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2017 GOVERNMENT REVENUES AND EXPENDITURES

GOVERNMENT POSTS AN 11.3 TRILLION WON SURPLUS IN 2017

The government ran an 11.3 trillion won surplus in 2017, following an 8.0 trillion won surplus in 2016 and a 2.8 trillion won surplus in 2015. The general and special accounts revenues amounted to 359.5 trillion won, while expenditures amounted to 342.9 trillion won. The surplus reflects 4.9 trillion won expenditures carried over to 2017.

2017 Revenues and Expenditures

(trillion won)

	Revenue Target (A)	Revenues (B)	Revenue Surplus (B-A)	Spending (C)	Surplus (B-C)	Spending Transferred (D)	Balance (B-C-D)	Unused
Total	349.9	359.5	9.6	342.9	16.2	4.9	11.3	7.1
-General Account	285.0	292.9	7.9	280.5	11.9 ¹	1.9	10.0	4.2
-Special Account	64.9	66.6	1.6	62.4	4.2	3.0	1.3	2.9

Total revenues amounted to 359.5 trillion won, an increase of 14.5 trillion won compared to the previous year and 9.6 trillion won more than the revenue target. The national tax revenues amounted to 265.4 trillion won, increasing 22.8 trillion won² from the previous year and exceeding the target by 14.3 trillion won. Nontax revenues totaled 94.1 trillion won, down 8.4 trillion won from the previous year due to a cut in KTB issuance as the need to finance deficits with government debt decreased amid rising revenues. It is 4.7 trillion won³ less than the target.

2017 Revenues

(trillion won)

	Tax Revenues					Nontax Revenues					Total Revenues	
	2016 Revenues	Target (A)	Revenues (B)	Difference From 2017 (C)	Difference from Target (B-A, D)	2016 Revenues	Target (E)	Revenues (F)	Difference from 2016 (G)	Difference (F-E, H)	Difference from 2016 (G-C)	Difference from Target (H-D)
Total	242.6	251.1	265.4	22.8	14.3	102.4	98.8	94.1	-8.4	-4.7	14.5	9.6
-General Account	235.7	244.0	258.5	22.8	14.6	46.0	41.0	34.4	-11.6	-6.6	11.2	7.9
-Special Account	6.8	7.1	6.9	-	-0.2	56.5	57.8	59.7	3.2	1.9	3.3	1.7

A total of 342.9 trillion won⁴ was spent out of the 354.9 trillion won spending target⁵, and 4.9 trillion won⁶ has been transferred to 2018.

¹ 292.2 trillion won (revenues) – 280.5 trillion won (spending) - 0.5 trillion won used for government bond redemption

² Including a 7.1 trillion won increase in corporate tax, a 6.6 trillion won increase in income tax, a 5.3 trillion won increase in VAT and a 1.4 trillion won increase in inheritance and gift tax

³ Including a 8.9 trillion won advance, 5.3 trillion won carried over from the previous year, and 1.0 trillion won transfers

⁴ An increase of 10.7 trillion won from the previous year

⁵ 349.9 trillion won (2017 spending target) + 5.0 trillion won (transferred from the previous year)

⁶ 1.9 trillion won in the general account, an increase of 0.3 trillion won compared with 2016, and 3.0 trillion won in the special account, a decrease of 0.2 trillion won from 2016

The government has run surpluses for three consecutive years since 2015, after the three year deficits in a row from 2012-2014⁷. General account surpluses worth 10.0 trillion won will be used, under Article 90 of the National Finance Act, to pay subsidies for local governments, finance the Fund for Repayment of Public Funds and repay government debt.

A total of 7.1 trillion won, 2.0 percent of the total budget, was left unused in 2017⁸. Budgets left unused fell 3.9 trillion won from the previous year due to timely spending of budgets planned to support the economy, including supplementary budgets.

Amount Left Unused, 2013 - 2017

(trillion won)

	2007-2012 Average	2013	2014	2015	2016	2017
Total	5.4	18.1	17.5	10.8	11.0	7.1
(% to total budget)	(2.2)	(5.8)	(5.5)	(3.2)	(3.2)	(2.0)

Based on the 2017 revenues and expenditures, the government will work on the 2017 national financial statement and submit the financial statement to the National Assembly by the end of May.

⁷ Government surpluses (trillion won):

-0.1 (2012) → -0.8 (2013) → -0.8 (2014) → 2.8 (2015) → 8.0 (2016) → 11.3 (2017)

⁸ 4.2 trillion won in the general account and 2.9 trillion won in the special account, falling by 1.2 trillion won and 2.7 trillion won, respectively