

## Trésor-Economics

Liberté Égalité Fraternité

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Direction générale du Trésor

## Review of Public Finance Forecasts for 2023 and 2024

## **Update**

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- Following the publication by Insee, the National Institute of Statistics and Economic Studies, of the general government accounts, the 2024 general government deficit was ultimately –5.8%, that is to say 0.3 points of GDP more than the projection used in the 2025 Budget Bill and on the basis of which this edition of Trésor-Economics was produced in January 2025.
- Revisions constitute an overall improvement of roughly €9.5bn and essentially concern:
  - local authority expenditure (+€6.5bn), which turned out to be lower than expected when the 2025 Budget Bill was being prepared, due to a slowdown in this local expenditure starting in autumn 2024. For instance, local authorities' investment expenditure rose 7.6% in 2024 compared to the 13.2% increase forecast in the 2025 Budget Bill, which was based on the latest accounting data from summer 2024. Operating expenses rose by 3.5% but this was still significantly less than the 4.6% projected in October 2024.
  - central government expenditure (up €3.4bn), was less than forecast in autumn 2024 owing to a budget outturn that was even lower than estimated in the Initial Budget Act.
  - the 2023 deficit was also revised to −5.4% of GDP, i.e. up 0.1 points compared to the provisional account published by Insee in May 2024.
- Table 1 relating to the revision of the general government balance in 2023 and 2024 between the budget bills for 2024 and 2025 has been updated as follows:

Table 1: Revision of the general government balance in 2023 and 2024 between the 2024 Budget Bill and the figures published by Insee in 2025

