

2011

ESTIMATES

OF

RECEIPTS and EXPENDITURE

FOR THE

YEAR ENDING

31 DECEMBER, 2011

Prepared by the Government and presented to Dáil Éireann in
accordance with the provisions of Article 28 of the Constitution.

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EXPLANATORY NOTES

1. **Basis of figures**

The figures shown for receipts and expenditure in 2010 are projected outturns and reflect present knowledge. They are subject to revision when the end-year figures become available. Fully audited details for 2010 will be available in the *2010 Finance Accounts* and *2010 Appropriation Accounts* to be published not later than 30 September 2011.

The figures for 2011 are calculated on a Pre-Budget basis. They do not take account of any of the measures outlined in the National Recovery Plan published on November 24th. The Government has stated that Budget 2011 will form the first stage of the implementation of this plan.

2. **Revenue**

The forecast tax revenue outturn for 2010 of €31,525 million is based on end-November Exchequer data. This compares with a Budget 2010 target of €31,050 million. The estimate of revenue for 2011 is consistent with the revised 2010 estimated outturn, and is based on the tax law in force at present, and is on a pre-Budget basis. It does not take account of the information set out in the National Recovery Plan published on November 24th.

3. **Expenditure**

The 2010 estimated outturn figures are as notified by Departments and Offices. End-year issues figures will be available early in January 2011.

The 2011 voted expenditure figures are cash allocations by Departments and does not take account of the information set out in the National Recovery Plan published on November 24th. The detailed breakdown along with any budgetary decisions will be set out in the Budget with further information given by the relevant Minister/Department.

4. **Appropriations-in-Aid**

Voted expenditures are shown net of Appropriations-in-Aid. These are receipts which, with the agreement of the Dáil, may be retained by a Department or Office to offset expenditure instead of being paid into the Exchequer Account of the Central Fund.

5. **Prefunding of future pensions liabilities**

The National Pensions Reserve Fund Act 2000 provides for prefunding part of the future cost of social welfare and public service pensions and the setting aside of 1% of estimated Gross National Product (GNP) annually for this purpose. The 2010 contribution was made in 2009, and therefore no further contribution was required in 2010. In 2009 and 2010, the Government assumed the assets and liabilities of the funded pension schemes of the five older Universities, and of certain non-market public corporations. These pension funds, with assets of approximately €2 billion were transferred to the NPRF, and this more than represents the annual contribution of 1% of GNP in respect of 2011.

6. General Government Balance (Table 1(a))

The General Government Balance (GGB) measures the fiscal performance of the whole General Government sector, which includes the Exchequer, the Social Insurance Fund (SIF), the non-commercial state-sponsored bodies, the National Pensions Reserve Fund (NPRF) and other Extra-Budgetary Funds, the Local Authorities, and the Vocational Education Committees (VECs).

PRSI contributions are paid into the Social Insurance Fund (SIF) and do not form part of the revenues paid into the Exchequer, but do affect the General Government Balance.

As a result, transactions within the General Government sector do not count towards the GGB: for example, a payment from the Exchequer to the National Pensions Reserve Fund does not alter the General Government Balance.

The scope of the General Government sector, and the determination of the correct ESA95 accounting treatment of General Government transactions, are matters for settlement by Eurostat (the Statistical Office of the European Union).

Table 1(a) on p.5 gives the latest assessment for the 2010 GGB. The GGB figure for 2011 is on a pre-Budget basis and relies on the known fiscal information as of 30 November 2010. The GGB figures in Table 1(a) are consistent with the Exchequer balances in Table 1.

7. Irish Language Version

This document is published in the Irish language and in the English language. The Irish version is available on the Department of Finance website www.finance.gov.ie

TABLE 1
TOTAL RECEIPTS AND EXPENDITURE

See footnote (1)	<i>Reference</i>	2010 €m	2011 €m
Receipts			
Current	<i>Table 2</i>	34,219	35,025
Capital	<i>Table 2</i>	1,789	1,691
Total		36,009	36,716
Expenditure			
Current	<i>Table 2</i>	47,347	49,023
Capital	<i>Table 2</i>	7,406	10,137
Total		54,753	59,160
Exchequer Balance		-18,744	-22,445

Note that rounding can affect totals

(1) All figures shown in the above tables are on a Pre-Budget basis and do not take account of the measures set out in the National Recovery Plan. Budget 2011 will form the first stage of the implementation of this plan.

