not influenced by excise only, but also by other burdens such as VAT. Although VAT systems in EU member states usually have scale of rates (standard and one or more lower rates), standard VAT rate is applied on energy in all member states. In comparison with BiH, standard VAT rate in all EU member states, except in Luxemburg, is higher than VAT in EU, and it goes up to 25% in Denmark, Hungary and Sweden. Comparison of both charts shows certain rule and balance in oil taxation: countries that have higher excise rate apply lower VAT rate and vice versa.



Graph 8.

Combining amount of excise rate and VAT rate, member states can in certain excess derogate process of convergence of excise rates and harmonization of excise system in EU. Variation of excise and VAT rates with aim to realize economies of scale in this sector (-> higher use of energy products -> higher total fiscal effects) leads to tax competition between member states.

The following table shows variability of excise burden for 1 liter of car diesel in EU.

Variability measure	1/7/2007		1/1/2005	
	EU-15	EU-27	EU-15	EU-27
Average (unweighted)	0.48	0.42	0.46	0.40
Standard deviation	0.15	0.13	0.15	0.14
Variation coefficient	0.31	0.31	0.32	0.34

Table 3.

As logical consequence of EU expansion and tax competition in the field of energy products, there was increase of differences between member states in 2005. After selective measures of certain member states (increase of excise or VAT) variability was significantly reduced.

Consolidated Reports

(prepared by: Aleksandra Regoje, macroeconomist in the Unit and Mirela Kadić, research assistant)

Notes to table 4

1.The consolidated report includes:

- revenues and expenditures of the budget of Bosnia and Herzegovina,
- revenues and expenditures of the budget of Brčko District,
- revenues and expenditures of the budget of the Republika Srpska, and budgets of RS municipalities
- revenues and expenditures of the budget of the Federation of Bosnia and Herzegovina, cantonal and municipal budgets in Federation,

2.Report includes amortization of foreign debt

3. Missing monthly reports from RS municipalities are estimated on the basis of quarterly reports delivered to the RS Ministry of Finance, while missing data from FBiH municipalities are estimated on the basis of available 2007 data and historical seasonal pattern.

That is related to the following municipalities:

Republic of Srpska: Oštra Luka, Samac, Ugljevik I-VI; Foca and Srbac II-VI; Bratunac, Gradiska, Han Pijesak, Jezero, Kalinovik, Sekovići, Teslić III-VI; Novo Gorazde IV-VI; Federation of B&H: Drvar, Kupres, Ravno I-VI, Grahovo III-VI, Kakanj V-VI and Tesanj VI.

Notes to table 5

1.The consolidated report includes:

- revenues and expenditures of the budget of the Republika Srpska (including foreign debt amortisation from ITA Single Account)
- revenues and expenditures of RS municipalities budgets
- revenues and expenditures of RS extrabudgetary funds (Pension fund, Health insurance fund, Unemployment fund and Children's fund)

Notes to table 6, 7, 8 and 9

1. The consolidated report includes:

- revenues and expenditures of the budget cantons
- revenues and expenditures of the budgets of related municipalities.

BiH (general government, entities, Distikt Brčko, cantons, municipalities FBiH and RS) I-VI 2007