Total revision 2024 Budget Bill ⇒ 2024 provisional account (€bn)  Aggregate taxes and social security contributions – spontaneous growth (without change of base year)  of which 2023 outturn and integration into the base  of which additional impact of past data on 2024  Income tax outturn and impact of data for 2023 and prior years  Corporation tax outturn and impact of data for 2023 and prior years  Other 2023 outturn and integration into the base  of which impact of the revision of nominal GDP  of which other revisions of elasticity of 2024 revenue  of which corporation tax  of which VAT  of which taxes on transfers for valuable consideration  of which contributions	and the figures published by Insee in 2025		
Total revision 2024 Budget Bill => 2024 provisional account (Ebn) -138.8 -128.3		2023	2024
Total revision 2024 Budget Bill => 2024 provisional account (Ebn)	2024 Budget Bill balance (September 2023 forecast) (% of GDP)	-4.9	-4.4
Aggregate taxes and social security contributions – spontaneous growth (without change of base year)  of which 2023 outturn and integration into the base  of which 2023 outturn and impact of past data on 2024  Income tax outturn and impact of data for 2023 and prior years  Corporation tax outturn and impact of data for 2023 and prior years  -2.1 -5.7  Corporation tax outturn and impact of data for 2023 and prior years  -4.4 -11.7  Other 2023 outturn and integration into the base  -11.3 -11.3  of which impact of the revision of nominal GDP  of which other revisions of elasticity of 2024 revenue  of which vAT  of which taxes on transfers for valuable consideration  of which taxes on transfers for valuable consideration  of which contributions  Aggregate taxes and social security contributions – discretionary measures  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill)  Other  Scope of central government expenditure  Central government sphere expenditure (without recission decree, budgetary total)  7.0 -1.7  Recission decree in February 2024  0.0 8.8  Local authorities  -4.4 -6.9  Operating  Unédic – unemployment insurance scheme  National healthcare expenditure growth target (Ondam)  -0.3 -1.5  Other revisions	(€bn)	-138.8	-128.3
of which 2023 outturn and integration into the base of which 2023 outturn and impact of past data on 2024  Income tax outturn and impact of data for 2023 and prior years Corporation tax outturn and impact of data for 2023 and prior years -2.1 Other 2023 outturn and impact of data for 2023 and prior years -4.4 -11.7 Other 2023 outturn and integration into the base of which impact of the revision of nominal GDP of which other revisions of elasticity of 2024 revenue -6.8 of which other revisions of elasticity of 2024 revenue of which taxes on transfers for valuable consideration of which taxes on transfers for valuable consideration of which contributions -2.1 Other 2023 outturn and integration into the base -11.3 -11.3 -11.3 -11.3 -6.8 -6.8 -6.8 -6.9 -9.0  of which the revisions of elasticity of 2024 revenue -9.0 of which tother revisions of elasticity of 2024 revenue -9.0  of which taxes on transfers for valuable consideration of which taxes on transfers for valuable consideration of which contributions -1.1  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill) 0.4 -0.2  Scope of central government expenditure -0.2  Central government expenditure -0.2  Central government expenditure -1.7  Central government expenditure (without recission decree, budgetary total) 7.0 -1.7  Recission decree in February 2024 -6.9  Operating -3.3 -6.3 Investment -1.2 -0.5  Labour sphere -1.2 -4.8  Unédic – unemployment insurance scheme -0.9 -3.3 -1.5  Other revisions -2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025) -2.8	Total revision 2024 Budget Bill => 2024 provisional account ( <i>€bn</i> )	-12.9	-41.3
of which 2023 outturn and integration into the base of which 2023 outturn and impact of past data on 2024  Income tax outturn and impact of data for 2023 and prior years Corporation tax outturn and impact of data for 2023 and prior years -2.1 Other 2023 outturn and impact of data for 2023 and prior years -4.4 -11.7 Other 2023 outturn and integration into the base of which impact of the revision of nominal GDP of which other revisions of elasticity of 2024 revenue -6.8 of which other revisions of elasticity of 2024 revenue of which taxes on transfers for valuable consideration of which taxes on transfers for valuable consideration of which contributions -2.1 Other 2023 outturn and integration into the base -11.3 -11.3 -11.3 -11.3 -6.8 -6.8 -6.8 -6.9 -9.0  of which the revisions of elasticity of 2024 revenue -9.0 of which tother revisions of elasticity of 2024 revenue -9.0  of which taxes on transfers for valuable consideration of which taxes on transfers for valuable consideration of which contributions -1.1  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill) 0.4 -0.2  Scope of central government expenditure -0.2  Central government expenditure -0.2  Central government expenditure -1.7  Central government expenditure (without recission decree, budgetary total) 7.0 -1.7  Recission decree in February 2024 -6.9  Operating -3.3 -6.3 Investment -1.2 -0.5  Labour sphere -1.2 -4.8  Unédic – unemployment insurance scheme -0.9 -3.3 -1.5  Other revisions -2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025) -2.8			
