



ИНП РАН

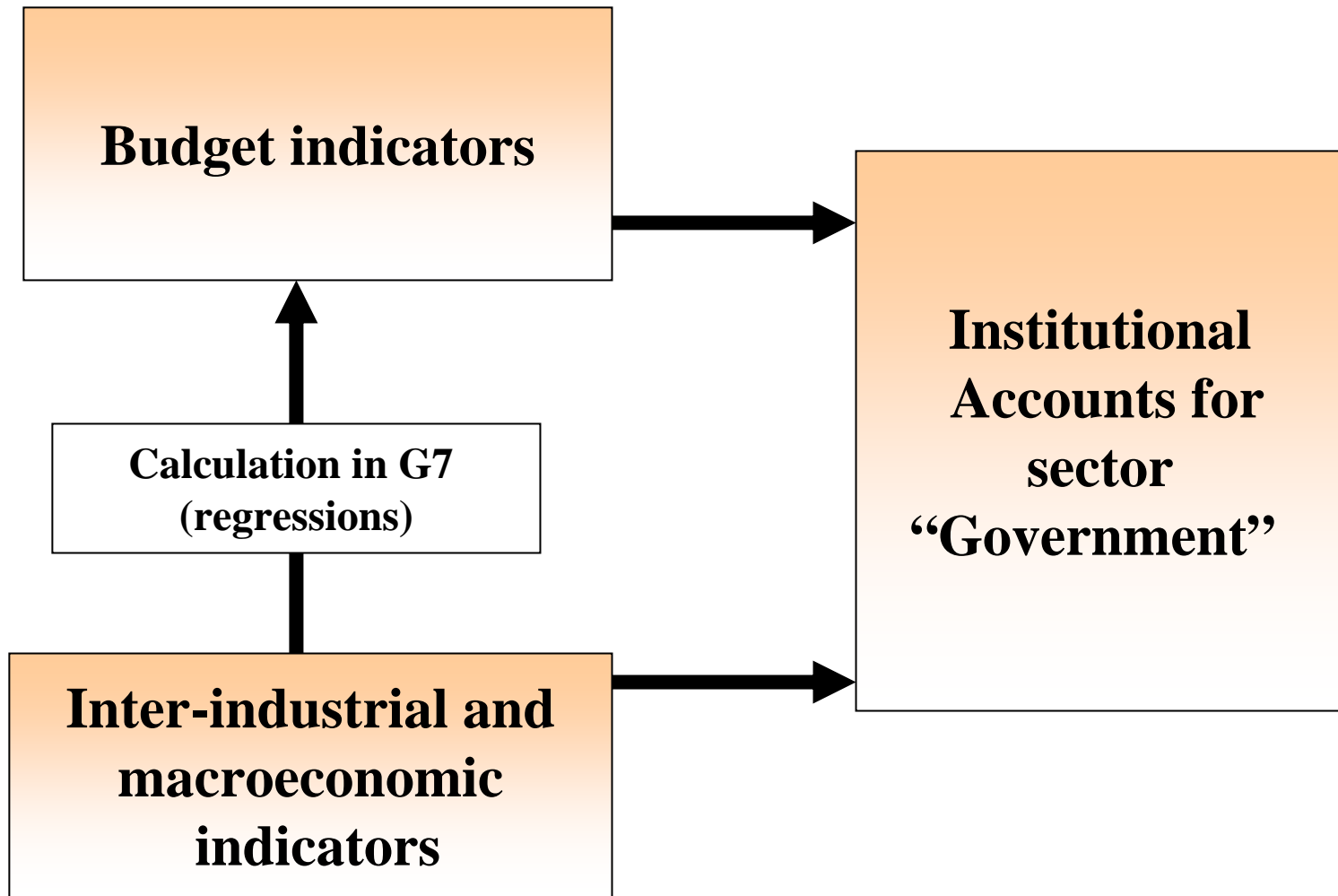
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# **The Budget Block and the Intuitional Accounts in the RIM model**

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## **The statistical base:**

- 1. The budget indicators (revenues, expenditures, internal and external sources of the financing of the budget surplus/deficit), 1980 - 2007**
- 2. The inter-industry and macroeconomic indicators, 1980 - 2006**
- 3. The indices of the institutional accounts (including the “Government” sector), 2002 - 2006**



