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National Treasury Fiscal Balance

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Central Government Primary Balance Overview

Table 1.1 - Central Government Primary - Brazil - 2017/2018

current prices

	Jan-Dec					December				
	R\$ Million		Variation (2018/2017)			R\$ Million		Variation (2018/2017)		
	2017	2018	Difference	% Nominal	% Real	2017	2018	Difference	%	% Real
I. Total Revenue	1.383.081,6	1.484.238,1	101.156,5	7,3%	3,6%	151.626,3	144.565,8	-7.060,5	-4,7%	-8,1%
II. Transfers by Revenue Sharing	228.335,3	256.760,1	28.424,8	12,4%	8,5%	24.808,4	27.925,8	3.117,4	12,6%	8,5%
III. Net Revenue (I-II)	1.154.746,3	1.227.478,0	72.731,8	6,3%	2,6%	126.817,9	116.639,9	-10.178,0	-8,0%	-11,3%
IV. Total Expenditure	1.279.007,8	1.351.756,7	72.749,0	5,7%	2,0%	147.846,9	148.423,7	576,8	0,4%	-3,2%
V. Sovereign Fund of Brazil - FSB	0,0	4.021,0	4.021,0	-	-	0,0	0,0	0,0	-	-
VI. Central Government Primary Balance (III -	-124.261,5	-120.257,7	4.003,8	-3,2%	-7,2%	-21.029,0	-31.783,8	-10.754,7	51,1%	45,7%
National Treasury and Central Bank	58.188,5	74.939,2	16.750,7	28,8%	25,4%	-11.345,5	-22.890,8	-11.545,3	101,8%	-10,2%
Social Security (RGPS)	-182.450,0	-195.197,0	-12.747,0	7,0%	3,2%	-9.683,6	-8.893,0	790,6	-8,2%	-11,5%
VII. Primary Balance/GDP	-1,9%	-1,7%	-	-	-	-	-	-	-	-
Memo:										
National Treasury Primary Balance	58.949,7	75.653,5	16.703,9	28,3%	24,9%	-11.305,6	-23.089,3	-11.783,7	104,2%	-
Central Bank Primary Balance	-761,2	-714,3	46,9	-6,2%	-9,5%	-39,9	198,5	238,4	-	-
Social Security Primary Balance	-182.450,0	-195.197,0	-12.747,0	7,0%	3,2%	-9.683,6	-8.893,0	790,6	-8,2%	-11,5%

In December 2018, the Central Government's primary result, at current prices, was a deficit of R\$ 31.8 billion compared to a deficit of R\$ 21.0 billion in December 2017. In real terms, net revenue decreased 11.3% while total expenses decreased 3.2%. These variations are mainly explained by the revenue of R\$ 14.5 billion of concessions in December 2017 related to the signing bonus for the new oil concessions and the contractual additive of the airports (Guarulhos, Galeão, Brasília and São Gonçalo do Amarante) without counterpart in December 2018 and by the reduction in other compulsory expenses and discretionary expenses.

Compared to the accumulated in 2017, at current prices, the result of the Central Government went from a deficit of R\$ 124.3 billion in 2017 to a deficit of 120.3 billion in 2018. In real terms, net revenue increased by 2.6% while spending grew 2.0%. The increase in revenue had as main determinants the improvement in economic activity and the macroeconomic and sectoral indicators that influence the collection, with emphasis on the increase in the revenue of Quota-Part of Financial Compensations. Regarding expenses, the largest variations were in discretionary expenses and in social security benefits.

Yearly Balance

Overview

Table 1.2 - Central Government Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dec		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	1.454.500,6	1.506.495,	51.994,5	3,6%
I.1 Revenues Collected by the Federal Revenue Office	879.119,1	919.211,3	40.092,3	4,6%
I.2 Fiscal Incentives	-1.430,9	-14,2	1.416,8	-
I.3 Net Social Security Revenues	393.966,2	396.632,0	2.665,9	0,7%
I.4 Revenues not Collected by the Federal Revenue Office	182.846,3	190.665,9	7.819,6	4,3%
II. Transfers by Revenue Sharing	240.200,6	260.627,4	20.426,8	8,5%
III. Net Revenue (I-II)	1.214.300,0	1.245.867,	31.567,7	2,6%
IV. Total Expenditure	1.344.836,9	1.371.064,	26.227,3	2,0%
IV.1 Social Security Benefits	585.881,3	594.669,1	8.787,8	1,5%
IV.2 Payroll	298.723,0	302.354,6	3.631,6	1,2%
IV.3 Other Compulsory Expenses	194.976,4	191.006,8	-3.969,6	-2,0%
IV.4 Discretionary Expenses - All Branches	265.256,2	283.033,8	17.777,5	6,7%
V. Sovereign Fund of Brazil - FSB			-	-
VI. Central Government Primary Balance (III - IV + V)	-130.536,9	-121.086,3	9.450,6	-7,2%
National Treasury and Central Bank	61.378,2	76.950,8	15.572,6	25,4%
Social Security (RGPS)	-191.915,1	-198.037,1	-6.122,0	3,2%
Memo:				
National Treasury Primary Balance	62.181,8	77.678,3	15.496,5	24,9%
Central Bank Primary Balance	-803,7	-727,5	76,1	-9,5%
Social Security Primary Balance	-191.915,1	-198.037,1	-6.122,0	3,2%

At December 2018 prices, compared to 2017, there was an improvement of R\$ 9.5 billion in the primary result of the Central Government, which went from a deficit of R\$ 130.5 billion in 2017 to a deficit of R\$ 121.1 billion in 2018. This improvement was mainly due to the R\$ 31.6 billion (2.6%) increase in net revenue, above the growth of R\$ 26.2 billion (2.0%) of total expenditure.

Regarding the increase in revenue, we highlight improvement in economic activity and the macroeconomic and sectoral indicators that influence the collection, with emphasis on the increase in the revenue of financial quotas compensation.

Primary expenditure, on the other hand, is still under pressure due to increases in discretionary expenses, as well as social security benefits and personnel expenses.

