

FISCAL REVIEW REPORT

January – November 2025



Department of Fiscal Policy

Ministry of Finance, Planning and Economic Development

Highlights of Fiscal Performance

Government Revenue & Grants

- Jan - Nov 2025 : Rs. 4,961.8 Bn
- Jan - Nov 2024 : Rs. 3,664.6 Bn

Government Expenditure

- Jan - Nov 2025 : Rs. 5,287.4 Bn
- Jan - Nov 2024 : Rs. 4,881.9 Bn

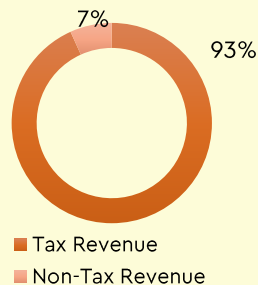
Primary Surplus

- Jan - Nov 2025 : Rs. 1,941.8 Bn
- Jan - Nov 2024 : Rs. 927.8 Bn

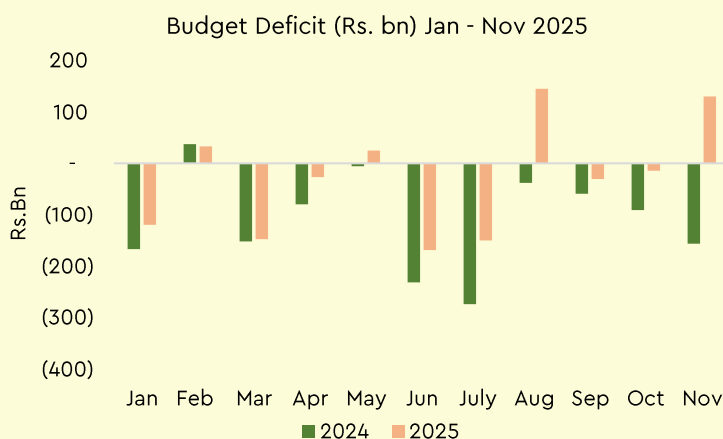
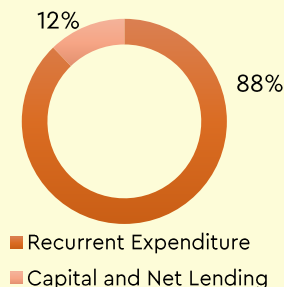
Budget Deficit

- Jan - Nov 2025 : Rs. 325.6 Bn
- Jan - Nov 2024 : Rs. 1,217.3 Bn

Government Revenue Jan-Nov 2025



Government Expenditure Jan-Nov 2025

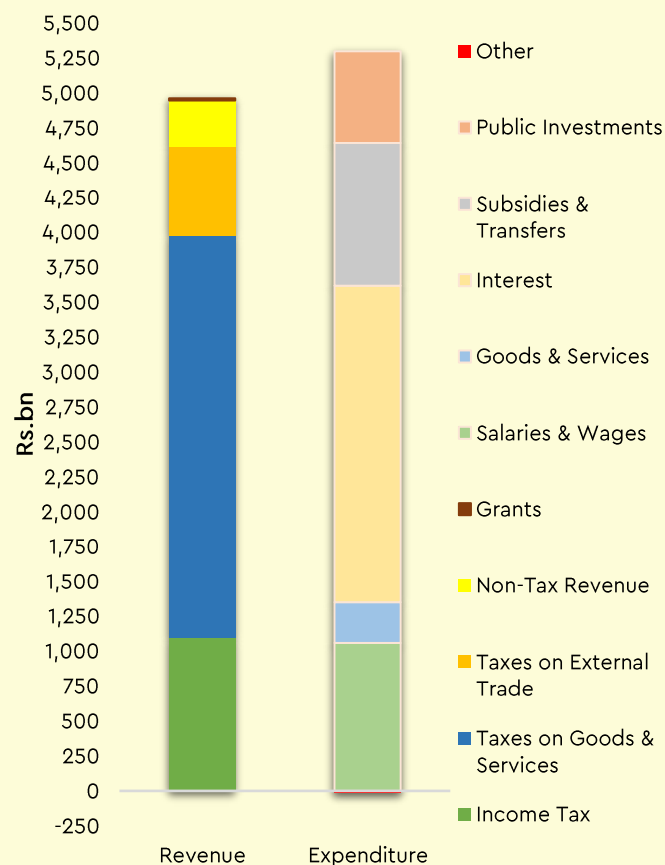


The budget deficit, in nominal terms, narrowed by 73.3 percent to Rs. 325.6 billion in the first eleven months of 2025 from Rs. 1,217.3 billion in the same period of 2024 mainly due to the increase in government revenue including grants by 35.4 percent to Rs. 4,961.8 billion in the first eleven months of 2025 from Rs. 3,664.6 billion in the same period of 2024.

