



Ministry of Finance

PRESS RELEASE

Strong Revenue Growth Drives Notable Improvement in Overall Fiscal Performance

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The Ministry of Finance is pleased to release its monthly fiscal report on Government's operations for the month of March 2025, as mandated by the Public Finance Management Act, 2023.

Tax revenue, which accounted for 92.0 percent of total receipts, increased by \$64.9 million (20.2 percent) to \$387.1 million. This growth was led by a \$36.3 million (62.6 percent) surge in international trade and transactions taxes, supported by strengthened compliance and enforcement efforts. VAT collections also increased by \$14.4 million (12.9 percent) to \$126.0 million, amid ongoing improvements in tax administration. Taxes on the use of goods and permissions, inclusive of motor vehicle licenses and business fees, expanded by \$13.1 million (16.2 percent) to \$93.4 million. Non-tax revenue declined moderately by \$2.2 million (6.1 percent) to \$33.8 million, although benefitting from a \$2.2 million (12.4 percent) increase in collections from administrative fees, particularly for immigration and customs services.

On the expenditure side, spending restraint was evidenced by a reduction in total expenditure of \$23.5 million (8.6 percent) to \$251.2 million. Recurrent outlays declined by \$4.0 million (1.7 percent) to \$233.8 million, which included a \$7.9 million reduction in subsidy payments and a \$2.0 million decrease in personal emoluments. Interest payments on public debt also declined by \$1.1 million to \$24.0 million, while payments for use of goods & services and social assistance and pension payments were higher by \$2.2 million and \$2.3 million to \$53.9 million and \$22.1 million, respectively. Capital expenditure registered a more pronounced decline of \$19.6 million (52.8 percent) to \$17.5 million, mainly due to lower levels of capital projects and transfers.

As a result of the above, the Government's fiscal position for March 2025 recorded a sharply improved surplus of \$169.6 million, compared with \$83.4 million in the prior year. Proceeds from borrowing totaled \$365.6 million, while debt repayments amounted to \$396.3 million, resulting in an estimated \$30.7 million reduction in the central Government's outstanding debt.

The Ministry of Finance is committed to the Government's mandate of full transparency and timely reporting. The public is encouraged to visit the national Budget Website (www.bahamasbudget.gov.bs) to view all fiscal reports.

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