Central Government Revenue

Tabela 1.3 - Central Government Primary Revenues - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dec		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	1.454.500,6	1.506.495,1	51.994,5	3,6%
I.1 Revenues Collected by the Federal Revenue Office	879.119,1	919.211,3	40.092,3	4,6%
Import Tax	34.099,9	41.260,2	7.160,2	21,0%
Industrialized Products Tax (IPI)	50.485,8	56.254,9	5.769,1	11,4%
Income tax (IR)	357.745,0	368.656,4	10.911,4	3,1%
Tax on Credit Operations, Exchange and Insurance (IOF)	36.796,5	37.320,7	524,2	1,4%
Contribution to Social Security Financing (COFINS)	247.734,8	255.156,1	7.421,3	3,0%
PIS/Pasep	65.749,0	67.113,4	1.364,4	2,1%
Social Contribution on Net Corporate Profits (CSLL)	79.650,4	79.906,8	256,4	0,3%
Provisional Contribution on Financial Operations (CPMF)	0,0	0,0	0,0	-
CIDE - Fuels	6.130,2	4.036,8	-2.093,4	-34,1%
Other	727,4	9.506,1	8.778,8	-
I.2 Fiscal Incentives	-1.430,9	-14,2	1.416,8	-99,0%
I.3 Net Social Security Revenues	393.966,2	396.632,0	2.665,9	0,7%
Urban	384.190,4	386.560,6	2.370,2	0,6%
Rural	9.775,7	10.071,4	295,7	3,0%
I.4 Revenues Not Collected by the Federal Revenue Office	182.846,3	190.665,9	7.819,6	4,3%
Concessions and Permissions	33.450,8	22.070,8	-11.380,0	-34,0%
Dividends	5.813,5	7.820,4	2.006,9	34,5%
Contribution to Civil Service Social Security (CPSS)	14.408,8	13.924,4	-484,5	-3,4%
Financial Compensation Quotas	37.950,6	60.751,2	22.800,6	60,1%
Own Revenues (source codes 50, 81 and 82)	14.156,7	15.007,4	850,7	6,0%
Education-Salary (social contribution for education)	21.150,7	22.382,1	1.231,5	5,8%
FGTS Complement (LC nº 110/01)	5.474,2	5.104,6	-369,6	-6,8%
Assets Operations	1.185,3	1.152,2	-33,1	-2,8%
Other Revenues	49.255,6	42.452,7	-6.802,9	-13,8%

The total revenue of the Central Government increased R\$ 52.0 billion (3.6%) compared to 2017. This performance was due to the increase of R\$ 40.1 billion (4.6%) in revenues collected by RFB along with an increase of R\$ 7.8 billion (4.3%) in revenues not collected by RFB. Net social security revenues grew R\$ 2.7 billion (0.7%).

It should be noted that in revenues administered by RFB there was reclassification of the stock of special installments not reclassified in November 2017 (see reports for November/2017 and Dec/2017). This reclassification, although does not impact the total revenue it influences its composition, mainly, increasing income tax, Cofins, PIS/PASEP and CSLL and reducing other revenues.

In addition to this effect, the main factors of variation of revenue managed by the RFB were:

- increase of R\$ 10.9 billion (3.1%) in the Income Tax: step up of R\$ 2.1 billion in IRPJ and R\$ 7.8 billion in IRRF collection;
- increase of R\$ 7.2 billion (21.0%) in the Import Tax, mainly due to the 11.0% increase in the average exchange rate and an increase of 19.4% in the dollar value of imports;
- increase of R\$ 7.4 billion (3.0%) in Cofins and R\$ 1.4 billion (2.1%) in PIS/Pasep, resulting from the combined effect on the of PIS/Cofins tax rates on the fuels (Decree 9.101/17) and the increase of

volume of sales; and

- increase of R\$ 5.8 billion (11.4%) in IPI influenced mainly by growth of 2.3% in industrial production from December 2017 to November 2018 compared to production from December 2016 to November 2017;

Table 1.4 - Dividends - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dec	
	2017	2018
Banco do Brasil	1.442,4	2.231,7
BNB	106,4	80,1
BNDES	3.605,6	1.535,9
Caixa	75,9	2.871,3
Correios	0,0	0,0
Eletrobrás	0,0	0,0
IRB	77,7	82,8
Petrobras	0,0	754,2
Others	505,5	264,5
Total	5.813,5	7.820,4

It should also be noted that, for the period, there was a decrease of R\$ 6.5 billion related to the Tax Regularization Program (PERT), instituted through Law 13,496/17, whose effect is distributed in different items of income (Income Tax, IPI, COFINS and CSLL), PRT and other installments of the Active Debt.

Revenues not collected by RFB increased R\$ 7.8 billion (4.3%) when compared to 2017. This increase is mainly explained by:

- the increase of R\$ 22.8 billion (60.1%) in financial quotas compensation due to the increase in the exchange rate and international oil prices; and
- an increase of R\$ 2.0 billion (34.5%) in dividends due to the increase in the payment of several companies, in particular the Caixa Econômica Federal;
- a reduction of R\$ 11.4 billion (34.0%) in concessions and permissions revenues. The 2017 concessions were mainly focused on electricity (R\$ 12.9 billion), oil subscription bonus (R\$ 10.2 billion) and airports (R\$ 8.3 billion), while in 2018 the main revenues of concessions refer to the oil sector (R\$ 19.0 billion); and
- a decrease of R\$ 6.8 billion (13.8%) in other revenues, explained by the receipt in 2017 of R\$ 11.0 billion referring to the return of the stock of undrawn judicial remedies, with no counterpart in 2018.

Transfers by Revenue Sharing

Table 1.5 - Transfers by Revenue Sharing - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dec		Variation	
	2017	2018	Difference	%
II. Transfers by Revenue Sharing	240.200,6	260.627,4	20.426,8	8,5%
II.1 FPM / FPE / IPI-EE	192.633,8	199.646,6	7.012,8	3,6%
II.2 Constitutional Funds	8.248,7	8.628,8	380,1	4,6%
Total Transfer	12.204,2	12.665,1	460,9	3,8%
Funds Surplus	-3.955,5	-4.036,3	-80,8	2,0%
II.3 Education-Salary (social contribution for education)	12.650,0	12.955,8	305,8	2,4%
II.4 Financial Compensations	23.335,1	36.463,5	13.128,4	56,3%
II.5 CIDE - Fuels	1.791,3	1.384,6	-406,7	-
II.6 Other	1.541,8	1.548,1	6,4	0,4%

Obs.: Data subject to change.