# The Russian budget

Tax revenues  
Non-tax revenues

Expenditures

Surplus(+)/Deficit(-)

Internal financing of surplus  
External financing of surplus

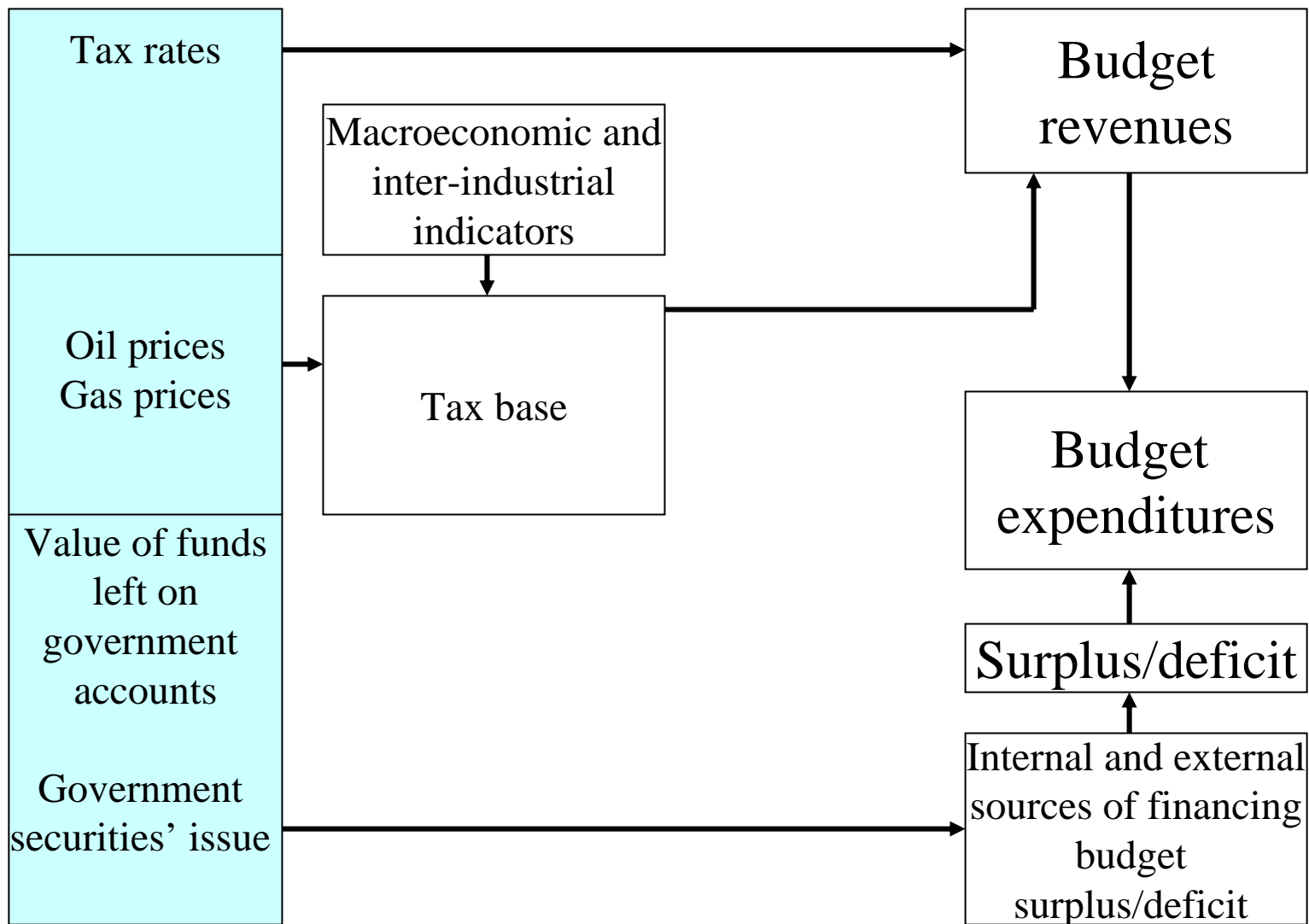
Revenues – Expenditures = Surplus/Deficit = - Financing of surplus