		I	II	III	IV	V	VI	Q1	Q2	Total
1	**Current Revenues** (11+12+13+14)	**439.694.971**	**442.592.421**	**531.198.012**	**543.995.663**	**562.330.182**	**570.445.234**	**1.413.485.404**	**1.676.771.079**	**3.090.256.483**
11	Taxes	380.213.194	371.654.415	437.575.062	438.085.623	486.729.123	473.284.861	1.189.442.671	1.398.099.607	2.587.542.277
	Income & profit tax	13.861.379	22.712.135	36.961.024	13.390.321	13.804.084	16.546.410	73.534.538	43.740.815	117.275.353
	Taxes on personal income and self-employment	25.440.087	26.342.510	29.938.162	31.760.418	31.257.627	31.797.939	81.720.758	94.815.984	176.536.742
	Property tax	9.913.880	12.482.716	9.570.876	10.085.855	11.490.829	9.541.451	31.967.472	31.118.134	63.085.606
	Indirect tax revenues*	329.446.789	307.654.697	356.134.048	380.682.146	427.976.611	413.373.101	993.235.533	1.222.031.858	2.215.267.391
	Other taxes	1.551.060	2.462.357	4.970.953	2.166.883	2.199.973	2.025.960	8.984.370	6.392.816	15.377.185
12	Social security contributions (Brcko)	885.378	1.295.751	1.443.594	205.970	-3.458.115	-313.798	3.624.723	-3.565.943	58.780
13	Non-tax revenues	52.734.172	64.550.234	81.981.542	73.056.559	73.414.365	88.063.784	199.265.948	234.534.708	433.800.656
14	Grants	4.795.775	4.105.103	9.181.263	31.057.315	4.479.539	6.029.939	18.082.141	41.566.793	59.648.934
15	Other revenues	1.066.453	986.918	1.016.550	1.590.197	1.165.270	3.380.449	3.069.921	6.135.915	9.205.836
2	**Total expenditures** (21+22+23)	**278.856.380**	**340.741.528**	**378.295.029**	**419.850.881**	**459.670.897**	**559.540.261**	**997.892.936**	**1.439.062.040**	**2.436.954.976**
21	Current expenditures	268.452.572	329.148.624	366.873.031	405.727.161	454.963.249	529.277.099	964.474.227	1.389.967.509	2.354.441.736
	Wages and compensations	155.873.373	164.608.857	171.674.719	180.298.566	189.150.508	236.657.875	492.156.949	606.106.950	1.098.263.899
	of which: Gross wages	129.109.221	137.753.225	140.895.743	149.276.098	153.859.069	158.489.913	407.758.190	461.625.080	869.383.270
	of which: Compensations	26.764.152	26.855.632	30.778.976	31.022.468	35.291.439	78.167.962	84.398.759	144.481.870	228.880.629
	Other taxes and contributions	8.773.902	8.964.117	9.647.930	10.335.451	10.618.425	15.587.679	27.385.949	36.541.555	63.927.505
	Purchases of goods and services	32.705.818	42.281.507	48.848.711	52.933.568	53.222.682	56.389.035	123.836.036	162.545.285	286.381.321
	Grants	67.287.066	98.055.387	130.275.830	156.781.623	189.010.386	197.895.237	295.618.283	543.687.246	839.305.529
	Interest	3.812.412	15.238.756	6.425.841	5.377.952	12.961.248	22.747.274	25.477.009	41.086.474	66.563.483
22	Other expenditures	10.657.477	12.582.948	11.406.179	9.030.273	6.139.085	32.504.169	34.646.604	47.673.527	82.320.131
23	Net lending**	-253.670	-990.044	15.819	5.093.447	-1.431.437	-2.241.007	-1.227.895	1.421.004	193.109
3	Net acquisition of nonfinancial assets	**8.392.859**	**6.936.105**	**18.930.445**	**17.713.354**	**13.510.531**	**43.846.266**	**34.259.408**	**75.070.150**	**109.329.559**
4	Government surplus/deficit (1-2-3)	**152.445.733**	**94.914.788**	**133.972.538**	**106.431.429**	**89.148.753**	**-32.941.293**	**381.333.059**	**162.638.889**	**543.971.948**
5	Net financing ***	**-35.177.204**	**-7.908.506**	**-7.075.650**	**-8.804.454**	**-11.055.586**	**-28.628.389**	**-50.161.360**	**-48.488.429**	**-98.649.789**

* Includes indirect tax revenues according to Regulations by 31 Dec 2005

Table 4. Monthly Consolidated Report

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RS (Budget RS, municipalities, extrabudgetary funds), I - VI 2007