Transfers by revenue sharing have increased R\$ 20.4 billion (8.5%), compared to the accumulated in 2017, from R\$ 240.2 billion in 2017 to R\$ 260.6 billion in 2018. The main variations in the period were:

- R\$ 13.1 billion (56.3%) increase in Financial Compensation, due to the factors previously explained on the performance of Financial Compensation revenues; and
- increase of R\$ 7.0 billion (3.6%) in of FPM/FPE/IPI-EE, reflecting the increase in taxes shared (IR and IPI).

Central Government Expenditure

Table 1.6 - Central Government Primary Expenditure - Brazil - Brasil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dec		Variation	
	2017	2018	Difference	% Real
IV. Total Expenditure	1.344.836,9	1.371.064,3	26.227,3	2,0%
IV.1 Social Security Benefit	585.881,3	594.669,1	8.787,8	1,5%
IV.1.1 Social Security Benefit - Urban	459.656,2	469.176,7	9.520,5	2,1%
IV.1.2 Social Security Benefit - Rural	126.225,1	125.492,5	-732,7	-0,6%
IV.2 Payroll	298.723,0	302.354,6	3.631,6	1,2%
IV.3 Other Compulsory Expenses	194.976,4	191.006,8	-3.969,6	-2,0%
Salary Allowance and Unemployment Benefit	57.381,6	54.407,1	-2.974,5	-5,2%
Assistance Benefits (LOAS/RMV)	56.540,4	56.994,7	454,3	0,8%
FGTS Complement (LC nº 110/01)	5.474,2	5.099,1	-375,1	-6,9%
Extraordinary credits (excluding PAC)	826,2	5.749,0	4.922,8	595,9
(MP) 540/11, 563/12, 582/12 Exoneration	14.640,6	13.760,4	-880,2	-6,0%
FUNDEB (Federal Complementation)	13.770,2	14.063,8	293,6	2,1%
Federal District (DF) Constitutional Fund	0,0	1.731,2	1.731,2	-
Judicial Remedies	11.244,8	14.244,2	2.999,4	26,7
Subsidies and Grants	19.732,5	15.611,0	-4.121,5	-
FIES primary impact (Student Funding)	6.520,9	2.876,0	-3.644,9	-
Others	8.845,1	6.470,4	-2.374,7	-
IV.4 Discretionary Expenses - All Branches	265.256,2	283.033,8	17.777,5	6,7%
Executive Branch Discretionary Expenses	252.591,4	269.487,2	16.895,8	6,7%
PAC (Growth Acceleration Program)	31.003,0	27.875,6	-3.127,4	-
o/w "Minha Casa Minha Vida - MCMV" Program	3.789,6	4.602,3	812,7	21,4
Issuance of Agricultural Debt Securities (TDA)	73,3	42,1	-31,2	-
Donations and Agreements	0,0	262,3	262,3	-
Other Executive Branch Discretionary Expenses	221.515,1	241.307,2	19.792,1	8,9%
Legislative and Judiciary Branches and Prosecutor's Office	12.664,8	13.546,5	881,7	7,0%
Memo:				
Other Current and Capital Expenditures	325.678,0	346.147,5	20.469,5	6,3%
Other Current Expenditures	277.795,4	292.424,5	14.629,1	5,3%
Other Capital Expenditures	47.882,6	53.722,9	5.840,3	12,2

(Provisional Measure 838/2018);

The total expenditure of the Central Government until October 2018 reached R\$ 1,371.1 billion, 2.0% more than in 2017, when expenditure totaled R\$ 1,344.8 billion.

This variation is due to the combined increase of:

- Increase of R\$ 8.8 billion (1.5%) in Benefits Social Security;
- Growth of R\$ 3.6 billion (1.2%) in Payroll;
- Increase R\$ 17.8 billion (6.7%) in Discretionary Expenses; and
- Reduction of R\$ 4.0 billion Other Compulsory Expenses (2.0%).

The behavior of expenses in Other Mandatory Expenses was mainly due to:

- a reduction of R\$ 4.1 billion in Subsidies and Grants, a result of the rationalization of subsidies expenditures;
- Step down of R\$ 3.0 billion in Salary Allowance and Unemployment Benefit, due to the decrease in the number of layoffs compared to the previous year;
- Reduction of R\$ 3.6 billion in FIES;
- Increase of R\$ 4.9 billion in Extraordinary Credits, mainly due to the economic subsidy for diesel oil

- Step up of R\$ 3.0 billion in judicial remedies;
- and
- execution of R\$ 1.7 billion in expenses with Electoral Campaign Funding in 2018, which didn't occur in 2017.

Table 1.7 - Other Executive Branch Discretionary Expenses - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dez		Variation	
	2017	2018	Difference	% Real
Total	221.515,1	241.307,2	19.792,1	8,9%
Ministry of Health	101.429,6	112.935,4	11.505,8	11,3%
Ministry of Education	34.675,7	33.193,8	-1.481,9	-4,3%
Ministry of Social Development	36.281,5	35.865,0	-416,5	-1,1%
Ministry of Defense	14.819,0	15.093,7	274,7	1,9%
Ministry of Science and Technology	4.461,2	3.529,8	-931,4	-20,9%
Other	29.848,2	40.689,6	10.841,3	36,3%

Discretionary expenditures - all branches increased R\$ 19.8 billion (8.9%), explained almost entirely by the increase in other discretionary expense, which accounted for the current expenses and investment of the ministries and for mandatory parliamentary amendments.

The amount of unpaid commitments paid (excluding financial PR) in 2018 was R\$ 80.0 billion, compared to R\$ 72.3 billion in the same period of the previous year.

