



Ministry of
Finance

PRESS RELEASE

Government Revenues Continue to Improve

Q2 FY2023/24 Revenue Receipts Up \$43.9 million Over Prior Year

Source: Ministry of Finance, The Bahamas
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In the first half of FY2023/24, the Bahamian economy continued to benefit from a strong tourism-led growth trajectory, despite the divergences in global economic performance and accompanying challenges posed by inflation and monetary policy tightening. Gains in the tourism sector were evidenced by the 16.5 percent increase in visitor arrivals to 4.6 million, which supported improvements in domestic demand and revenue performance.

Total revenue settled at \$1,302.1 million, a year-over year gain of \$43.9 million (3.5 percent), which represented 39.2 percent of the budget target. Tax receipts increased by \$72.9 million (6.6 percent), mostly attributed to higher departure tax and Value Added Tax (VAT) collections. Meanwhile, non-tax yields declined by \$27.9 million (17.4 percent) to \$132.7 million, explained by timing differences in receipt of property income.

Aggregate expenditure increased by \$24.7 million (1.6 percent) to \$1,560.8 million, accounting for 45.2 percent of the total budget target. Recurrent spending was higher by \$8.5 million (0.6 percent) at \$1,426.8 million (46.2 percent of the budget target). Increases in compensation outlays (\$18.2 million) and public debt interest payments (\$20.2 million) were significantly offset by spending on goods and services, subsidy payments, and grants.

Capital expenditure increased by \$16.2 million (13.8 percent) to \$134.1 million (36.8 percent of the budget target). This was explained primarily by the \$15.5 million hike in combined outlays related to Family Island development, roadworks, and sporting infrastructures.

The Central Government experienced a net deficit of \$258.7 million, which represented a decrease of \$19.1 million relative to the prior comparable period. The Direct Charge at end-December 2023 totaled \$11,428.0 million or 81.7 percent of GDP, as compared to 82.6 percent of GDP at end-June 2023.

The public is encouraged to visit the national Budget Website (www.bahamasbudget.gov.bs) to view all fiscal reports.

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