of which additional impact of past data on 2024  Income tax outturn and impact of data for 2023 and prior years  Corporation tax outturn and impact of data for 2023 and prior years  -4.4 -11.7  Other 2023 outturn and integration into the base  of which impact of the revisions of nominal GDP  of which other revisions of elasticity of 2024 revenue  of which other revisions of elasticity of 2024 revenue  of which taxes on transfers for valuable consideration of which contributions  Aggregate taxes and social security contributions – discretionary measures  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill) Other  Scope of central government expenditure  Central government sphere expenditure (without recission decree, budgetary total)  7.0  7.2  Central government sphere expenditure (without recission decree, budgetary total)  7.0  7.1  Recission decree in February 2024  Local authorities  Operating  Investment  Unédic – unemployment insurance scheme  National healthcare expenditure growth target (Ondam)  Other revisions  Scope - Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP)  -5.4  -5.8	Aggregate taxes and social security contributions – spontaneous growth (without change of base year)	<b>–</b> 17.8	-44.5
Income tax outturn and impact of data for 2023 and prior years  Corporation tax outturn and impact of data for 2023 and prior years  —4.4 —11.7  Other 2023 outturn and integration into the base —11.3 —11.3  of which impact of the revision of nominal GDP  of which other revisions of elasticity of 2024 revenue —9.0  of which corporation tax  of which VAT —9.3  of which taxes on transfers for valuable consideration of which contributions —3.7  Aggregate taxes and social security contributions — discretionary measures —1.2  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions —including impact on corporation tax (2024 Social Security Budget Bill) —0.2  Scope of central government expenditure —7.0 7.2  Central government sphere expenditure (without recission decree, budgetary total) —7.0 —1.7  Recission decree in February 2024 —0.0  8.8  Local authorities —4.4 —6.9  Operating —3.3 —6.3  Investment —1.2 —0.5  Labour sphere —1.2 —4.8  Unédic — unemployment insurance scheme —0.9 —3.3  National healthcare expenditure growth target (Ondam) —0.3 —1.5  Other revisions —5.4 —5.8	of which 2023 outturn and integration into the base	-17.8	-17.8
Corporation tax outturn and impact of data for 2023 and prior years  Other 2023 outturn and integration into the base  of which impact of the revision of nominal GDP  of which other revisions of elasticity of 2024 revenue  of which corporation tax  of which VAT  of which taxes on transfers for valuable consideration  of which contributions  Aggregate taxes and social security contributions – discretionary measures  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill)  Other  Central government expenditure  Central government sphere expenditure (without recission decree, budgetary total)  Recission decree in February 2024  Local authorities  —4.4 —6.9  Operating —3.3 —6.3 Investment —1.2 —4.8  Unédic — unemployment insurance scheme  National healthcare expenditure growth target (Ondam) —0.3 —1.5  Other revisions  3.6 2.6  Balance — Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP) —5.4 —5.8	of which additional impact of past data on 2024		-10.9
Other 2023 outturn and integration into the base  of which impact of the revision of nominal GDP  of which other revisions of elasticity of 2024 revenue  of which corporation tax  of which VAT  of which taxes on transfers for valuable consideration  of which contributions  Aggregate taxes and social security contributions – discretionary measures  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill)  Other  Central government expenditure  Central government expenditure (without recission decree, budgetary total)  7.0  7.2  Central government expenditure (without recission decree, budgetary total)  7.0  7.1  Recission decree in February 2024  0.0  8.8  Local authorities  4.4  -6.9  Operating  -3.3  -6.3  Investment  -1.2  -0.5  Labour sphere  -1.2  -4.8  Unédic – unemployment insurance scheme  National healthcare expenditure growth target (Ondam)  Other revisions  3.6  2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP)  -5.4  -5.8	Income tax outturn and impact of data for 2023 and prior years	-2.1	-5.7
of which impact of the revision of nominal GDP of which other revisions of elasticity of 2024 revenue  of which corporation tax of which VAT of which taxes on transfers for valuable consideration of which contributions  Aggregate taxes and social security contributions – discretionary measures  Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill) Other  Central government expenditure  7.0 7.2  Central government sphere expenditure (without recission decree, budgetary total) Recission decree in February 2024  Local authorities  —4.4 —6.9  Operating Investment —1.2 —0.5  Labour sphere  Unédic – unemployment insurance scheme National healthcare expenditure growth target (Ondam)  Other revisions  3.6 2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP) —5.4 —5.8	Corporation tax outturn and impact of data for 2023 and prior years	-4.4	-11.7
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Phasing out of the domestic consumption tax on electricity for end-users price cap Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill) Other  Scope of central government expenditure Central government sphere expenditure (without recission decree, budgetary total) Recission decree in February 2024  Local authorities Operating Investment  Unédic – unemployment insurance scheme National healthcare expenditure growth target (Ondam)  Other revisions  4.9 4.9 4.9 4.9 5.0 6.0 6.1 7.0 7.2 7.2 7.2 7.3 6.3 6.3 6.3 6.3 6.3 6.3 6.3 6.3 6.3 6	of which contributions		3.7
