

St Vincent collects more taxes in 2025

The St Vincent and the Grenadines government says it has collected EC\$66 million (One EC dollar=US\$0.37 cents) more in tax revenue during the first eight months of the year, compared to the same period of 2024.

But it acknowledged that spending outstripped receipts slightly, leaving a current account deficit of EC\$718,000, down from EC\$19.3 million last year.

Finance Minister Camillo Gonsalves told Parliament that the current revenue of the Ralph Gonsalves' government during the first eight months of the year amounted to EC\$583 million, compared to EC\$517 million up to that same period last year.

"So we're almost EC\$70 million up—60-odd million, and at 2023 at this period, we were at EC\$481 million. So current revenue is up over EC\$100 million over 2023," he said, adding that total revenue and grants was EC\$624 million compared to EC\$559 million year to point in 2024, and EC\$514 million in 2023.

"So that's up \$110 million over the two-year-ago period," he said.

The EC\$66 million in taxes collected through August 31 is an 11 per cent increase over the EC\$62 million for the year-ago period.

Corporate taxes stood at EC\$40 million, a 22 per cent increase over the 2024 period, when it was EC\$33 million.

"That always suggests that businesses are doing a little more business, making a little more money, and that's good for everybody," Gonsalves said, adding that taxes on goods and services generated EC\$182 million as opposed to EC\$175 million in 2024 and EC\$167 million in 2023.

Taxes on international trade was at EC\$159 million, compared to EC\$132 million in 2024 and EC\$115 million in 2023.

The sale of goods and services generated EC\$75.4 million as opposed to EC\$61 million last year and EC\$51 million in 2023.

Capital revenue and grants was flat year-on-year at EC\$41 million this year, compared to EC\$32 million in 2023. Gonsalves said total expenditure was EC\$841 million on August 31, as compared to EC\$728, year-on-year and EC\$601 million in 2023, adding "you will notice that although the current revenue is increasing dramatically, so, too, is the expenditure".

The finance minister said current expenditure stood at EC\$584 million at the end of August, while it was 536 million in 2024 and EC\$484 million in 2023.

"You're seeing the trend that if you go back two years, everything is up in the neighbourhood of \$100 million, going back from the 2023 period to now."

Gonsalves said one of the "bigticket items" is the compensation of employees, which was EC\$262 million, up from EC\$244 million in 2024 and \$232 million in 2023.

He said the salary increase that came into effect this year contributed to the higher spending.

On the capital side, capital expenditure was EC\$257 million.

He noted that in 2024, the government set a record of EC\$568 million in capital spending, even as the number was EC\$191 million on August 31, 2024.

“So we are far outstripping last year’s record pace,” Gonsalves said, adding that capital spending was up 34 per cent.

(CMC)