Table 1.8 - Subsidies and Grants - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	Jan-Dec		Variation	
	2017	2018	Difference	% Real
Agricultural price policy	10.474,7	8.902,9	-1.571,7	-15,0%
Equalisation of agricultural extension	2.158,9	1.167,0	-991,9	-45,9%
Equalisation of rural and agroindustrial investments	2.303,6	1.613,0	-690,6	-30,0%
Agricultural price policy	476,1	568,0	91,9	19,3%
Pronaf - National programme for the strengthening of family farming	4.309,8	2.931,1	-1.378,7	-32,0%
PESA - Programme of financial assets rehabilitation	205,4	1.842,1	1.636,7	797,0%
Alcohol	48,8	28,7	-20,1	-41,2%
Cocoa	0,0	29,7	29,7	-
Agricultural debt securitisation (Law 9,138/1995)	0,0	0,0	0,0	-
INCRA - Land fund/national institute of colonization and agrarian reform	143,7	442,7	299,0	208,1%
Coffee economy defense fund	118,4	108,8	-9,5	-8,1%
Revitaliza - Production development programme / capital goods	17,3	9,4	-7,9	-45,5%
Proagro - Agricultural Activity Support Program	692,8	162,4	-530,3	-76,6%
Others	9.257,8	6.708,1	-2.549,7	-27,5%
Proex - Export financing programme	401,3	646,3	245,0	61,0%
PSH - Subsidy programme for social interest housing	0,0	0,0	0,0	-
PSI - Investment Maintenance Program	8.375,5	5.124,2	-3.251,3	-38,8%
EQMPO - Credit Operations to Small Productive Businesses	0,0	5,5	5,5	-
EQPCD - Credit Operations to persons with disabilities	6,7	6,8	0,1	1,6%
FND - National Development Fund	0,0	0,0	0,0	-
FSA - Audiovisual Sectorial Fund	620,5	660,5	40,0	6,4%
Capitalization of Emgea	0,0	0,0	0,0	-
Itaipu	0,0	0,0	0,0	-
Economic Subventions	0,0	0,0	0,0	-
Equalisation of FDA/FDNE/FDCO	50,0	45,5	-4,5	-8,9%
Sudene	0,0	357,8	357,8	-
Subsidy Recovery Revenues	-17,6	-71,8	-54,2	308,5%
PNAFE - Program for States' Fiscal and Administrative Modernization	-178,6	-69,2	109,4	-61,3%
PRODECER	0,0	2,6	2,6	-
Total	19.732,5	15.611,0	-4.121,5	-20,9%

Social Security

Table 1.9 - Social Security (RGPS) Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

Discriminação	Jan-Dec		Variation	
	2017	2018	Difference	% Real
Net Social Security Revenues	393.966,2	396.632,0	2.665,9	0,7%
Total Revenue	436.746,7	436.409,5	-337,2	-0,1%
Contributions deposited in banks	379.666,9	376.251,4	-3.415,5	-0,9%
Contributions from SIMPLES	40.218,1	44.225,5	4.007,4	10,0%
Debt Rescheduling REFIS	173,1	127,7	-45,4	-26,2%
Judicial Payments	2.047,9	2.044,5	-3,4	-0,2%
Social Security Compensation1	14.640,6	13.760,4	-880,2	-6,0%
(-) Refund	-1.236,2	-1.088,4	147,9	-12,0%
(-) Transfer	-41.544,2	-38.689,1	2.855,1	-6,9%
Social Security Benefit	585.881,3	594.669,1	8.787,8	1,5%
Primary Balance	-191.915,1	-198.037,1	-6.122,0	3,2%

Table 1.10 - Social Security (RGPS) Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

Discriminação	Jan-Dec		Variation	
	2017	2018	Difference	% Real
Net Revenue	393.966,2	396.632,0	2.665,9	0,7%
Urban	384.190,4	386.560,6	2.370,2	0,6%
Rural	9.775,7	10.071,4	295,7	3,0%
Benefits	585.881,3	594.669,1	8.787,8	1,5%
Urban	459.656,2	469.176,7	9.520,5	2,1%
Rural	126.225,1	125.492,5	-732,7	-0,6%
Primary Balance	-191.915,1	-198.037,1	-6.122,0	3,2%
Urban	-75.465,7	-82.616,1	-7.150,4	9,5%
Rural	-116.449,4	-115.421,0	1.028,4	-0,9%

Comparing the accumulated in 2018 with 2017, the social security deficit increased from R\$ 191.9 billion to R\$ 198.0 billion (3.2%) at December 2018 prices. This variation results of the combined effect of the following factors:

- R\$ 8.8 billion (1.5%) increase in payments of social security benefits, due to the decrease of 561,3 thousand (1.9%) in the number of benefits issued, partially offset by the reduction of the average real value of the benefits paid by the Pension Plan by R\$ 17.80 (1.3%); and
- a real increase of R\$ 2.7 billion (0.7%) in net social security revenues, explained by the increase in SIMPLES (R\$ 4.0 billion) and the decrease in transfers (R \$ 2.9 billion), partially offset (R\$ 3.4 billion, 0.9%) by the reduction of contributions deposited in banks, associated to the real reduction (IPCA) of the salary mass (0.74%) for the December-November period of both years.

Monthly Balance Compared to the Same Month of the Previous Year

Table 2.1 - Central Government Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	December		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	157.305,6	144.565,8	-12.739,8	-8,1%
I.1 Revenues Collected by the Federal Revenue Office	79.925,4	77.824,0	-2.101,4	-2,6%
I.2 Fiscal Incentives	-1.406,8	-1,9	1.404,9	-99,9%
I.3 Net Social Security Revenues	51.009,0	53.499,2	2.490,3	4,9%
I.4 Revenues not Collected by the Federal Revenue Office	27.778,0	13.244,4	-14.533,6	-52,3%
II. Transfers by Revenue Sharing	25.737,6	27.925,8	2.188,2	8,5%
III. Net Revenue (I-II)	131.568,0	116.639,	-14.928,0	-11,3%
IV. Total Expenditure	153.384,7	148.423,	-4.960,9	-3,2%
IV.1 Social Security Benefits	61.055,3	62.392,3	1.337,0	2,2%
IV.2 Payroll	31.085,6	32.281,3	1.195,8	3,8%
IV.3 Other Compulsory Expenses	17.501,8	15.307,8	-2.194,0	-12,5%
IV.4 Discretionary Expenses - All Branches	43.742,0	38.442,4	-5.299,7	-12,1%
V. Sovereign Fund of Brazil - FSB	0,0	0,0	0,0	-
VI. Central Government Primary Balance (III - IV + V)	-21.816,7	-31.783,8	-9.967,1	45,7%
National Treasury and Central Bank	-11.770,4	-22.890,8	-11.120,3	94,5%
Social Security (RGPS)	-10.046,3	-8.893,0	1.153,3	-11,5%
Memo:				
National Treasury Primary Balance	-11.729,0	-23.089,3	-11.360,3	96,9%
Central Bank Primary Balance	-41,4	198,5	239,9	-
Social Security (RGPS) Primary Balance	-10.046,3	-8.893,0	1.153,3	-11,5%

due to the drop of R\$ 4.6 billion (45.0%) in the PAC.

