



Ministry of
Finance

PRESS RELEASE

Government Revenues Continue Improvement in First Quarter
Q1 FY2023/24 Revenue Receipts Up \$8.9 million Over Prior Year

Source: Ministry of Finance, The Bahamas
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In the first quarter of FY2023/24, The Bahamas demonstrated economic resilience amid global challenges. The Bahamian economy, driven by robust tourism and domestic demand recovery, recorded a significant 22.8 percent increase in arrivals, reaching 2.2 million. Despite modest changes in the global economy the overall domestic outlook remained positive.

Revenue collection for the first quarter of the FY2023/2024 totaled \$663.5 million, surpassing the prior year collections by \$8.9 million (1.4 percent). During the quarter, major revenue sources grew as economic activity continued to improve. Value Added Tax totaled \$337.9 million, taxes on international trade and transactions amounted to \$172.0 million, stamp taxes on financial and realty transactions totaled \$28.7 million, property tax collections were \$21.4 million, and non-tax revenues equated \$59.8 million.

Aggregate expenditure increased by \$45.1 million (6.7 percent) to \$721.8 million, accounting for 20.9 percent of the total budget target. In recurrent expenditure developments, spending increased by \$36.4 million (5.9 percent) to \$657.7 million during the first three months of the FY2023/2024. This was owing to higher public debt interest payments (\$11.5 million), social assistance benefits (\$7.5 million), and spending on the compensation of employees (\$15.6 million).

Capital spending increased by \$8.7 million to \$64.0 million, representing 17.6 percent of the budget target. During the quarter, spending was higher primarily for capital transfers (\$5.3 million) and other structures (\$4.2 million). Key declines in capital outlays were owing to reduced spend on buildings other than dwellings (\$5.2 million).

As such, The Central Government experienced a net deficit of \$58.2 million, which represented an increase of \$36.3 million relative to the prior comparable period. The Direct Charge at end-September 2023 totaled \$11,214.5 million or 80.4 percent of GDP, as compared to 82.0 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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