TABLE 1(a)
GENERAL GOVERNMENT BALANCE

See footnote (1) and (2)		2010 €bn	2011 €bn
General Government Balance (see para. 6, p. 4)		-50.3	-20.0
% of GDP		-32.0%	-12.2%

(2) The 2011 General Government Deficit figure takes account of the preliminary ruling made by Eurostat in relation to the accounting treatment of the promissory notes accrued interest payments. On the basis of the proposed interest holiday, that preliminary ruling accepted that the General Government Deficit for the years 2011 and 2012 would be lower as result. The impact of the accrued interest payments on the promissory notes is estimated at 0.9% of GDP in 2011. A formal decision is expected shortly.

TABLE 2
DETAILS OF TOTAL RECEIPTS AND EXPENDITURE

See footnote (1)	<i>Reference</i>	2010 €m	2011 €m
Estimate of Receipts and Expenditure - CURRENT			
Receipts			
Tax Revenue	<i>Note 1, Page 7</i>	31,525	33,110
Non-Tax Revenue	<i>Note 1, Page 7</i>	2,694	1,915
Total		34,219	35,025
Expenditure			
Net Voted (Departmental Expenditure Voted annually by the Dáil)	<i>Note 2, Page 8</i>	40,957	42,229
Non-voted (Non-discretionary expenditure charged directly on the Central Fund)	<i>Note 3, Page 9</i>	6,390	6,794
Total		47,347	49,023
Surplus (Deficit) on Current Account		-13,127	-13,998
Estimate of Receipts and Expenditure - CAPITAL			
Receipts			
Capital receipts	<i>Note 4, Page 9</i>	1,789	1,691
Expenditure			
Net Voted (Departmental Expenditure Voted annually by the Dáil)	<i>Note 5, Page 10</i>	5,796	6,178
Non-voted (Expenditure charged directly under particular legislation)	<i>Note 6, Page 10</i>	1,610	3,960
Total		7,406	10,137
Surplus (Deficit) on Capital Account		-5,617	-8,446
Exchequer Balance		-18,744	-22,445

Note that rounding can affect totals

(1) All figures shown in the above tables are on a Pre-Budget basis and do not take account of the measures set out in the National Recovery Plan. Budget 2011 will form the first stage of the implementation of this plan.

NOTE 1
CURRENT RECEIPTS

See footnote (1)		
	2010	2011
Tax Revenue	€m	€m
Customs	230	235
Excise	4,615	4,950
Capital Gains Tax	400	420
Capital Acquisitions Tax	240	230
Stamp Duties	975	990
Income Tax	11,125	11,530
Corporation Tax	3,775	4,075
Value-Added Tax	10,165	10,680
Total	31,525	33,110
Non-Tax Revenue		
Central Bank - Surplus Income	705	700
National Lottery Surplus	250	235
Dividends	128	61
Guarantee Schemes (CIFS and ELG)	1,333	800
Winding-up of Ulysses securitisation	140	3
Interest Payments Euro Area Loan Facility to Greece	3	14
Other Receipts	134	102
Total	2,694	1,915

Note that rounding can affect totals

(1) All figures shown in the above tables are on a Pre-Budget basis and do not take account of the measures set out in the National Recovery Plan. Budget 2011 will form the first stage of the implementation of this plan.

NOTE 2
NET VOTED CURRENT EXPENDITURE (see footnote 3)

Vote No.	Service	2010 €000	2011 €000
1	President's Establishment	2,840	3,103
2	Department of the Taoiseach	22,224	27,479
3	Office of the Attorney General	13,579	14,457
4	Central Statistics Office	52,200	83,587
5	Office of the Comptroller and Auditor General	6,064	6,651
6	Office of the Minister for Finance	62,810	69,244
7	Superannuation and Retired Allowances	396,753	387,895
8	Office of the Appeal Commissioners	468	518
9	Office of the Revenue Commissioners	327,645	336,445
10	Office of Public Works	252,381	272,029
11	State Laboratory	8,644	8,645
12	Secret Service	702	1,000
13	Chief State Solicitor's Office	31,540	34,466
14	Office of the Director of Public Prosecutions	41,229	42,824
15	Valuation Office	7,732	8,241
16	Public Appointments Service	7,457	7,743
17	Office of the Commission for Public Service Appointments	628	897
18	Office of the Ombudsman	6,749	6,934
19	Justice and Law Reform	366,465	350,116
20	Garda Síochána	1,365,381	1,353,758
21	Prisons	297,805	297,688
22	Courts Service	55,805	54,503
23	Property Registration Authority	33,527	35,350
24	Charitable Donations and Bequests	405	425
25	Environment, Heritage and Local Government	625,224	660,863
26	Education and Skills	7,962,066	8,384,273
27	Department of Community, Equality and Gaeltacht Affairs	325,175	275,181
28	Foreign Affairs	184,175	159,251
29	International Co-operation	521,730	567,897
30	Communications, Energy and Natural Resources	95,416	103,714
31	Agriculture, Fisheries and Food	901,894	1,029,400
32	Transport	549,913	567,930
33	National Gallery	7,941	8,376
34	Enterprise, Trade and Innovation	598,009	336,852
35	Tourism, Culture and Sport	333,866	300,943
36	Defence	686,416	700,320
37	Army Pensions	211,993	202,493
38	Social Protection	13,262,727	14,217,326
39	Health and Children	328,851	360,100
40	Health Service Executive	10,775,589	10,616,319
41	Office of the Minister for Children	306,076	319,930
	Unallocated Expenditure		14,000
	<i>Subtotal - Net Voted Current Expenditure (1)</i>	41,038,094	42,229,166
	Less Departmental Balances (2)	81,285	
	Total Exchequer Payments towards Net Voted Expenditure (3)	40,956,809	42,229,166