## *The Russian Budget, 1995-2007*

<i>Indicators, billions \$</i>	1995	1998	2000	2003	2006
Budget revenues	95.6	70.4	73.9	134.8	370.8
<i>% of GDP</i>	30.6	26.1	28.5	31.2	37.5
tax revenues	83.9	63.5	68.1	109.4	319.7
non-tax revenues	11.7	6.8	5.8	25.4	51.1
Expenditures	106.3	86.3	66.5	128.9	293.5
<i>% of GDP</i>	34.0	32.0	25.6	29.9	29.7
Surplus (+) / Deficit (-)	-10.7	-15.9	7.4	5.9	77.4
<i>% of GDP</i>	-3.4	-5.9	2.8	1.4	7.8
External sources of financing budget surplus / deficit	5.1	8.7	-3.6	-9.5	-27.8

# The principal scheme of the budget block

Exogenous indices



## *The main equations of the budget block*

### Revenues:

$$\mathbf{r \text{ Tax revenues} = \text{tax base} * \text{tax rate} \text{ (1)}}$$

*(for the taxes with the fixed rate: VAT, profit and income taxes, single social tax)*

$$\mathbf{r \text{ Tax revenues} = \text{tax base} \text{ (2)}}$$

*(for the taxes without fixed rate: excises, payments for natural resources usage, tax duties)*

## *The main equations of the budget block*

Budget  
surplus/deficit:

**r internal sources of financing budget surplus / deficit = funds left on government account, (government securities' issue - refund internal debt) (3)**

**r surplus/deficit = - (internal + external sources of financing budget surplus/deficit) (4)**

Expenditures:

**r expenditures = (revenues – budget surplus/deficit) (5)**



# *The Institutional Accounts (2002, billions rub.)*

		Sources							
	Tax-subsidy	Government	Households	Business	NonProfits	Financial	Rest of the	Sum of	
	on products				companies	sector	world	items to	
								the left	
<b>GDP</b>	<b>1 249 241</b>	<b>1 032 992</b>	<b>1 294 096</b>	<b>7 357 095</b>	<b>76 399</b>	<b>-179 288</b>		<b>10 830 535</b>	
Wages		-942 186	5 071 282	-4 058 756	-64 158		-6 182	0	
Taxes-subsidies on production		-1 014	-3 081	-591 963	-470	0	0	-596 528	
Taxes-subsidies on production received		596 528						596 528	
Taxes on products	-1249241	1 249 241							
<b>Balance: Gross Primary Income</b>	<b>0</b>	<b>1 935 561</b>	<b>6 362 297</b>	<b>2 706 376</b>	<b>11 771</b>	<b>-179 288</b>	<b>-6 182</b>	<b>10 830 535</b>	
Using-up of fixed capital		-51 529	-107 939	-684 089	-2 294	0		<b>-845 851</b>	
<b>Balance: Net primary income</b>		<b>1 884 032</b>	<b>6 254 358</b>	<b>2 022 287</b>	<b>9 477</b>	<b>-179 288</b>	<b>-6 182</b>	<b>9 984 684</b>	
Property incomes									
Paid		-235 811	-23 974	-901 688	-76	0	-154 464	<b>-1 316 013</b>	
Received		213 120	311 750	421 758	2 053	0	367 332	<b>1 316 013</b>	
<b>Balance: Net Institutional Income</b>		<b>1 861 341</b>	<b>6 542 134</b>	<b>1 542 357</b>	<b>11 454</b>	<b>-179 288</b>	<b>206 686</b>	<b>9 984 684</b>	
Taxes and Transfers									
Income and Property taxes		865 023	-376 502	-488 521	0		0	<b>0</b>	
Social insurance taxes		924 851	-1 005 295	80 283	161		0	<b>0</b>	
Social benefits		-997 155	1 055 978	-53 387	-5 711		275	<b>0</b>	
Other current transfers paid		-151 773	-87 871	-290 378	-7 913		-52 779	<b>-590 714</b>	
Other current transfers received		134 909	42 465	174 884	174 774	0	63 682	<b>590 714</b>	
<b>Balance: Net Disposable income</b>	<b>0</b>	<b>2 637 196</b>	<b>6 170 909</b>	<b>965 238</b>	<b>172 765</b>	<b>-179 288</b>	<b>217 864</b>	<b>9 984 684</b>	
Personal consumption			-5 400 346		-131 519			<b>-5 531 865</b>	
Government purchases		-1 911 335						<b>-1 911 335</b>	
Business fixed investment				-1 939 315				<b>-1 939 315</b>	
Inventory investment				-229 999				<b>-229 999</b>	
Net imports							-1 167 491	<b>-1 167 491</b>	
<b>Balance: Net Saving</b>		<b>725 861</b>	<b>770 563</b>	<b>-1 204 076</b>	<b>41 246</b>	<b>-179 288</b>	<b>-949 627</b>	<b>-795 321</b>	
<b>Balance: Gross Saving</b>		<b>777 390</b>	<b>878 502</b>	<b>-519 987</b>	<b>43 540</b>	<b>-179 288</b>	<b>-949 627</b>	<b>50 530</b>	