		I	II	III	IV	V	VI	Q1	Q2	Total
1	**Current Revenues** (11+12+13+14)	**170.316.169**	**199.672.987**	**257.872.388**	**231.091.640**	**243.244.369**	**244.308.697**	**627.861.544**	**718.644.707**	**1.346.506.251**
11	Taxes	101.228.523	100.840.676	139.360.777	116.577.277	135.289.998	125.103.292	341.429.976	376.970.567	718.400.543
	Income & profit tax	1.035.212	6.197.170	23.861.401	4.961.985	5.350.620	4.953.044	31.093.783	15.265.649	46.359.432
	Taxes on personal income and self-employment	11.378.858	9.792.001	11.182.959	11.076.540	11.523.022	11.518.142	32.353.818	34.117.704	66.471.522
	Property tax	3.322.280	3.997.096	4.092.940	3.649.613	3.873.578	2.892.242	11.412.316	10.415.433	21.827.749
	Indirect tax revenues*	85.148.253	80.127.924	99.598.501	96.192.418	113.831.515	105.072.174	264.874.678	315.096.108	579.970.785
	Other taxes	343.921	726.484	624.976	696.720	711.263	667.691	1.695.381	2.075.674	3.771.055
12	Social security contributions (Brcko)	49.935.095	56.494.858	65.430.242	63.544.464	67.550.662	71.074.586	171.860.195	202.169.712	374.029.907
13	Non-tax revenues	14.261.030	22.050.760	27.473.453	20.729.257	23.899.535	24.595.015	63.785.244	69.223.806	133.009.050
14	Grants	4.591.263	20.344.247	25.536.544	30.106.940	16.516.948	23.326.320	50.472.053	69.950.207	120.422.261
15	Other revenues	300.257	-57.554	71.373	133.703	-12.773	209.485	314.076	330.415	644.490
2	**Total expenditures** (21+22+23)	**129.932.232**	**189.146.692**	**202.065.927**	**198.321.645**	**188.018.066**	**219.564.736**	**521.144.851**	**605.904.447**	**1.127.049.298**
21	Current expenditures	106.248.236	159.916.229	165.869.102	166.697.255	166.702.449	193.893.452	432.033.566	527.293.156	959.326.722
	Wages and compensations	36.041.925	40.501.880	41.027.623	41.503.169	41.650.945	47.464.444	117.571.427	130.618.559	248.189.986
	of which: Gross wages	32.296.346	36.634.497	36.407.923	36.950.327	36.979.900	36.574.340	105.338.765	110.504.568	215.843.333
	of which: Compensations	3.745.579	3.867.384	4.619.700	4.552.841	4.671.045	10.890.104	12.232.662	20.113.991	32.346.653
	Other taxes and contributions	1.286.854	1.054.517	1.314.769	1.338.808	1.182.761	4.633.763	3.656.140	7.155.332	10.811.472
	Purchases of goods and services	31.497.071	34.053.610	40.529.892	42.046.092	35.573.052	46.697.699	106.080.573	124.316.843	230.397.416
	Grants	36.820.091	72.444.961	80.267.190	80.485.617	79.030.342	87.252.010	189.532.242	246.767.969	436.300.211
	Interest	602.295	11.861.260	2.729.628	1.323.569	9.265.349	7.845.535	15.193.183	18.434.453	33.627.637
22	Other expenditures	23.681.470	29.166.213	36.147.826	26.182.748	24.375.150	26.347.690	88.995.509	76.905.589	165.901.098
23	Net lending**	2.526	64.251	48.999	5.441.643	-3.059.534	-676.406	115.776	1.705.703	1.821.479
3	**Net acquisition of nonfinancial assets**	**5.385.464**	**5.996.516**	**12.825.709**	**9.831.035**	**12.457.560**	**23.820.066**	**24.207.690**	**46.108.661**	**70.316.351**
4	**Government surplus/deficit (1-2-3)**	**34.998.472**	**4.529.778**	**42.980.752**	**22.938.960**	**42.768.743**	**923.895**	**82.509.003**	**66.631.599**	**149.140.602**
5	**Net financing *****	**-4.734.311**	**-2.039.506**	**-1.616.310**	**-1.909.863**	**-2.589.266**	**-2.469.930**	**-8.390.127**	**-6.969.060**	**-15.359.187**

