

Embargo:

Release Date: February 10, 2014

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2013 BUDGET BALANCE

GOVERNMENT POSTS DEFICIT OF AROUND 0.8 TRILLION WON IN 2013

The government posted a deficit of 755.4 billion won for the 2013 fiscal year, as total revenues ran short at 292.9 trillion compared with what was estimated in the budget plan.

2013 Budget Balance

(billion won)

	Revenue estimate	Revenue (A)	Expenditures (B)	Balance (C, A-B)	Surplus from 2012 (D)	Balance excluding surplus transfer (C-D)
Total	303,847.5	292,872.7	286,405.1	6,467.6	7,223.0	-755.4
- General account	240,670.2	232,392.9	229,544.3	2,848.6	2,767.3	81.3
- Special accounts	63,177.3	60,479.8	56,860.7	3,619.1	4,455.6	-836.5

The government cut spending by 18.1 trillion won due to the revenue shortage, an increase of 12.4 trillion won compared with the 2012 balance.

Surplus Transfer and Spending Cut, 2012,2013

(billion won)

	Surplus Transfer			Spending Cut		
	2012 (A)	2013 (B)	Change (B-A)	2012 (C)	2013 (D)	Change (D-C)
Total	7,757.7	7,223.0	-534.7	5,722.1	18,135.7	12,413.6
- General account	2,162.3	2,767.3	605.0	2,584.7	10,542.8	7,958.1
- Special accounts	5,595.4	4,455.6	-1,139.8	3,137.4	7,593.0	4,455.6

Net spending cuts, which exclude transfers between accounts, amounted to 14.2 trillion won. The government compensated for the revenue shortage, raising about 6 trillion won by cutting government personnel expenditures and operation costs, and utilizing reserve funds. With these adjustments in mind, each of around 3-4 trillion won of spending has been cut in the general account and the special accounts.

The surplus in the general account (81.3 billion won) will be utilized to repay national debt and pay tax revenue allocated to local governments.