At December 2018 prices, the Central Government's primary result went from a deficit of R\$ 21.8 billion in December 2017 to a deficit of R\$ 31.8 billion in the same month of 2018, which represented a reduction of R\$ 10.0 billion (45.7%). This variation was due to a reduction of R\$ 14.9 billion (11.3%) in the net revenue, partially offset by a decrease of R\$ 5.0 billion (3.2%) in total expenses.

Regarding the reduction in net revenue, we should highlight the collection in December 2017 of the signing bonus referring to the new oil concessions and the contract addendum of the airports, with a financial impact of R\$ 10.0 billion and R\$ 4.5 billion, with no counterpart in 2018.

The reduction of R\$ 5.3 billion in discretionary expenses was mainly

Central Government Revenue

Tabela 2.2 - Central Government Primary Revenues - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	December		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	157.305,6	144.565,8	-12.739,8	-8,1%
I.1 Revenues Collected by the Federal Revenue Office	79.925,4	77.824,0	-2.101,4	-2,6%
Import Tax	2.721,0	2.773,3	52,3	1,9%
Industrialized Products Tax (IPI)	5.118,8	4.833,4	-285,4	-5,6%
Income tax (IR)	34.596,1	36.620,4	2.024,3	5,9%
Tax on Credit Operations, Exchange and Insurance (IOF)	3.426,2	3.748,9	322,7	9,4%
Contribution to Social Security Financing (COFINS)	20.867,7	22.514,5	1.646,8	7,9%
PIS/PASEP	5.447,0	5.781,6	334,5	6,1%
Social Contribution on Net Corporate Profits (CSLL)	4.995,7	5.244,8	249,1	5,0%
Provisional Contribution on Financial Operations (CPMF)	0,0	0,0	0,0	-
CIDE - Fuels	482,8	283,1	-199,7	-41,4%
Other	2.270,0	-3.976,1	-6.246,1	-
I.2 Fiscal Incentives	-1.406,8	-1,9	1.404,9	-99,9%
I.3 Net Social Security Revenues	51.009,0	53.499,2	2.490,3	4,9%
Urban	49.984,1	52.647,5	2.663,4	5,3%
Rural	1.024,9	851,7	-173,1	-16,9%
I.4 Revenues Not Collected by the Federal Revenue Office	27.778,0	13.244,4	-14.533,6	-52,3%
Concessions and Permissions	15.041,5	160,0	-14.881,5	-98,9%
Dividends	351,3	560,8	209,5	59,6%
Contribution to Civil Service Social Security (CPSS)	1.283,3	1.241,1	-42,2	-3,3%
Financial Compensation Quotas	2.001,1	3.257,0	1.255,9	62,8%
Own Revenues (source codes 50, 81 and 82)	1.198,8	1.330,6	131,8	11,0%
Education-Salary (social contribution for education)	1.696,2	2.328,6	632,3	37,3%
FGTS Complement (LC nº 110/01)	413,4	386,4	-27,0	-6,5%
Assets Operations	120,8	121,4	0,6	0,5%
Other Revenues	5.671,6	3.858,6	-1.813,0	-32,0%

Total revenues from the central government showed a real reduction of R\$ 12.7 billion (8.1%), from R\$ 157.3 billion in December 2017 to R\$ 144.6 billion in December 2018. This mainly due to a reduction of R\$ 14.5 billion (52.3%) in revenue not managed by RFB.

Revenues managed by RFB decreased by R\$ 2.1 billion (2.6%), while net revenue for RGPS increased by R\$ 2.5 billion (4.9%). This result was influenced by the reclassification of taxes in December 2018, including social security collection resources previously classified in other managed revenues.

The decrease in revenues not collected by the RFB of R\$ 14.5 billion was mainly due to the reduction in Concessions and Permissions (R\$ 14.9 billion), due to the receipts related to the signing bonus related to the new oil concessions and the contractual addendum of airports, with a financial impact in December 2017 of R\$ 10.0 billion and R\$ 4.5 billion, respectively.

Transfers by Revenue Sharing

Tabela 2.3 - Transfers by Revenue Sharing - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	December		Variation	
	2017	2018	Difference	% Real
II. Transfers by Revenue Sharing	25.737,6	27.925,8	2.188,2	8,5%
II.1 FPM / FPE / IPI-EE	22.532,9	23.609,3	1.076,4	4,8%
II.2 Constitutional Funds	653,5	838,7	185,2	28,3
Total Transfer	1.222,7	1.290,3	67,6	5,5%
Funds Surplus	569,2	451,5	-117,7	-
II.3 Education-Salary (social contribution for education)	1.001,0	941,7	-59,3	-5,9%
II.4 Financial Compensations	1.419,7	2.405,6	985,9	69,4
II.5 CIDE - Fuels	0,0	0,0	0,0	-
II.6 Other	130,6	130,5	-0,1	-0,1%

Transfers by revenue sharing increased by R\$ 2.2 billion (8.5%), from R \$ 25.7 billion in December 2017 to R\$ 27.9 billion in the same month of 2018. The main variations were:

- an increase of R\$ 1.1 billion (4.8%) in FPM / FPE / IPI-EE and
- growth of R\$ 985.9 million (69.5%) in Financial Compensation.