* Includes indirect tax revenues according to Regulations by 31 Dec 2005

Table 5. Monthly Consolidated Report

Posavina Canton, I – VII 2007

		I	II	III	IV	V	VI	VII	Q1	Q2	Q3	I-VII 2007	I-VII 2006
1	**Total revenues** (11+12+13+14)	**2.838.992**	**2.519.335**	**3.064.276**	**3.610.813**	**3.281.400**	**3.520.890**	**4.176.519**	**8.422.603**	**10.413.103**	**4.176.519**	**23.012.225**	**21.393.056**
11	Tax revenues	2.450.787	2.129.629	2.569.908	2.480.844	2.791.974	2.686.559	3.245.409	7.150.325	7.959.377	3.245.409	18.355.111	16.445.979
	Income & profit tax	90.539	128.286	158.393	71.692	32.067	18.700	77.551	377.218	122.460	77.551	577.229	459.686
	Taxes on personal income and self-employment	192.187	176.707	195.543	207.571	213.088	246.019	300.963	564.437	666.677	300.963	1.532.078	1.272.899
	Property tax	48.138	31.794	30.487	45.591	45.609	23.540	63.494	110.418	114.740	63.494	288.653	193.920
	Sales tax (incl.excises)(according to Regulations until 31,12,2005)	45.949	30.065	28.209	29.758	108.135	38.300	25.646	104.223	176.194	25.646	306.063	2.306.948
	Transfers from Single Account	2.041.576	1.742.521	2.104.097	2.104.229	2.380.105	2.339.420	2.725.859	5.888.194	6.823.754	2.725.859	15.437.807	11.997.342
	Other taxes	32.398	20.257	53.179	22.004	12.969	20.579	51.896	105.834	55.552	51.896	213.281	215.184
12	Non-tax revenues	309.205	389.705	494.368	463.302	489.426	470.998	629.396	1.193.278	1.423.726	629.396	3.246.401	2.927.625
13	Grants	79.000	0	0	666.667	0	333.333	166.667	79.000	1.000.000	166.667	1.245.667	2.019.452
14	Other revenues	0	0	0	0	0	30.000	135.047	0	30.000	135.047	165.047	
2	**Total expenditures** (21+22)	**2.255.269**	**2.222.278**	**2.346.195**	**2.299.019**	**2.646.447**	**3.156.007**	**2.643.362**	**6.823.742**	**8.101.472**	**2.643.362**	**17.568.576**	**17.014.289**
21	Current expenditures	2.255.269	2.222.478	2.343.395	2.299.119	2.646.547	3.156.107	2.643.462	6.821.142	8.101.772	2.643.462	17.566.376	17.021.892
	Wages and compensations	1.355.586	1.354.642	1.417.877	1.363.422	1.366.946	1.756.341	1.222.032	4.128.105	4.486.708	1.222.032	9.836.845	9.068.846
	of which: Gross wages	1.049.837	1.070.906	1.101.249	1.059.115	1.079.046	1.057.095	1.026.286	3.221.992	3.195.257	1.026.286	7.443.535	7.104.686
	of which: Compensations	305.749	283.736	316.628	304.307	287.899	699.245	195.745	906.113	1.291.451	195.745	2.393.310	1.964.160
	Other taxes and contributions	133.184	134.071	139.931	133.691	136.047	132.220	129.273	407.187	401.958	129.273	938.417	882.663
	Purchases of goods and services	458.922	372.096	443.703	409.694	329.634	454.676	376.135	1.274.721	1.194.004	376.135	2.844.861	3.561.552
	Grants	307.576	361.668	341.885	392.313	813.919	812.870	900.097	1.011.129	2.019.102	900.097	3.930.328	3.486.023
	Interest	0	0	0	0	0	0	15.926	0	0	15.926	15.926	22.808
22	Net lending*	0	-200	2.800	-100	-100	-100	-100	2.600	-300	-100	2.200	-7.603
3	**Net acquisition of nonfinancial assets**	**31.500**	**15.850**	**24.668**	**3.690**	**1.530**	**201.438**	**5.749**	**72.018**	**206.658**	**5.749**	**284.425**	**670.762**
4	**Government surplus/deficit** (1-2-3)	**552.223**	**281.207**	**693.413**	**1.308.104**	**633.424**	**163.445**	**1.527.408**	**1.526.843**	**2.104.973**	**1.527.408**	**5.159.224**	**3.708.005**
5	**Net financing** **	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-7.886**