# *The Institutional Accounts (2002, mln. rub.)*

	Uses								
	Sum of items	Household	Government	Non-Profits'	Fixed	Inventory	Net	Statistical	Depreciation
	to the right	Consumption	Consumption	Consumption	Investment	Change	Exports	Discrepancy	
<b>GDP</b>	<b>10 830 535</b>	<b>5 400 346</b>	<b>1 911 335</b>	<b>131 519</b>	<b>1 939 315</b>	<b>229 999</b>	<b>1 167 491</b>	<b>50 530</b>	
Wages	0	0	0	0	0	0	0	0	
Taxes-subsidies on production									
T-S on production received									
Taxes on products									
<b>Balance: Gross Primary Income</b>	<b>10 830 535</b>	<b>5 400 346</b>	<b>1 911 335</b>	<b>131 519</b>	<b>1 939 315</b>	<b>229 999</b>	<b>1 167 491</b>	<b>50 530</b>	
Using-up of fixed capital	-845 851								-845 851
<b>Balance: Net primary income</b>	<b>9 984 684</b>	<b>5 400 346</b>	<b>1 911 335</b>	<b>131 519</b>	<b>1 939 315</b>	<b>229 999</b>	<b>1 167 491</b>	<b>50 530</b>	<b>-845 851</b>
Property incomes									
Paid									
Received									
<b>Balance: Net Institutional Income</b>	<b>9 984 684</b>	<b>5 400 346</b>	<b>1 911 335</b>	<b>131 519</b>	<b>1 939 315</b>	<b>229 999</b>	<b>1 167 491</b>	<b>50 530</b>	<b>-845 851</b>
Taxes and Transfers									
Income and Property taxes									
Social insurance taxes									
Social benefits									
Other current transfers paid									
Other current transfers received									
<b>Balance: Net Disposable income</b>	<b>9 984 684</b>	<b>5 400 346</b>	<b>1 911 335</b>	<b>131 519</b>	<b>1 939 315</b>	<b>229 999</b>	<b>1 167 491</b>	<b>50 530</b>	<b>-845 851</b>
Personal consumption	-5 531 865	-5 400 346		-131 519					
Government purchases	-1 911 335		-1911335						
Business fixed investment	-1 939 315				-1 939 315				
Inventory investment	-229 999					-229 999			
Net imports	-1 167 491						-1 167 491		
<b>Balance: Net Saving</b>	<b>-795 321</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50 530</b>	<b>-845 851</b>
<b>Balance: Gross Saving</b>	<b>50 530</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50 530</b>	<b>0</b>

*The Institutional Accounts*  
 (“Government” sector, 2002-2005, mln. \$)

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>GDP</b>	<b>32,940</b>	<b>41,355</b>	<b>56,038</b>	<b>68,536</b>
Wages	-30,044	-37,759	-51,475	-63,621
Taxes-subsidies on production (paid)	-32	-35	-21	-23
T-S on production received (received)	19,022	17,003	24,455	40,723
Taxes on products (received)	39,835	51,767	75,299	109,271
<b>Balance: Gross Primary Income</b>	<b>61,721</b>	<b>72,331</b>	<b>104,296</b>	<b>154,887</b>
Using-up of fixed capital	-1,643	-1,928	-2,478	-3,105
<b>Balance: Net primary income</b>	<b>60,078</b>	<b>70,403</b>	<b>101,818</b>	<b>151,782</b>
Property incomes				
Paid	-7,519	-7,359	-7,369	-7,773
Received	6,796	7,889	8,538	11,867
<b>Balance: Net Institutional Income</b>	<b>59,354</b>	<b>70,932</b>	<b>102,987</b>	<b>155,875</b>
Taxes and Transfers				
Income and Property taxes	27,584	33,566	57,544	74,653
Social insurance taxes	29,491	36,817	46,732	49,730
Social benefits	-31,797	-38,770	-49,488	-57,359
Other current transfers paid	-4,840	-6,113	-6,512	-5,238
Other current transfers received	4,302	5,578	7,059	10,617
<i>Transfers in natural form</i>	-27,365	-33,094	-43,767	-58,455
<b>Balance: Net Disposable income</b>	<b>84,094</b>	<b>102,010</b>	<b>158,322</b>	<b>228,277</b>
Government purchases	-60,948	-75,952	-98,880	-127,160
<b>Balance: Net Saving</b>	<b>23,146</b>	<b>26,058</b>	<b>59,442</b>	<b>101,117</b>
<b>Balance: Gross Saving</b>	<b>24,789</b>	<b>27,987</b>	<b>61,920</b>	<b>104,222</b>

