



Ministry of  
Finance

PRESS RELEASE

***Strong Fiscal Outlook for the First Quarter***

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In FY2025/26, revenue collections and expenditure growth yielded significant improvement in the government's fiscal consolidation performance thus far.

Tax revenue grew by \$101.6 million (16.5 percent) to \$3,439.2 million, for 20.9 percent of the budget. Improved economic conditions, alongside strengthened tax administration measures, supported increases in Taxes on International Trade and Transactions (8.3 percent to \$202.7 million), Value Added Tax collections (20.6 percent to \$409.4), and Taxes on Use and Permission to Use Goods (20.5 percent to \$34.1 million).

Non-tax revenue expanded by \$5.7 million (8.6 percent) to \$71.8 million and was largely attributed to higher receipts from the sale of goods and services (\$9.2 million).

Aggregate expenditure increased by \$70.6 million (8.2 percent) to \$930.7 million (24.4 percent of the budget), with the recurrent and capital components at \$803.8 million and \$127.0 million, respectively. Key drivers behind the \$ 64.6 million gain in recurrent expenditure included outlays for use of goods and services (\$17.9 million) compensation of employees (\$8.9 million) and other payments (28.2 million). Capital expenditure increased by \$6.0 million (5.0 percent) to \$127 million or 33.7 percent of the budget. This outcome stemmed from increases in the acquisition of non-financial assets of \$7.5 million (7.4 percent) to \$109.0million.

As a result of these developments, the fiscal deficit narrowed by \$36.6 million (20.6 percent), to \$141.1 million and converged to an estimated 0.9 percent of GDP.

The public is encouraged to visit the national Budget Website ([www.bahamasbudget.gov.bs](http://www.bahamasbudget.gov.bs)) to view all fiscal reports.

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