

Statement of the Committee for Budgetary Forecasts
on the fiscal forecast issued by the Ministry of Finance of the Czech
Republic in August 2019

At its meeting on 29 August 2019, the Committee for Budgetary Forecasts considered the likelihood of the **fiscal forecast** issued by the Ministry of Finance in August 2019 being fulfilled, in accordance with Act No. 23/2017 Coll., on the rules of budgetary responsibility. Under its responsibilities, the Committee evaluated the budgetary revenue parameters of governmental institutions but did not examine budget expenditure.

Eight members of the ten-member Committee attended.

The Committee unanimously judged the fiscal forecast as **realistic**.

Reasoning:

In its view, the Committee concluded that budgetary revenues for the years 2019 and 2020 were realistically predicted by the Ministry of Finance in key areas and corresponded as a whole to the Ministry's macroeconomic forecast. During the debate, several members referred to the risks of failure in achieving the planned revenues, such as the result of possible deterioration in the macroeconomic situation and potential delay in the legislative process, which would affect the budget discretionary items the current budget proposal relies on. The Committee also discussed the nature of the planned shift in suggested VAT assessment, which would increase the one-off volume of VAT collected in 2020 by more than twenty billion korunas. Members of the Committee agreed, however, that the deviations they estimated from the Ministry's fiscal forecast were not significant enough to prevent evaluating the forecast as realistic.

Prague, 29 August 2019

RNDr. Pavel Sobišek
Chair of the Committee for Budgetary Forecasts