Table 6. Monthly Consolidated Report

Central Bosnia Canton, I – VII 2007

		I	II	III	IV	V	VI	VII	Q1	Q2	Q3	I-VII 2007	I-VII 2006
1	**Total revenues** (11+12+13+14)	**13.899.535**	**12.243.721**	**15.770.786**	**14.020.326**	**15.535.645**	**15.043.907**	**17.462.230**	**41.914.042**	**44.599.878**	**17.462.230**	**103.976.149**	**84.530.702**
11	Tax revenues	**12.067.530**	**10.005.376**	**11.522.116**	**11.803.126**	**13.176.005**	**12.920.945**	**15.070.718**	**33.595.022**	**37.900.077**	**15.070.718**	**86.565.816**	**71.328.476**
	Income & profit tax	220.556	307.631	215.594	229.269	196.217	254.389	467.841	743.782	679.876	467.841	1.891.500	1.359.450
	Taxes on personal income and self-employment	1.264.224	1.143.837	1.223.899	1.245.760	1.387.133	1.407.171	1.461.496	3.631.960	4.040.064	1.461.496	9.133.520	7.241.877
	Property tax	748.645	374.689	324.736	443.450	412.242	461.451	380.242	1.448.070	1.317.143	380.242	3.145.455	2.431.881
	Sales tax (incl.excises)(according to Regulations until 31,12,2005)	294.358	226.095	214.664	293.740	338.533	210.305	335.594	735.117	842.578	335.594	1.913.290	10.714.329
	Transfers from Single Account	9.475.103	7.883.227	9.478.993	9.530.631	10.774.711	10.516.376	12.309.301	26.837.323	30.821.718	12.309.301	69.968.342	48.659.617
	Other taxes	64.644	69.895	64.231	60.276	67.169	71.252	116.242	198.770	198.698	116.242	513.710	921.322
12	Non-tax revenues	1.622.439	2.077.817	4.206.161	1.935.912	2.205.280	1.913.895	2.001.997	7.906.417	6.055.087	2.001.997	15.963.501	11.949.204
13	Grants	**296.796**	**160.528**	**42.509**	**281.288**	**154.359**	**209.067**	**389.515**	**499.833**	**644.714**	**389.515**	**1.534.062**	**1.152.463**
14	Other revenues	-87.230	0	0	0	0	0	0	-87.230	0	0	-87.230	100.559
2	**Total expenditures** (21+22)	**10.811.860**	**11.873.232**	**14.800.489**	**12.572.089**	**14.893.672**	**12.008.342**	**12.822.134**	**37.485.580**	**39.474.103**	**12.822.134**	**89.781.817**	**74.254.841**
