



REPUBLIC OF SLOVENIA  
**FISCAL COUNCIL**

## **Monthly Information**

March 2026



## Key highlights<sup>1</sup>

- According to preliminary data, the state budget deficit for the first two months of the year totalled EUR 116 million, while in the same period last year it recorded a modest surplus (EUR 19 million). For the full year 2026, the budget deficit has been projected at EUR 2.1 billion.
- In this period, revenue (excluding intervention measures) showed a year-on-year increase of 8.2%, which was much higher than in the same period last year. The growth in expenditure (excluding intervention measures) has remained high and broad-based, reaching 14.3% in the first two months of this year. The year-on-year growth in revenue and expenditure in the first two months of this year was significantly impacted by RRF funds. Without these funds, the increase in revenue and expenditure would be lower by 3 percentage points.

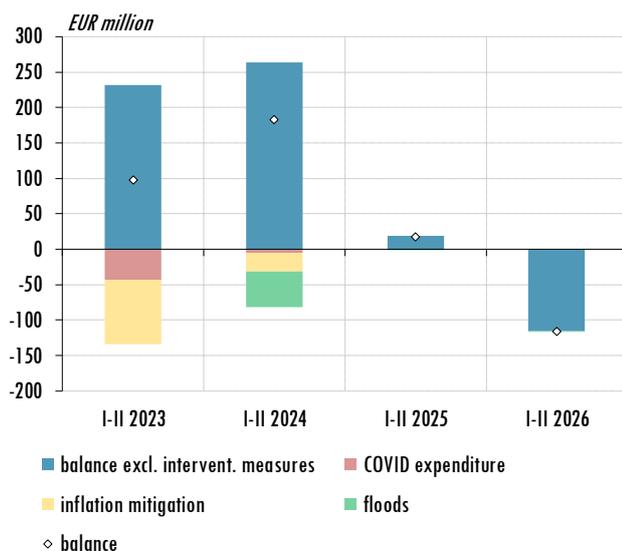
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<sup>1</sup> All comments pertain to data as at 3 March 2026.

### The January-February state budget for 2026

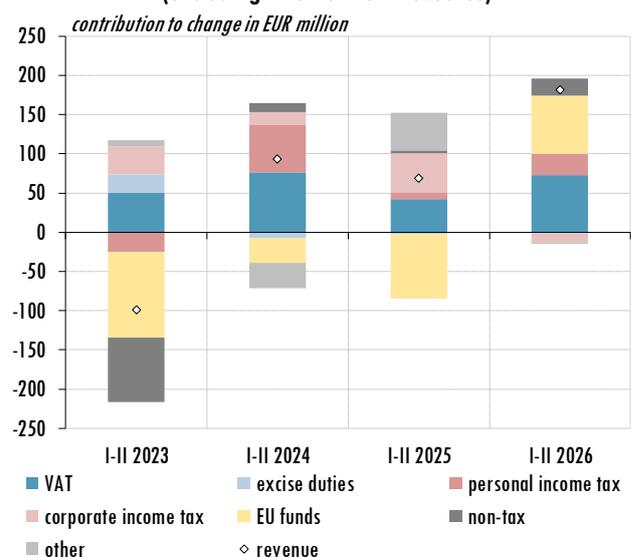
- According to preliminary data, the state budget deficit was EUR 116 million in the first two months of this year. In the same period last year, it recorded a modest surplus of EUR 19 million. For the full year 2026, the budget deficit has been projected at EUR 2.1 billion or EUR 400 million more than last year.
- In the first two months of this year, revenue was 8.2% higher year-on-year. In the same period last year, growth was 3.2%. The strengthening of growth is largely a result of the January posting of the remaining EUR 75 million of RRP funds set out in request four.<sup>2</sup> Growth has been largely also due to higher VAT revenues, of which growth has been strengthening since mid last year. A stronger year-on-year growth in personal income tax revenue was also recorded.
- In the first two months of this year, expenditure was 14.3% higher year-on-year. Their growth has remained broad-based. Most of the growth (about one third) was due to labour costs, which increased year-on-year by 11.5% due to two instalments of the new salary system in the past year. Two more instalments are scheduled to be paid in June and December this year. Expenditure growth was also largely due to the appropriation of funds, particularly RRP funds, to the budget fund. Compared to the same period last year, growth in expenditure on goods and services, transfers to individuals and households (personal assistance and higher unemployment benefits), and investments, especially in defence, also experienced a slight increase. Investments in defence increased year-on-year by 30% and accounted for 60% of total budget investment spending.
- In the first two months of this year, the Fund for the Reconstruction of Slovenia recorded EUR 20 million in expenditure, mainly for replacement housing construction and reconstruction of road and water infrastructure. By the end of February, the Fund's resources totalled around EUR 640 million.

Figure 1: State budget balance



Source: MoF, FC calculations.

