
BUDGET DEFICIT REACHES 0.65% OF GDP IN ROMANIA IN FOUR MONTHS

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Romanias general consolidated budget recorded a deficit of RON 6.05 billion (EUR 1.3 billion) in the first four months of this year, namely 0.65% of the gross domestic product (GDP) estimated for this year.

In the same period of 2017, Romania had a budget surplus of RON 1.4 billion or 0.17% of its GDP.

The state recorded consolidated budget revenues of RON 89.6 billion (EUR 19.4 billion), or 9.6% of the GDP. This was 11.8% higher in nominal terms than during the same period of last year.

Social contributions went up by 33.6%, after the legislation changed in January, but there was a 18.2% drop in salary and income taxes, as the tax lowered from 16% to 10% since the beginning of the year. Revenues from the Value Added Tax VAT went up by 1.1% on the same period of 2017, to RON 17.5 billion (EUR 3.8 billion). Revenues from excises increased by 14.7%, to RON 8.8 billion (EUR 1.9 billion).

Meanwhile, the states expenses went up by 21.5% year-on-year, reaching RON 95.6 billion (EUR 20.6 billion), driven up by higher personnel expenses (+20.4%), higher interest expenses (+56.2%) and higher welfare expenses (+10.8%). However, the investment expenses also doubled to RON 5.9 billion (EUR 1.27 billion), according to the Finance Ministry.

<https://www.romania-insider.com/budget-deficit-four-months-2018/>

Kaynak/Source: