



COMMONWEALTH OF THE BAHAMAS

THE MINISTRY OF FINANCE TWELVE MONTHS FY2023/24 FISCAL SNAPSHOT

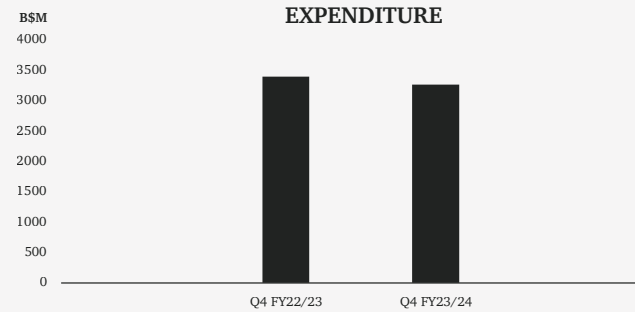
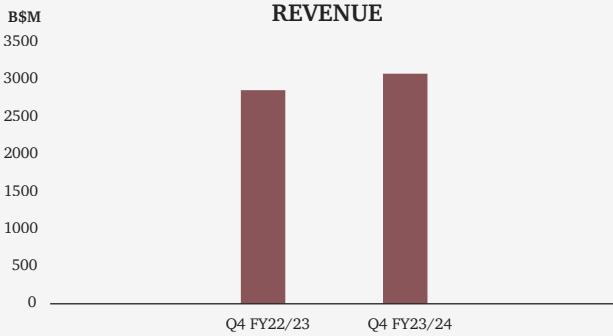
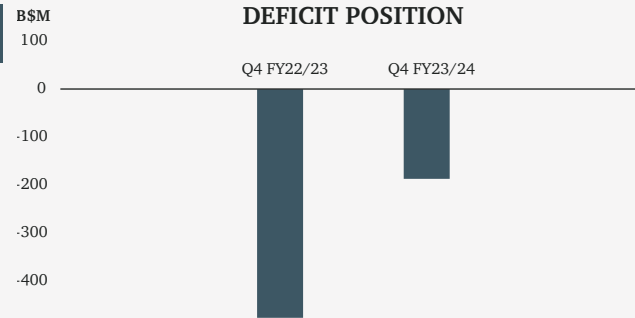
RELEASED SEPTEMBER 2024

ECONOMIC OUTLOOK

Preliminary data on the fiscal outturn for 2023/24 featured a strong revenue performance, aided by enhanced administrative and enforcement measures and general gains in domestic demand.

FISCAL BALANCE

The deficit on government's overall position for FY2023/2024 narrowed to an estimated \$186.7 million (1.3 percent of GDP) from \$534.6 million (3.8 percent of GDP) in the prior year.



TAX REVENUE PERFORMANCE

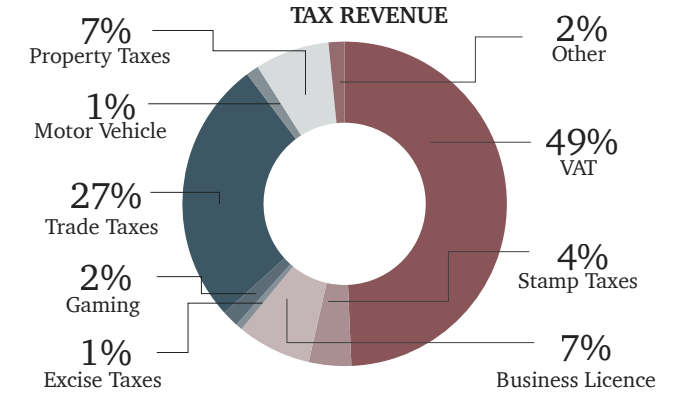
Tax receipts grew by \$269.4 million (10.9 percent) to \$2,743.1 million, underpinned by strengthened gains in Value Added Tax collections (\$101.3 million to \$1,353.4 million), taxes on use and permission to use goods (\$77.8 million to \$281.3 million) and international trade and transactions (\$49.8 million to \$725.2 million).

NON-TAX REVENUE SUMMARY

Non-tax revenue receipts declined by \$48.1 million (12.6 percent) to \$332.5 million – primarily explained by lower collections of property income (\$17.6 million to \$46.9 million), dominated by interest and dividend payments (\$13.8 million to \$31.9 million).

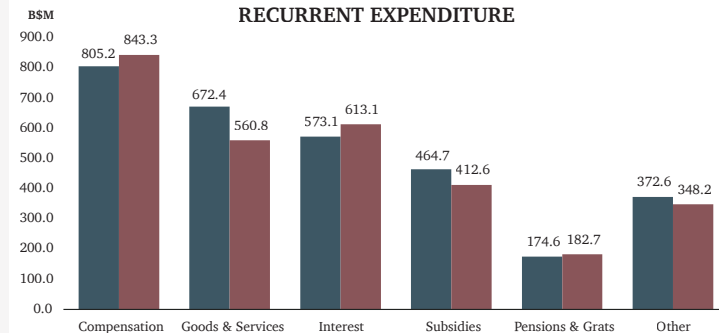
REVENUE

Total revenue collections was estimated at \$3,075.5 million—a substantial year-over-year boost of \$220.1 million (7.7 percent). Key improvements were registered for Value Added Tax (\$101.3 million), business licenses (\$74.9 million) and departure taxes (\$47.1 million). Conversely, non-tax revenue declined by \$48.1 million (12.6 percent) to \$332.5 million, and was associated with the incidence of lower intakes under miscellaneous and unidentified revenue (\$50.4 million) and interest and dividend payments (\$13.8 million).



EXPENDITURE

Aggregate expenditure of \$3,262.3 million represented a decrease of \$127.8 million (3.8 percent), with the recurrent and capital components at \$2,960.7 million and \$301.5 million, respectively. Recurrent outlays were lower by \$101.8 million (3.3 percent), based primarily on the reduced spend under services (\$34.5 million), subsidies (\$52.1 million) and special financial transactions (\$65.5 million) which include arrear payments. Under capital spending, the \$26.0 million (7.9 percent) decrease was associated with contracted outlays for the acquisition of non-financial assets (\$31.8 million).





RECURRENT EXPENDITURE

Recurrent spending declined by \$101.8 million (3.3 percent)—reflecting reduced outlays for uses of goods and services of \$111.6 million (16.6 percent) and in subsidies of \$52.1 million (11.2 percent) although equating to 101.1 percent of the budget allocation (primarily earmarked for the Water and Sewerage Corporation and Public Hospitals Authority).

FINANCING ACTIVITIES

The balance under the net acquisition of financial assets shifted to a negative \$185.8 million from an increase of \$226.5 million, as the government drew down on sinking funds to assist with financing debt obligations and the value of loans to Government Business Enterprises was significantly less. The lower incurrence of liabilities, \$61.8 million compared with the year-earlier \$415.9 million, reflected the appreciably higher level of debt repayment relative to new borrowings.

CHANGES IN GOVERNMENT DEBT

Government Debt, money owed directly by the Government, is described in this report as the Direct Charge on Government. Due to developments in net borrowing during the fiscal year at end-June 2024, the Direct Charge inclusive of exchange rate adjustments increased by \$61.8 million to an estimated \$11,313.8 million, or 77.6 percent of GDP.

NATIONAL DEBT

National Debt is calculated by adding Government Debt together with Contingent Liabilities, which are monies owed by State Owned Enterprises that are guaranteed by the Government. The Central Bank of The Bahamas and the Debt Management Office in the Ministry of Finance reports on the National Debt every year.

National Debt: \$11,652.8 million (at end-June 2024)

www.centralbankbahamas.com

<https://bahamasbudget.gov.bs/debt/>

CAPITAL EXPENDITURE

Capital expenditure decreased by \$26.0 million (7.9 percent) to \$301.5 million and was largely associated with a reduction in spending for the acquisition of non-financial assets, of \$31.8 million (11.3 percent) to \$250.2 million.

BAHAMIAN LIABILITIES

The \$18.8 million net increase in Bahamian Dollar liabilities was comprised of: net issuances of government domestic securities which aggregated \$315.1 million; and, a reduction in loans from commercial banks and advances from the Central Bank, by \$135.2 million and \$161.1 million, respectively.

FOREIGN CURRENCY LIABILITIES:

The \$43.0 million increase in foreign currency liabilities featured net borrowings from banks of \$430.0 million, which offset the \$300 million international bond redemption and the reduction in liabilities to international development agencies (\$87.1 million).

	GOVERNMENT DEBT		% GDP
END-JUNE 2023	11,259.6	million	80.3%
END-JUNE 2024	11,313.8	million	77.6%
MONEY BORROWED			
B\$	2,577.0	million	
NON B\$	1,050.7	million	
MONEY REPAID			
TOTAL (\$)	3,565.9	million	
NATIONAL DEBT			
AS OF JUNE 2024	11,652.8	million	

SUMMARY OF COVID-19 RELATED EXPENSES (B\$M)						
	FY2019/20	FY2020/21p	FY2021/22p	FY2022/23	FY2023/24	Total
	Mar - June	July - June	July - June	July - June	July - June	
Recurrent Expenditure	39.2	268.5	96.6	7.6	4.3	416.1
Public Health Safety	1.9	36.6	14.8	3.6	0.5	57.3
Unemployment Assistance	10	164.7	62.3	0.0	0.0	237.0
Goods & Services Acquisition	1.8	2.2	2.7	1.6	3.3	11.6
Job Retention Programs	21.4	23	6.4	0.0	0.0	50.8
Food Assistance	2	40.4	7.8	0.0	0.0	50.2
Other	2.1	1.5	2.6	2.4	0.5	9.2
Capital Expenditure	40.3	4.7	5.7	4.7	1.7	57.1
Public Health Safety	0.4	0	0	0.0	0	0.4
Goods & Services Acquisition	0.6	0.1	0	0.0	0	0.7
COVID-19 Unit	0.3	0.5	0	0.0	0	0.8
Small Business Loans	39	4.1	5.7	4.7	1.7	55.2
Total	79.5	273.3	102.3	12.3	6.0	473.2