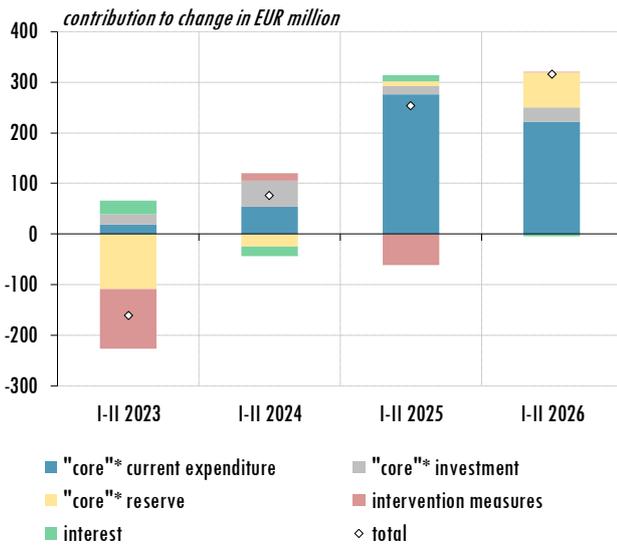
Figure 2: Structure of state budget revenue change (excluding intervention measures)



Source: MoF, FC calculations.

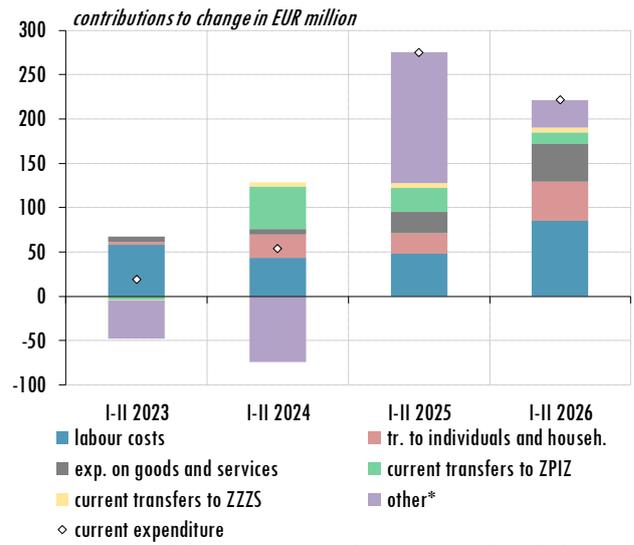
<sup>2</sup> Revenues from the RRP funds have no impact on the state budget balance, since when revenues are recorded, they are also recorded on the expenditure side in the same amount as an outflow to a dedicated budget fund.

Figure 3: Structure of state budget expenditure growth



Source: MoF, FC calculations. Note: \*excluding intervention measures.

Figure 4: Factors of state budget current expenditure change (excluding intervention measures)



Source: MoF, FC calculations. Notes: \*subsidies, payments to the EU budget, other expenditure.

Table 1: State budget

EUR million, unless stated otherwise	I-II 2025			I-II 2026			I-II 26 compared to I-II 25, %		I-II 26 compared to I-II 25	
	total	floods	excl. interv. measures	total	floods	excl. interv. measures	total	excl. interv. measures	total	excl. interv. measures
<b>Revenue</b>	<b>2,242</b>	<b>20</b>	<b>2,222</b>	<b>2,424</b>	<b>21</b>	<b>2,403</b>	<b>8.1</b>	<b>8.2</b>	<b>183</b>	<b>181</b>
VAT	934	...	934	1,007	...	1,007	7.8	7.8	73	73
Excise duties	254	...	254	253	...	253	-0.7	-0.7	-2	-2
Personal income tax	367	...	367	394	...	394	7.3	7.3	27	27
Corporate income tax	279	20	259	269	21	248	-3.4	-4.2	-9	-11
EU funds	33	...	33	107	...	107	227.8	227.8	74	74
Non-tax	113	...	113	136	...	136	19.6	19.6	22	22
Other revenue	263	...	263	260	...	260	-1.0	-1.0	-3	-3
<b>Expenditure</b>	<b>2,224</b>	<b>21</b>	<b>2,203</b>	<b>2,540</b>	<b>21</b>	<b>2,519</b>	<b>14.2</b>	<b>14.3</b>	<b>316</b>	<b>316</b>
Total labour costs	740	0	740	825	0	825	11.5	11.5	85	85
Transfers to individ. and hhs	337	...	337	381	...	381	13.1	13.1	44	44
Goods and services	190	1	189	231	0	231	22.1	22.5	42	42
Investment	165	0	165	194	...	194	17.4	17.7	29	29
Current transfers to ZPIZ	278	...	278	291	...	291	4.7	4.7	13	13
Subsidies	131	0	131	137	...	137	4.2	4.2	6	6
Interest	60	...	60	56	...	56	-6.5	-6.5	-4	-4
Payments to the EU budget	119	...	119	150	...	150	25.2	25.2	30	30
Current transfers to ZZS	19	...	19	24	...	24	28.2	28.2	5	5
Reserves	55	20	35	125	21	104	129.3	199.9	71	69
Other expenditure	131	...	131	127	...	127	-3.4	-3.4	-4	-4
<b>Balance</b>	<b>18</b>	<b>-1</b>	<b>19</b>	<b>-116</b>	<b>0</b>	<b>-116</b>			<b>-134</b>	<b>-135</b>

Source: MoF, FC calculations.