Central Government Expenditure

Table 2.4 - Central Government Primary Expenditure - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	December		Variation	
	2017	2018	Difference	% Real
IV. Total Expenditure	153.384,7	148.423,7	-4.960,9	-3,2%
IV.1 Social Security Benefit	61.055,3	62.392,3	1.337,0	2,2%
IV.1.1 Social Security Benefit - Urban	49.401,7	50.844,1	1.442,3	2,9%
IV.1.2 Social Security Benefit - Rural	11.653,5	11.548,2	-105,3	-0,9%
IV.2 Payroll	31.085,6	32.281,3	1.195,8	3,8%
IV.3 Other Compulsory Expenses	17.501,8	15.307,8	-2.194,0	-12,5%
Salary Allowance and Unemployment Benefit	4.343,2	4.241,7	-101,4	-2,3%
Assistance Benefits (LOAS/RMV)	4.670,5	4.740,4	69,9	1,5%
FGTS Complement (LC nº 110/01)	413,4	386,4	-27,0	-6,5%
Extraordinary credits (excluding PAC)	116,2	1.229,2	1.113,0	957,6%
Provisional Measures (MP) 540/11, 563/12 and 582/12 Exoneration	925,9	924,8	-1,1	-0,1%
FUNDEB (Federal Complementation)	1.846,3	963,9	-882,3	-47,8%
Federal District (DF) Constitutional Fund	0,0	1,0	1,0	-
Judicial Remedies	179,9	177,6	-2,2	-1,2%
Subsidies and Grants	307,5	1.550,0	1.242,5	404,1%
FIES primary impact (Student Funding)	2.073,3	391,2	-1.682,0	-81,1%
Others	2.625,8	701,5	-1.924,3	-73,3%
IV.4 Discretionary Expenses - All Branches	43.742,	38.442,	-	-12,1%
Executive Branch Discretionary Expenses	41.522,5	36.320,9	-	-12,5%
PAC (Growth Acceleration Program)	10.165,0	5.589,3	-	-45,0%
o/w "Minha Casa Minha Vida - MCMV" Program	1.300,3	700,1	-600,2	-46,2%
Issuance of Agricultural Debt Securities (TDA)	38,1	0,0	-38,1	-99,9%
Other Executive Branch Discretionary Expenses	31.319,4	30.731,6	-587,8	-1,9%
Legislative and Judiciary Branches and Prosecutor's Office (LEJU/MPU)	2.219,5	2.121,4	-98,1	-4,4%
Memo:				
Other Current and Capital Expenditures	51.852,7	43.143,2	-8.709,5	-16,8%
Other Current Expenditures	37.226,0	30.580,5	-6.645,5	-17,9%
Other Capital Expenditures	14.626,7	12.562,7	-2.064,0	-14,1%

In December 2018, there was a reduction of R\$ 5.0 billion (3.2%) in total central government spending in relation to the same month of the previous year, going from R\$ 153.4 billion to R\$ 148.4 billion. This variation was mainly due to the decrease in Discretionary Expenses - All Branches (R\$ 5.3 billion, 12.1%), which, in turn, concentrated on PAC expenses. This variation is due to the concentration of payments for the year 2017 in the month of December.

Other compulsory expenses decreased by R\$ 2.2 billion (12.5%) mainly due to decreases in Lei Kandir (R\$ 2.0 billion) and FIES (R\$ 1.7 billion), partially offset by the growth of Subsidies, Subsidies and Proagro (R\$ 1.2 billion) and Extraordinary Credits (R\$ 1.1 billion), mainly due to the economic subsidy for the commercialization of diesel oil (Provisional Measure nº 838, of 2018) - without any counterpart in the same period of 2017.

Table 2.5 - Other Executive Branch Discretionary Expenses - Brazil - 2017/2018*R\$ million - at constant prices Dec/2018- IPCA*

	December		Variation	
	2017	2018	Difference	% Real
Total	31.319,4	30.731,6	-587,8	-1,9%
Ministry of Health	10.152,5	13.145,1	2.992,6	29,5%
Ministry of Education	6.290,5	4.250,2	-2.040,3	-32,4%
Ministry of Social Development	4.989,5	3.447,2	-1.542,3	-30,9%
Ministry of Defense	2.685,2	3.389,6	704,5	26,2%
Ministry of Science and Technology	1.097,2	891,1	-206,1	-18,8%
Other	6.104,6	5.608,4	-496,2	-8,1%

Social Security

Tabela 2.6 - Social Security (RGPS) Primary Balance - Brazil - 2017/2018*R\$ million - at constant prices Dec/2018- IPCA*

	December		Variation	
	2017	2018	Difference	% Real
Net Social Security Revenues	51.009,0	53.499,2	2.490,3	4,9%
Total Revenue	54.384,7	55.830,2	1.445,5	2,7%
Contributions deposited in banks	49.710,5	48.427,6	-1.282,9	-2,6%
Contributions from SIMPLES	3.552,3	6.239,0	2.686,7	75,6%
Debt Rescheduling REFIS	9,5	229,4	219,9	-
Judicial Payments	186,6	9,4	-177,2	-95,0%
Social Security Compensation	925,9	924,8	-1,1	-0,1%
(-) Refund	-146,3	-119,4	26,8	-18,4%
(-) Transfer	-3.229,5	-2.211,5	1.018,0	-31,5%
Social Security Benefit	61.055,3	62.392,3	1.337,0	2,2%
Primary Balance	-10.046,3	-8.893,0	1.153,3	-11,5%

The primary result of Social Security went from a deficit of R\$ 10.0 billion in December 2017 to a deficit of R\$ 8.9 billion in December 2018, representing a difference of R\$ 1.2 billion. This variation is explained by the increase of R\$ 2.5 billion (4.9%) in net revenue, influenced by the reclassification of revenues, partially offset by the growth of R\$ 1.3 billion (2.2%) in Social Security Benefits. This increase was influenced by the increase in the number of benefits issued (473.7 thousand (1.6%)), partially offset by the decrease of R\$ 18.37 (1.4%) in the average value of benefits.