21	Current expenditures	10.811.860	11.873.232	14.800.489	12.572.089	14.893.672	12.008.342	12.822.134	37.485.580	39.474.103	12.822.134	89.781.817	74.254.841
	Wages and compensations	6.586.019	6.936.043	8.331.013	7.050.661	8.761.975	6.695.278	8.474.321	21.853.075	22.507.914	8.474.321	52.835.309	45.196.072
	of which: Gross wages	5.230.826	5.468.163	5.567.040	5.588.006	5.475.635	5.255.271	5.408.138	16.266.029	16.318.912	5.408.138	37.993.079	35.429.238
	of which: Compensations	1.355.193	1.467.881	2.763.973	1.462.655	3.286.340	1.440.007	3.066.183	5.587.046	6.189.002	3.066.183	14.842.231	9.766.834
	Other taxes and contributions	620.349	643.854	650.320	670.799	666.649	653.399	659.736	1.914.523	1.990.848	659.736	4.565.107	4.232.876
	Purchases of goods and services	1.473.724	1.719.592	1.584.978	1.458.625	1.379.006	1.329.784	913.696	4.778.294	4.167.415	913.696	9.859.405	8.190.234
	Grants	1.989.293	2.502.314	4.169.157	3.294.278	4.014.534	3.259.588	2.706.725	8.660.763	10.568.400	2.706.725	21.935.888	15.902.267
	Of which: grants to other level of government	225.870	455.215	1.414.941	770.633	1.619.683	1.050.058	345.048	2.096.026	3.440.375	345.048	5.881.449	3.743.403
	Interest	7.162	5.406	595	21.898	10.591	2.898	11.273	13.163	35.387	11.273	59.823	37.770
	Transfers to lower spending units	135.313	66.023	64.426	75.828	60.917	67.395	56.383	265.762	204.140	56.383	526.285	695.622
22	Net lending*	0	0	0	0	0	0	0	0	0	0	0	
3	**Net acquisition of nonfinancial assets**	**-129.799**	**226.665**	**209.728**	**288.490**	**-563.239**	**492.715**	**616.235**	**306.595**	**217.966**	**616.235**	**1.140.796**	**3.485.216**
4	**Government surplus/deficit** (1-2-3)	**3.217.474**	**143.824**	**760.569**	**1.159.746**	**1.205.212**	**2.542.851**	**4.023.861**	**4.121.866**	**4.907.809**	**4.023.861**	**13.053.537**	**6.790.645**
5	**Net financing ****	**0**	**0**	**-964**	**-972**	**-975**	**0**	**-18.721**	**-964**	**-1.947**	**-18.721**	**-21.632**	**-91.964**