## *Budget Parameters and Institutional Accounts (“Government” sector)*

	<i>Institutional Accounts</i>		<i>Budget and Inter-industrial Indicators</i>
1	<b>Gross value-added (+)</b>	->	va (41) + va (42) + va (43)
2	Wages (-)	->	wages (41) + wages (42) +wages (43)
3	Taxes-subsidies on production paid (-)	->	not estimated yet
4	Taxes-subsidies on production received (+)	->	property tax + regular payment for natural resources usage
5	Taxes on products (+)	->	VAT + excises + export and import duties
6	<b>Cross Primary Income</b>	=	1 + 2 + 3 + 4 + 5
7	Using-up of fixed capital (-)		not estimated yet
8	<b>Net Primary Income</b>	=	6 + 7
9	Property incomes paid (-)	->	expenditures for state and municipal debt service
10	Property incomes received (+)	->	revenue from use of state and municipal property
11	<b>Net Institutional Income</b>	=	8 + 9 + 10
12	Income and Property taxes (+)	->	profit tax + income tax + aggregate income tax
13	Social Insurance taxes (+)	->	single social tax + social insurance contributions
14	Social Benefits (-)	->	expenditures for social policy + financing of pensions
15	Other current transfers paid (-)		not estimated yet
16	Other current transfers received (+)		not estimated yet
17	<b>Net Disposable Income</b>	=	11 + 12 + 13 + 14 + 15 + 16
18	Government purchases (-)	->	budget expenditures–transfers–interest expenditures+2 + 3
19	<b>Net Saving</b>	=	17 + 18
20	<b>Gross Saving</b>	=	17 - 7

## *Budget Parameters and Institutional Accounts (“Government” sector)*

	<i>2005, millions rubles</i>	<i>InstAccount</i>	<i>I-O &amp; budget</i>	<i>Difference*, %</i>
1	<b>Gross value-added (+)</b>	1 939 408	2 034 342	+ 5.1
2	Wages (-)	-1 800 316	- 1 494 362	- 11.7
3	Taxes-subsidies on production paid (-)	- 650		
4	Taxes-subsidies on production received (+)	1 152 362	1 246 196	+ 8.1
5	Taxes on products (+)	3 092 100	3 353 498	+ 8.5
6	<b>Cross Primary Income</b>	4 382 904	4 382 904	
7	Using-up of fixed capital (-)	- 87 866		
8	<b>Net Primary Income</b>	4 295 038	4 295 038	
9	Property incomes paid (-)	- 219 968	- 239 314	+ 8.8
10	Property incomes received (+)	335 806	235 208	- 30.0
11	<b>Net Institutional Income</b>	4 410 876	4 410 876	
12	Income and Property taxes (+)	2 112 483	2 092 457	- 0.9
13	Social Insurance taxes (+)	1 407 230	1 094 322	- 22.2
14	Social Benefits (-)	- 1 623 124	- 1 779 427	+ 9.6
15	Other current transfers paid (-)	- 148 234		
16	Other current transfers received (+)	300 436		
17	<b>Net Disposable Income</b>	6 459 667	6 459 667	
18	Government purchases (-)	- 3 598 306	3 899 814	+ 8.4
19	<b>Net Saving</b>	2 861 361	2 861 361	
20	<b>Gross Saving</b>	2 949 227	2 949 227	

Thanks for your attention!