Monthly Balance Compared to the Previous Month

Overview

Table 3.1 - Central Government Primary Balance - Brazil - 2018

R\$ million - at constant prices Dec/2018- IPCA

	2018		Variation	
	November	December	Difference	% Real
I. Total Revenue	124.429,	144.565,8	20.136,4	16,2%
I.1 Revenues Collected by the Federal Revenue Office	74.253,8	77.824,0	3.570,2	4,8%
I.2 Fiscal Incentives	0,0	-1,9	-1,9	-
I.3 Net Social Security Revenues	31.981,5	53.499,2	21.517,8	67,3%
I.4 Revenues not Collected by the Federal Revenue Office	18.194,1	13.244,4	-4.949,7	-27,2%
II. Transfers by Revenue Sharing	24.908,6	27.925,8	3.017,2	12,1%
III. Net Revenue (I-II)	99.520,8	116.639,9	17.119,2	17,2%
IV. Total Expenditure	115.763,	148.423,7	32.660,5	28,2%
IV.1 Social Security Benefits	49.976,5	62.392,3	12.415,8	24,8%
IV.2 Payroll	26.344,6	32.281,3	5.936,7	22,5%
IV.3 Other Compulsory Expenses	14.665,2	15.307,8	642,6	4,4%
IV.4 Discretionary Expenses - All Branches	24.777,0	38.442,4	13.665,4	55,2%
V. Sovereign Fund of Brazil - FSB	0,0	0,0	0,0	-
VI. Central Government Primary Balance (III - IV + V)	-16.242,4	-31.783,8	-15.541,3	95,7%
National Treasury and Central Bank	1.752,6	-22.890,8	-24.643,4	-
Social Security (RGPS)	-17.995,1	-8.893,0	9.102,0	-50,6%
Memo:				
National Treasury Primary Balance	1.805,1	-23.089,3	-24.894,4	-
Central Bank Primary Balance	-52,5	198,5	251,0	-
Social Security (RGPS) Primary Balance	-17.995,1	-8.893,0	9.102,0	-50,6%

In December 2018, the primary result of the Central Government was a deficit of R\$ 31.8 billion, against a deficit of R\$ 16.2 billion in November 2018 at constant December prices.

The net revenue of the Central Government in December 2018 was R\$ 15.2 billion (13.3%) higher than in the previous month, due to the impact of the social security contribution on the 13th salary and the semi-annual calculation of IRRF-Income Capital on financial investments in fixed income funds.

Total expenses increased by R\$ 32.7 billion (28.2%), mainly due to the increase of R\$ 13.7 billion in discretionary and the payment of social security benefits in December, the second installment of the 13th salary for beneficiaries who receive more than one minimum wage.

Central Government Revenue

Table 3.2 - Central Government Primary Revenues - Brazil - 2017/2018

R\$ million - at constant prices Dec/2018- IPCA

	2018		Variation	
	November	December	Difference	% Real
I. Total Revenue	124.429,4	144.565,8	20.136,4	16,2%
I.1 Revenues Collected by the Federal Revenue Office	74.253,8	77.824,0	3.570,2	4,8%
Import Tax	3.448,1	2.773,3	-674,8	-19,6%
Industrialized Products Tax (IPI)	4.853,5	4.833,4	-20,1	-0,4%
Income tax (IR)	28.448,1	36.620,4	8.172,3	28,7%
Tax on Credit Operations, Exchange and Insurance (IOF)	2.833,7	3.748,9	915,3	32,3%
Contribution to Social Security Financing (COFINS)	22.111,0	22.514,5	403,5	1,8%
PIS/PASEP	5.835,5	5.781,6	-53,9	-0,9%
Social Contribution on Net Corporate Profits (CSLL)	5.388,3	5.244,8	-143,4	-2,7%
Provisional Contribution on Financial Operations (CPMF)	0,0	0,0	0,0	-
CIDE - Fuels	235,8	283,1	47,4	20,1%
Other	1.099,9	-3.976,1	-5.076,0	-
I.2 Fiscal Incentives	0,0	-1,9	-1,9	-
I.3 Net Social Security Revenues	31.981,5	53.499,2	21.517,8	67,3%
Urban	31.270,5	52.647,5	21.377,0	68,4%
Rural	710,9	851,7	140,8	19,8%
I.4 Revenues Not Collected by the Federal Revenue Office	18.194,1	13.244,4	-4.949,7	-27,2%
Concessions and Permissions	6.980,4	160,0	-6.820,5	-97,7%
Dividends	631,7	560,8	-70,9	-11,2%
Contribution to Civil Service Social Security (CPSS)	1.882,9	1.241,1	-641,8	-34,1%
Financial Compensation Quotas	2.955,0	3.257,0	302,0	10,2%
Own Revenues (source codes 50, 81 and 82)	1.205,7	1.330,6	124,9	10,4%
Education-Salary (social contribution for education)	1.633,6	2.328,6	695,0	42,5%
FGTS Complement (LC nº 110/01)	411,6	386,4	-25,2	-6,1%
Assets Operations	85,6	121,4	35,8	41,8%
Other Revenues	2.407,6	3.858,6	1.451,0	60,3%

In December 2018, total revenues from the Central diminished R\$ 20.1 billion (16.2%) compared to the previous month, going from R\$ 124.4 billion in November 2018 to R\$ 144.6 billion in December 2018. This variation results from the combined effect of the following factors:

- increase of R\$ 21.5 billion in net revenue for the RGPS, due to the incidence in December of the social security contribution on the 13th salary and the reclassification of taxes in December 2018 from social security collection resources previously classified in other managed revenues;
- a growth of R\$ 3.6 billion (4.8%) in revenues collected by RFB mainly due to the increase of R\$ 6.4 billion in IRRF - Income from Capital, explained by the semi-annual calculation of the tax on financial investments in fixed income funds; and
- a reduction of R\$ 4.9 billion (27.2%) in revenues not collected by the RFB, mainly due to the collection in November of R \$ 7.0 billion in Concessions (auction of the 5th round of pre-salt sharing).

Transfers by Revenue Sharing

Table 3.3 - Transfers by Revenue Sharing - Brazil - 2018

R\$ million - at constant prices Dec/2018- IPCA

Discriminação	2018		Variation	
	November	December	Difference	% Real
II. Transfers by Revenue Sharing	24.908,6	27.925,8	3.017,2	12,1%
II.1 FPM / FPE / IPI-EE	15.920,1	23.609,3	7.689,1	48,3%
II.2 Constitutional Funds	792,9	838,7	45,8	5,8%
Total Transfer	1.055,3	1.290,3	235,0	22,3%
Funds Surplus	-262,3	-451,5	-189,2	72,1%
II.3 Education-Salary (social contribution for education)	1.425,6	941,7	-484,0	-33,9%
II.4 Financial Compensations	6.620,8	2.405,6	-4.215,2	-63,7%
II.5 CIDE - Fuels	0,0	0,0	0,0	-
II.6 Other	149,1	130,5	-18,6	-12,5%

In December 2018, transfers by revenue sharing increased by R\$ 3.0 billion (12.1%), totaling R\$ 27.9 billion, compared to R\$ 24.9 billion in the previous month. This behavior was mainly due to the transfer in December of the transfer established by Constitutional Amendment 55/2007 related to 1.0% of FPM, in the amount of R \$ 4.2 billion.