Table 7. Monthly Consolidated Report

Una-Sana Canton, I – VII 2007

		I	II	III	IV	V	VI	VII	Q1	Q2	Q3	I-VII 2007	I-VII 2006
1	**Total revenues** (11+12+13+14)	**16.874.597**	**15.528.560**	**17.734.432**	**17.572.030**	**20.471.967**	**20.183.764**	**22.915.300**	**50.137.590**	**58.227.761**	**22.915.300**	**131.280.651**	**107.639.689**
11	Tax revenues	13.791.433	12.491.690	14.502.314	14.706.696	16.756.222	15.718.415	19.217.370	40.785.437	47.181.333	19.217.370	107.184.140	90.382.355
	Income & profit tax	342.461	519.429	379.963	450.985	711.071	386.566	672.973	1.241.853	1.548.623	672.973	3.463.449	2.276.746
	Taxes on personal income and self-employment	1.035.361	1.460.084	1.190.035	1.152.482	1.127.743	1.387.472	1.430.912	3.685.480	3.667.697	1.430.912	8.784.089	6.996.698
	Property tax	283.460	333.385	230.945	435.757	348.189	341.152	474.471	847.790	1.125.099	474.471	2.447.359	1.977.693
	Sales tax (incl.excises)(according to Regulations until 31,12,2005)	573.102	278.377	327.818	294.013	820.547	278.243	845.578	1.179.297	1.392.803	845.578	3.417.679	13.362.527
	Transfers from Single Account	11.510.659	9.852.723	12.312.678	12.317.180	13.682.962	13.233.305	15.714.351	33.676.060	39.233.447	15.714.351	88.623.859	65.367.304
	Other taxes	46.390	47.692	60.875	56.278	65.711	91.675	79.084	154.957	213.664	79.084	447.705	401.387
12	Non-tax revenues	2.825.588	3.004.292	2.946.737	2.768.200	2.796.732	4.326.772	3.038.392	8.776.617	9.891.704	3.038.392	21.706.713	16.550.573
13	Grants	257.576	29.778	285.381	95.734	919.012	138.578	659.538	572.736	1.153.324	659.538	2.385.598	706.760
14	Other revenues	0	2.800	0	1.400	0	0	0	2.800	1.400	0	4.200	
2	**Total expenditures** (21+22)	**10.657.265**	**11.071.898**	**14.217.414**	**15.256.593**	**14.912.889**	**17.438.116**	**23.549.590**	**35.946.577**	**47.607.597**	**23.549.590**	**107.103.764**	**83.907.225**
21	Current expenditures	10.657.265	11.075.142	14.217.582	15.256.593	14.984.552	17.427.464	23.549.590	35.949.989	47.668.608	23.549.590	107.168.187	83.944.254
	Wages and compensations	6.929.460	7.420.399	8.817.654	8.858.335	8.536.904	11.186.847	8.013.463	23.167.513	28.582.086	8.013.463	59.763.061	50.937.679
	of which: Gross wages	5.851.223	6.350.605	7.028.958	7.217.380	7.146.306	7.780.356	6.711.306	19.230.786	22.144.042	6.711.306	48.086.134	42.827.067
	of which: Compensations	1.078.237	1.069.794	1.788.696	1.640.955	1.390.598	3.406.491	1.302.157	3.936.727	6.438.044	1.302.157	11.676.927	8.110.612
	Other taxes and contributions	698.939	751.245	929.274	788.965	875.529	931.931	848.951	2.379.458	2.596.426	848.951	5.824.835	5.094.608
	Purchases of goods and services	1.242.153	1.014.250	1.741.041	2.627.958	1.530.833	1.596.207	2.028.554	3.997.445	5.754.998	2.028.554	11.780.998	11.130.575
	Grants	1.662.082	1.708.065	2.509.369	2.756.110	3.849.988	3.501.181	12.475.147	5.879.515	10.107.279	12.475.147	28.461.941	15.555.075
	Interest	24.294	50.316	103.537	147.271	98.271	38.726	67.853	178.147	284.268	67.853	530.268	404.540
	Transfers to lower spending units	100.337	130.868	116.708	77.953	93.027	172.572	115.621	347.912	343.552	115.621	807.085	821.777
22	Net lending*	0	-3.244	-168	0	-71.663	10.652	0	-3.412	-61.011	0	-64.423	-37.029
3	**Net acquisition of nonfinancial assets**	**211.190**	**103.184**	**545.138**	**451.789**	**1.143.885**	**503.900**	**815.364**	**859.512**	**2.099.575**	**815.364**	**3.774.451**	**2.044.537**
4	**Government surplus/deficit** (1-2-3)	**6.006.142**	**4.353.478**	**2.971.880**	**1.863.648**	**4.415.193**	**2.241.749**	**-1.449.654**	**13.331.500**	**8.520.590**	**-1.449.654**	**20.402.436**	**21.687.927**
5	**Net financing** **	**-9.145**	**-9.098**	**-42.395**	**-9.098**	**-9.098**	**-29.164**	**-1.673**	**-60.638**	**-47.360**	**-1.673**	**-109.671**	**-221.209**