(1) 2010 figures reflect the latest forecast outcome as notified by Departments.

(2) Departmental balances are those amounts issued from the Exchequer Account of the Central Fund for Departmental spending in one year which remain unspent at year-end and are carried forward to be used in the next year. They have no effect on Departmental spending which is governed by the allocation in the Estimates for Public Services.

(3) All figures shown in the above tables are on a Pre-Budget basis and do not take account of the measures set out in the National Recovery Plan. Budget 2011 will form the first stage of the implementation of this plan.

NOTE 3
NON-VOTED CURRENT EXPENDITURE (see footnote 2)

	2010 €m	2011 €m
Service of National Debt ⁽¹⁾	4,807	5,151
<i>Other Non-voted Current Expenditure</i>		
Contribution to EU Budget	1,355	1,365
Payments to PSE Kinsale Energy Ltd. (Finance Act 1992)	6	3
Election Expenses	2	32
Salaries and pensions for judiciary and holders of Constitutional Office and Pensions and allowances for certain members or former members of the Oireachtas	51	53
Payments to Political Parties under the Electoral Acts	5	6
Subscription to International Development Association	18	18
Postal and Telecommunications Services (Amendment) Act 1983	1	19
Oireachtas Commission	114	113
Asian Development Fund	9	10
Payments under S14 of EMU Act and S 166 of Finance Act	15	0
Miscellaneous	6	25
Sub-Total	1,583	1,643
Total	6,390	6,794

Note that rounding can affect totals

(1) Of the total estimated pre-Budget cost of €5,751 million of servicing the national debt in 2011, €5,151 million will come from the Exchequer with the balance coming from the Capital Services Redemption Account.

NOTE 4
OTHER CAPITAL RECEIPTS (see footnote 2)

	2010 €m	2011 €m
<i>EU Receipts</i>		
Cohesion Fund	-	40
European Regional Development Fund	60	139
Trans European Networks and Other EU Receipts	1	3
<i>Loan Repayments</i>		
Annuity under the Local Loans Fund Acts 1935 to 1987	6	6
<i>Other Capital Receipts</i>		
Sale of State Property	5	-
FEOGA	790	760
IDA, FÁS and Enterprise Ireland	8	0
Mobile Telephony Licences	15	10
Transfer from Environment Vote re Carbon Fund	37	5
Social Welfare and Pensions Act 2009	-	50
NAMA Advance repaid	250	-
Sinking Fund	617	678
Total	1,789	1,691

Note that rounding can affect totals

(2) All figures shown in the above tables are on a Pre-Budget basis and do not take account of the measures set out in the National Recovery Plan. Budget 2011 will form the first stage of the implementation of this plan.

NOTE 5
NET VOTED CAPITAL EXPENDITURE (see footnote 3)

	2010 €000	2011 €000
Total Net Voted Capital Expenditure	5,796,440	6,177,719

(1) Voted Capital Receipts are estimated to amount to €364 million in 2010, and €318 million in 2011. These are netted off in the above table.

(2) The capital allocations for individual Votes in respect of 2011 will be announced by the Minister in the forthcoming Budget and the 2010 total shown above is on a Pre-Budget basis.

(3) All figures shown in the above tables are on a Pre-Budget basis and do not take account of the measures set out in the National Recovery Plan. Budget 2011 will form the first stage of the implementation of this plan.

NOTE 6
NON-VOTED CAPITAL EXPENDITURE

	2010 €m	2011 €m
<i>Payments under the European Communities Acts</i>		
ERDF and Cohesion Fund Repayments	0	10
FEOGA	760	800
<i>Other Capital Payments</i>		
National Pensions Reserve Fund Act 2000	-	-
NAMA	299	-
Special Investment Shares in EBS	100	-
Special Investment Shares in INBS	100	-
Euro Area Loan Facility for Greece	346	-
Payment of Promissory Notes	-	3,138
Miscellaneous	5	12
Total	1,610	3,960

Note that rounding can affect totals