PUBLIC FINANCE

National Government (NG) or the term Government – the central authority of the country including all agencies covered by the national budget.

Revenues - gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets/equity, other than increases relating to contributions from owners.

Tax Revenues - compulsory charges and levies imposed by the government on goods, services, transactions, individuals, and other entities within its jurisdiction to finance operations. These include taxes on income and profits, taxes on property, taxes on domestic goods and services, and taxes on international trade transactions.

Non-Tax Revenues - revenues collected from sources other than compulsory tax levies. These include those collected as payment for direct services rendered by government agencies to the public or those arising from the government's regulatory and investment activities.

Expenditures - cash expenses paid out in currency or check by the NG for consumption of assets or payment of liabilities arising from budgetary transactions.

Interest Payments - disbursements representing payments of interest on domestic and foreign borrowings of the NG. Borrowings may be in the form of loans or securities.

Current Operating Expenditures – expenditures for the purchase of goods and services for use in regular government operations within a budget year.

Capital Outlays – purchases of goods and services the benefits of which extend beyond a budget year and add to the assets of the government.

Equity – represents NG investments in the authorized capital stock of government-owned or controlled corporations.

Net Lending – represents advances by the NG for the servicing of government guaranteed corporate debt during the year, net of repayments on such advances, and includes loan proceeds from program loans relent to government corporations.

Surplus - excess of total government revenues over total expenditures.

Deficit - excess of total government expenditures over total revenues.

Financing - the means by which government provides funding to cover a budget deficit. In case of a surplus, the excess funds become part of the sources of financing the programmed expenditures.

Borrowings – loans and other funds obtained by the government from domestic and foreign sources which are serviced through principal repayments and interest payments.

Amortizations – repayments of principal for loans that are payableby regular installments, and annual contributions to the debt sinking fund for loans that are payable upon maturity.

Change in Cash Balances – refers to the net withdrawal or deposit by the NG on its deposit accounts with Bangko Sentral and other depository banks to finance an overall deficit or absorb an overall surplus in NG's financial operations.

Consolidated Public Sector Financial Position (CPSFP) - the combined financial position of all government entities.

Public Sector – consists of the NG, LGUs, SSFs, and government non-financial and financial corporations.

Public Sector Borrowing Requirement (PSBR) – refers to the combined surplus/deficit of the NG and monitored non-financial public corporations, as well as adjustments in net lending and equity to government corporations.

Other Public Sector - consists of the combined financial position of other public sector entities, including the SSS, the GSIS, Philippine Health Insurance Corporation (PHIC), BSP, other GFIs, and LGUs.

Government-Owned and/or Controlled Corporations (GOCCs) – any entity organized as a stock or non-stock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Government of the Republic of the Philippines directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least a majority of its outstanding capital stock. The term "GOCC" shall include Government Instrumentalities with Corporate Powers/Government Corporate Entities and GFIs, and Subsidiaries as defined under Republic Act (R.A.) No. 10149 or the GOCC Governance Act of 2011.

Consolidated Public Sector Debt – all the domestic and foreign liabilities of the general government, public non-financial, and financial corporations, after eliminating intra sector debt holdings.

Public Foreign Debt – the outstanding debt of the public sector to foreign creditors.

Guaranteed/Contingent Debts – debts of GOCCs that the NG guarantees to repay in the event that the GOCCs default on their payments.

Guaranteed Corporate Issues – refers to issuances for which a juridical entity assumes secondary liability as guarantor. If the primary issuer fails to pay, the guarantor becomes liable for the amount due.