Freeze on relief on contributions – including impact on corporation tax (2024 Social Security Budget Bill)  Other  Scope of central government expenditure  Central government sphere expenditure (without recission decree, budgetary total)  Recission decree in February 2024  0.0  8.8  Local authorities  -4.4  -6.9  Operating  Investment  Joephard  Unédic – unemployment insurance scheme  National healthcare expenditure growth target (Ondam)  Other revisions  0.4  -0.2  7.0  7.2  -1.7  -1.7  -1.7  -1.7  -1.7  -1.7  -1.7  -1.9  -1.2  -1.2  -1.2  -1.2  -1.2  -1.2  -1.2  -1.2  -1.2  -1.3  -1.5  Other revisions  3.6  2.6	Aggregate taxes and social security contributions – discretionary measures		5.1
Budget Bill)       0.4         Other       -0.2         Scope of central government expenditure       7.0       7.2         Central government sphere expenditure (without recission decree, budgetary total)       7.0       -1.7         Recission decree in February 2024       0.0       8.8         Local authorities       -4.4       -6.9         Operating       -3.3       -6.3         Investment       -1.2       -0.5         Labour sphere       -1.2       -4.8         Unédic – unemployment insurance scheme       -0.9       -3.3         National healthcare expenditure growth target (Ondam)       -0.3       -1.5         Other revisions       3.6       2.6         Balance – Provisional 24 / Part-finalised 23 (March 2025)       (% of GDP)       -5.4       -5.8	· · · · · · · · · · · · · · · · · · ·		4.9
Other         -0.2           Scope of central government expenditure         7.0         7.2           Central government sphere expenditure (without recission decree, budgetary total)         7.0         -1.7           Recission decree in February 2024         0.0         8.8           Local authorities         -4.4         -6.9           Operating         -3.3         -6.3           Investment         -1.2         -0.5           Labour sphere         -1.2         -4.8           Unédic – unemployment insurance scheme         -0.9         -3.3           National healthcare expenditure growth target (Ondam)         -0.3         -1.5           Other revisions         3.6         2.6           Balance – Provisional 24 / Part-finalised 23 (March 2025)         (% of GDP)         -5.4         -5.8			0.4
Central government sphere expenditure (without recission decree, budgetary total)       7.0       -1.7         Recission decree in February 2024       0.0       8.8         Local authorities       -4.4       -6.9         Operating       -3.3       -6.3         Investment       -1.2       -0.5         Labour sphere       -1.2       -4.8         Unédic – unemployment insurance scheme       -0.9       -3.3         National healthcare expenditure growth target (Ondam)       -0.3       -1.5         Other revisions       3.6       2.6			-0.2
Recission decree in February 2024       0.0       8.8         Local authorities       -4.4       -6.9         Operating       -3.3       -6.3         Investment       -1.2       -0.5         Labour sphere       -1.2       -4.8         Unédic – unemployment insurance scheme       -0.9       -3.3         National healthcare expenditure growth target (Ondam)       -0.3       -1.5         Other revisions       3.6       2.6         Balance – Provisional 24 / Part-finalised 23 (March 2025)       (% of GDP)       -5.4       -5.8	Scope of central government expenditure	7.0	7.2
Local authorities       -4.4       -6.9         Operating       -3.3       -6.3         Investment       -1.2       -0.5         Labour sphere       -1.2       -4.8         Unédic – unemployment insurance scheme       -0.9       -3.3         National healthcare expenditure growth target (Ondam)       -0.3       -1.5         Other revisions       3.6       2.6         Balance – Provisional 24 / Part-finalised 23 (March 2025)       (% of GDP)       -5.4       -5.8	Central government sphere expenditure (without recission decree, budgetary total)	7.0	-1.7
Operating       -3.3       -6.3         Investment       -1.2       -0.5         Labour sphere       -1.2       -4.8         Unédic – unemployment insurance scheme       -0.9       -3.3         National healthcare expenditure growth target (Ondam)       -0.3       -1.5         Other revisions       3.6       2.6         Balance – Provisional 24 / Part-finalised 23 (March 2025)       (% of GDP)       -5.4       -5.8	Recission decree in February 2024	0.0	8.8
Investment	Local authorities	-4.4	-6.9
Labour sphere  Unédic – unemployment insurance scheme  National healthcare expenditure growth target (Ondam)  Other revisions  3.6  2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP)  -5.4  -5.8	Operating	-3.3	-6.3
Unédic – unemployment insurance scheme  National healthcare expenditure growth target (Ondam)  Other revisions  3.6  2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP)  -5.4  -5.8	Investment	-1.2	-0.5
National healthcare expenditure growth target (Ondam)  -0.3  -1.5  Other revisions  3.6  2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025)  (% of GDP)  -5.4  -5.8	Labour sphere	-1.2	-4.8
Other revisions 3.6 2.6  Balance – Provisional 24 / Part-finalised 23 (March 2025) (% of <i>GDP</i> ) –5.4 –5.8	Unédic – unemployment insurance scheme	-0.9	-3.3
Balance – Provisional 24 / Part-finalised 23 (March 2025) (% of GDP) –5.4 –5.8	National healthcare expenditure growth target (Ondam)	-0.3	-1.5
	Other revisions	3.6	2.6
(€bn) –151.7 –169.6	Balance – Provisional 24 / Part-finalised 23 (March 2025) (% of GDP)	-5.4	-5.8
	(€bn)	-151.7	-169.6

Source: DG Trésor.