



Ministry of
Finance

PRESS RELEASE

Government Revenues Improve \$59.0 million Over Prior Year
September VAT Collections \$33.4 Million Over Prior Year

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The Bahamian economy continued to demonstrate signs of a strong economic and fiscal rebound during September 2022 post the COVID-19 induced economic downturn as compared to the same period in the prior year. The net economic and fiscal upturn mirrors global market trends, which, despite increasing inflationary pressures as a result of geopolitical tensions in Europe and supply chain shortages remain positive.

At end-September 2022, revenue receipts totaled \$196.2 million, representing a \$20.8 million (11.9 percent increase) over the \$175.5 million collected in the same month of the prior year. This positive performance is largely attributed to rebounds in the tourism as compared to the prior year as well as improving domestic economic conditions. VAT collections firmed by \$33.4 million (49.4 percent) year-over-year. Similarly, taxes on International Transactions & Trade revenues improved by \$6.8 million, largely owing to a \$3.9 million increase in departure taxes.

Owing to the reinstatement of allowances, increments, promotions and other benefits since the cessation of COVID-19 emergency orders; spending on personal emoluments increased \$1.5 million (2.3 percent) year-over-year. Other key areas of public spending include: acquisition of goods & services of \$44.3 million, public debt interest \$29.6 million and subsidies to government-owned and/or controlled enterprises of \$18.6 million to assist the health and education sectors as well as small business support. Capital expenditure contracted by \$4.3 million (13.8 percent) to \$26.7 million. In total, aggregate expenditure contracted by \$52.7 million during the period to total \$218.3 million as the Government continued to enforce prudent management of expenditure during the month.

The net result was a deficit of \$22.0 million, a \$73.5 million decrease from the deficit of \$95.6 million realized in the same period of the prior year.

The Ministry of Finance is committed to the Government's mandate of full transparency and timely reporting. The public is encouraged to visit the national Budget Website (www.bahamasbudget.gov.bs) to view all fiscal reports.

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