

# The Treasury

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## PRESS RELEASE

### **ISLE OF MAN GOVERNMENT FINANCES FOR 2008-09**

Total tax receipts for 2008-09 are estimated at £599.0 million, an increase of 4.2% over the current year's estimate.

The Treasury Minister, Allan Bell, announced that next year's Government net spending, which is the amount that has to be funded by direct and indirect taxation, is to increase by £28.2 million, or 5.2%, to £566.5 million.

A surplus of £32.4 million is projected for 2008-09.

Government's gross spending, that is spending before taking into account income collected by Government Departments themselves, is estimated at £853.2 million, which averages over £2.3 million a day.

The Income Tax standard rate for individuals remains 10%, with the higher rate remaining at 18%. Personal allowances are increased by almost 4% to £9,200 per person, with over 65's having a new additional allowance of £2,000 taking the amount to £11,200 per person.

The lower rate of Income Tax for non-regulated trading companies remains at 0%. Income from banking business and land and property remains at 10%.

£68 million is to be transferred to various Reserves in the current year.

The operating balance, which Government needs to keep available for contingencies, is £46.9 million or 8.3% of net spending.

Capital Estimates of £169.8 million are included for the year, which will be funded without recourse to external borrowing, of which £7.4 million relates to borrowings from Government by the Manx Electricity Authority and £35 million relates to the repayment in part of the MEA's £70 million loan, due in July 2008.

Provision has been included in the Budget for an additional 7.1 Government employees in 2008-09, the lowest increase since 1995-96. It is a 0.1% increase taking the total personnel employed by Government Departments, including seasonal staff and Statutory Boards, to the equivalent of 8,290.39 full-time posts. This figure now includes 320.3 contract posts.

The Department of Health and Social Security will employ 2,665 or 32%, with 1,677 or 20% employed by the Department of Education.

**Further information from :**

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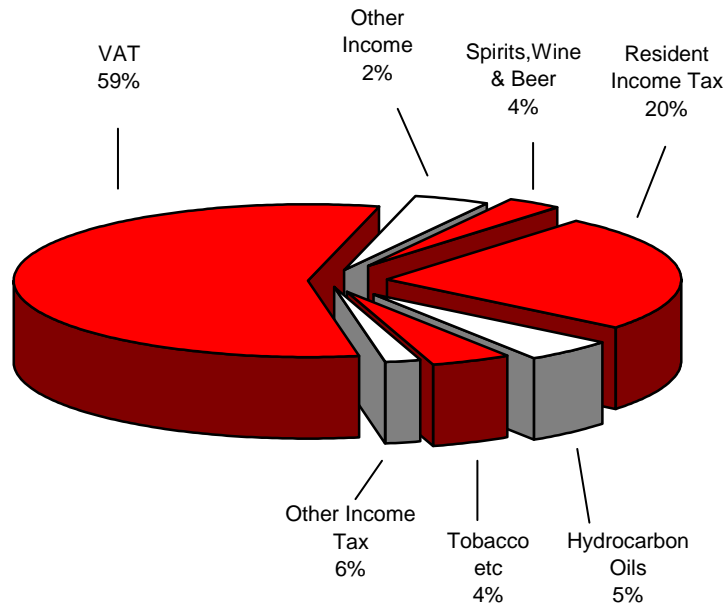
email: [budget@treasury.gov.im](mailto:budget@treasury.gov.im)

<http://www.gov.im/budget>

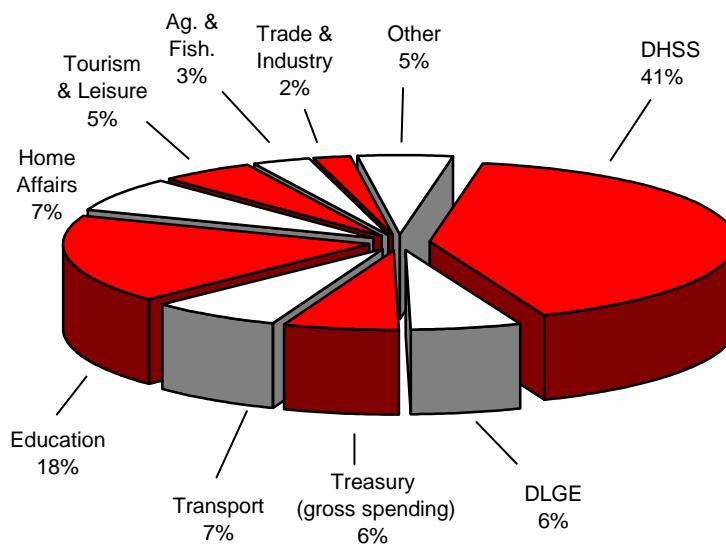
# ESTIMATE OF GOVERNMENT FINANCES

2008-09

## WHERE THE MONEY COMES FROM



## WHERE THE MONEY GOES



# ESTIMATE OF GOVERNMENT FINANCES

**2008-09**

## NET EXPENDITURE COMPARISON

DEPARTMENT	Budget 2007-2008	Budget 2008-2009	Increase	
	£	£	£	%
Agriculture, Fisheries & Forestry	15,804,000	16,089,000	285,000	1.8
Education	99,504,200	103,802,000	4,297,800	4.3
Health & Social Security	215,812,000	233,450,000	17,638,000	8.2
Home Affairs	38,161,000	37,904,000	(257,000)	(0.7)
Local Government & Environment	31,053,000	31,705,000	652,000	2.1
Tourism & Leisure	27,476,000	27,115,000	(361,000)	(1.3)
Trade & Industry	10,615,600	11,191,000	575,400	5.4
Transport	39,744,000	42,470,000	2,726,000	6.9
Treasury (Gross expenditure)	33,988,150	34,808,000	819,850	2.4
	512,157,950	538,534,000	26,376,050	5.1
Executive Government	23,483,332	24,158,852	675,520	2.9
Manx National Heritage	5,415,227	5,490,000	74,773	1.4
Road Transport Licensing Committee	184,000	184,000	0	0.0
Statutory Boards (Revenue Funded)	(7,587,462)	(6,835,125)	752,337	9.9
Expenses of the Legislature	4,700,800	5,009,800	309,000	6.6
	538,353,847	566,541,527	28,187,680	5.2

Note: Changes in expenditure reflect committed spending on pay, pensions and benefits, inflation, adjustments to loan charges and further spending increases.

Transfers of payments to the Capital Account have resulted in reductions in overall expenditure in respect of the Department of Home Affairs and Department of Tourism & Leisure. Without these transfers net spending increases would have been 2.2% and 0.1% respectively.