Table 8. Monthly Consolidated Report

West Herzegovina Canton, I – VII 2007

		I	II	III	IV	V	VI	VII	Q1	Q2	Q3	I-VII 2007	I-VII 2006
1	**Total revenues** (11+12+13+14)	**6.477.454**	**5.765.405**	**7.116.735**	**7.224.114**	**7.975.395**	**6.995.099**	**8.657.630**	**19.359.594**	**22.194.609**	**8.657.630**	**50.211.833**	**44.924.180**
11	Tax revenues	5.499.238	4.937.146	6.046.183	6.362.746	6.944.484	6.289.382	7.491.243	16.482.567	19.596.613	7.491.243	43.570.422	37.070.048
	Income & profit tax	154.547	340.310	667.316	968.302	264.985	488.091	438.939	1.162.173	1.721.379	438.939	3.322.490	2.090.369
	Taxes on personal income and self-employment	377.977	469.992	570.032	746.352	609.362	572.606	701.769	1.418.001	1.928.320	701.769	4.048.091	27.250.554
	Property tax	89.257	121.735	135.363	89.426	153.403	97.486	88.248	346.355	340.315	88.248	774.917	731.185
	Sales tax (incl.excises)(according to Regulations until 31,12,2005)	445.732	218.934	165.734	209.562	542.055	216.422	418.249	830.400	968.039	418.249	2.216.688	5.440.400
	Transfers from Single Account	4.202.629	3.558.343	4.328.665	4.155.231	5.126.013	4.808.379	5.654.069	12.089.637	14.089.622	5.654.069	31.833.328	25.172.163
	Other taxes	229.096	227.831	179.074	193.873	248.667	106.399	189.968	636.002	548.938	189.968	1.374.908	915.376
12	Non-tax revenues	761.441	814.695	1.025.458	815.947	1.011.414	655.558	1.076.305	2.601.594	2.482.919	1.076.305	6.160.818	7.030.131
13	Grants	89.364	13.564	45.094	45.421	19.497	44.220	90.082	148.022	109.138	90.082	347.242	578.823
14	Other revenues	127.411	0	0	0	0	5.940	0	127.411	5.940	0	133.351	245.178
2	**Total expenditures** (21+22)	**4.714.883**	**6.177.463**	**6.359.985**	**6.450.008**	**7.106.257**	**6.927.221**	**6.575.693**	**17.252.331**	**20.483.486**	**6.575.693**	**44.311.510**	**34.495.062**
21	Current expenditures	4.714.883	6.177.463	6.359.985	6.390.008	7.106.257	6.987.221	6.575.693	17.252.331	20.483.486	6.575.693	44.311.510	34.495.062
	Wages and compensations	2.874.444	2.834.991	2.925.434	3.461.372	2.983.623	3.889.314	2.759.429	8.634.870	10.334.309	2.759.429	21.728.607	17.210.506
	of which: Gross wages	2.267.685	2.240.383	2.223.598	2.741.680	2.338.008	2.665.502	2.418.539	6.731.666	7.745.190	2.418.539	16.895.395	12.964.265
	of which: Compensations	606.759	594.608	701.836	719.692	645.616	1.223.812	340.889	1.903.204	2.589.119	340.889	4.833.212	4.246.241
	Other taxes and contributions	236.415	247.356	244.492	287.570	251.015	336.730	260.493	728.263	875.315	260.493	1.864.071	1.422.479
	Purchases of goods and services	428.830	572.919	869.529	595.720	951.098	444.400	1.035.154	1.871.279	1.991.218	1.035.154	4.897.651	5.158.074
	Grants	914.635	2.188.293	1.899.085	1.713.328	2.562.415	1.894.723	2.145.189	5.002.012	6.170.467	2.145.189	13.317.668	8.502.601
	Interest	27.552	30.823	68.259	57.133	54.148	53.166	54.101	126.634	164.447	54.101	345.181	939.649
	Transfers to lower spending units	233.007	303.081	353.186	274.885	303.958	368.888	321.328	889.274	947.731	321.328	2.158.332	1.261.753
22	Net lending*	0	0	0	60.000	0	-60.000	0	0	0	0	0	
3	**Net acquisition of nonfinancial assets**	**17.950**	**-2.155.458**	**-6.878**	**78.455**	**175.977**	**221.229**	**-154.525**	**-2.144.385**	**475.661**	**-154.525**	**-1.823.249**	**1.249.975**
4	**Government surplus/deficit** (1-2-3)	**1.744.621**	**1.743.400**	**763.628**	**695.651**	**693.161**	**-153.350**	**2.236.461**	**4.251.649**	**1.235.462**	**2.236.461**	**7.723.573**	**9.179.143**
5	**Net financing ****	**-34.952**	**-53.048**	**-111.897**	**-86.650**	**-104.962**	**-105.645**	**-68.529**	**-199.897**	**-297.256**	**-68.529**	**-565.682**	**-49.800**

Table 9. Monthly Consolidated Report