Central Government Expenditure

Tabela 3.4 - Central Government Primary Expenditure - Brazil - 2018

R\$ million - at constant prices Dec/2018- IPCA

	2018		Variation	
	November	December	Difference	% Real
IV. Total Expenditure	115.763,2	148.423,7	32.660,5	28,2%
IV.1 Social Security Benefit	49.976,5	62.392,3	12.415,8	24,8%
IV.1.1 Social Security Benefit - Urban	37.943,1	50.844,1	12.901,0	34,0%
IV.1.2 Social Security Benefit - Rural	12.033,4	11.548,2	-485,3	-4,0%
IV.2 Payroll	26.344,6	32.281,3	5.936,7	22,5%
IV.3 Other Compulsory Expenses	14.665,2	15.307,8	642,6	4,4%
Salary Allowance and Unemployment Benefit	3.911,0	4.241,7	330,7	8,5%
Assistance Benefits (LOAS/RMV)	4.734,0	4.740,4	6,3	0,1%
FGTS Complement (LC nº 110/01)	411,6	386,4	-25,2	-6,1%
Extraordinary credits (excluding PAC)	2.361,3	1.229,2	-1.132,1	-47,9%
Provisional Measures (MP) 540/11, 563/12 and 582/12 Exoneration	873,0	924,8	51,8	5,9%
FUNDEB (Federal Complementation)	965,4	963,9	-1,4	-0,1%
Federal District (DF) Constitutional Fund	127,7	224,3	96,6	75,6%
Judicial Remedies	173,6	177,6	4,1	2,3%
Subsídios, Subvenções e Proagro	461,4	1.550,0	1.088,6	235,9%
FIES primary impact (Student Funding)	304,6	391,2	86,6	28,4%
Others	341,5	478,2	136,7	40,0%
IV.4 Discretionary Expenses - All Branches	24.777,0	38.442,4	13.665,4	55,2%
Executive Branch Discretionary Expenses	23.715,1	36.320,9	12.605,8	53,2%
PAC (Growth Acceleration Program)	2.855,9	5.589,3	2.733,4	95,7%
o/w "Minha Casa Minha Vida - MCMV" Program	692,1	700,1	8,0	1,2%
Issuance of Agricultural Debt Securities (TDA)	0,4	0,0	-0,4	-94,8%
Other Executive Branch Discretionary Expenses	20.858,8	30.731,6	9.872,8	47,3%
Legislative and Judiciary Branches and Prosecutor's Office (LEJU/MPU)	1.061,8	2.121,4	1.059,6	99,8%
Memo:				
Other Current and Capital Expenditures	30.241,9	43.143,2	12.901,3	42,7%
Other Current Expenditures	25.247,2	30.580,5	5.333,3	21,1%
Other Capital Expenditures	4.994,7	12.562,7	7.568,0	151,5%

In December 2018, total Central Government expenditure totaled R\$ 148.4 billion, an increase of R\$ 32.7 billion (28.2%), compared to November 2018.

The main variations were:

- increase of R\$ 14.0 billion (55.2%) in discretionary expenses;
- R\$ 12.4 billion (24.8%) increase in Social Security Benefits due to the payment in December of the second installment of the 13th salary for beneficiaries who receive more than one minimum wage; and
- R\$ 5.9 billion (22.5%) increase in Payroll, especially due to the payment in December of the second installment of Christmas bonus (13th salary).

Tabela 3.5 - Other Executive Branch Discretionary Expenses - Brazil - 2018

R\$ million - at constant prices Dec/2018- IPCA

Discriminação	2018		Variation	
	November	December	Difference	% Real
Total	20.836,1	30.688,1	9.852,0	47,3%
Ministry of Health	8.858,0	13.145,1	4.287,1	48,4%
Ministry of Education	3.905,6	4.250,2	344,5	8,8%
Ministry of Social Development	3.002,8	3.447,2	444,3	14,8%
Ministry of Defense	1.473,7	3.389,6	1.915,9	130,0%
Ministry of Science and Technology	420,1	891,1	471,0	112,1%
Other	3.175,7	5.564,9	2.389,2	75,2%

Social Security

Tabela 3.6 - Social Security (RGPS) Primary Balance - Brazil - 2018

R\$ million - at constant prices Dec/2018- IPCA

Discriminação	2018		Variation	
	November	December	Difference	% Real
Net Social Security Revenues	31.981,5	53.499,2	21.517,8	67,3%
Total Revenue	34.302,6	55.830,2	21.527,6	62,8%
Contributions deposited in banks	29.498,3	48.427,6	18.929,3	64,2%
Contributions from SIMPLES	3.716,0	6.239,0	2.523,0	67,9%
Debt Rescheduling REFIS	205,3	229,4	24,1	11,7%
Judicial Payments	10,0	9,4	-0,6	-5,7%
Social Security Compensation	873,0	924,8	51,8	5,9%
(-) Refund	-126,2	-119,4	6,8	-5,4%
(-) Transfer	-2.195,0	-2.211,5	-16,6	0,8%
Social Security Benefit	49.976,5	62.392,3	12.415,8	24,8%
Primary Balance	-17.995,1	-8.893,0	9.102,0	-50,6%

In December 2018, the Social Security (RGPS) registered a deficit of R\$ 8.9 billion, against a deficit of R\$ 18.0 billion in the previous month.

The reduction of R\$ 9.1 billion (50.6%) is explained by the increase of R\$ 21.5 billion in net revenue for RGPS due to the incidence in December of the social security contribution on the 13th salary and due to the reclassification of taxes, in December 2018, from social security collection resources previously classified in other revenues. This growth was partially offset by an increase of R\$ 12.4 billion in social security benefits due to the payment in December of the second installment of the 13th salary to beneficiaries who receive more than one minimum wage.