Jan - Nov 2024 → Jan - Nov 2025

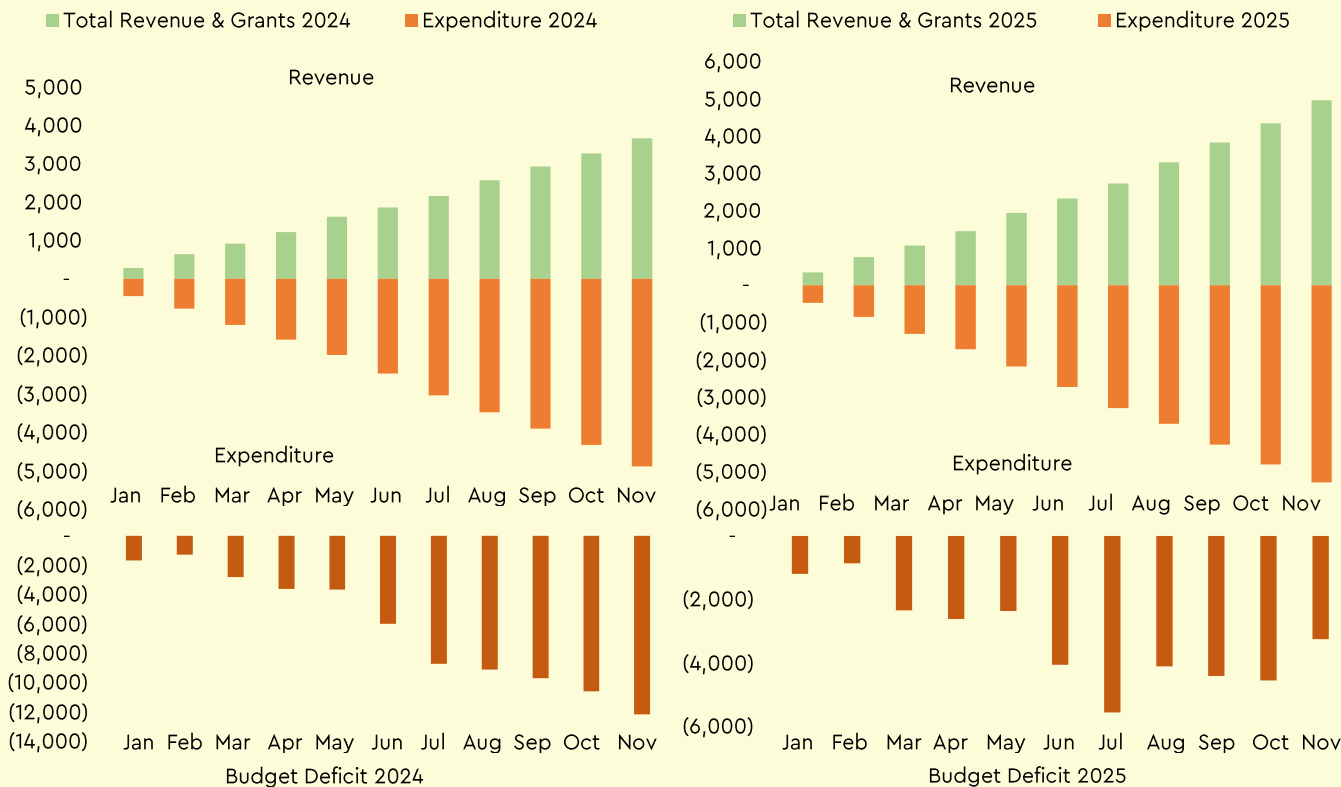
- Total Revenue, including grants increased by 35.4 percent
- Tax Revenue increased by 36.8 percent
- Non-Tax Revenue increased by 19.2 percent
- Recurrent Expenditure increased by 8.6 percent
- Capital and net lending increase by 6.6 percent
- GDP at constant prices was Rs. 3,325.6 billion in the third quarter of 2025, compared to Rs. 3,154.1 billion in the same period of 2024.
- The economy expanded by 5.4 percent in the third quarter of 2025 compared to the 5.3 percent recorded in the same period of 2024.

Total Revenue and Expenditure (Jan-Nov) 2025 (Rs.bn)

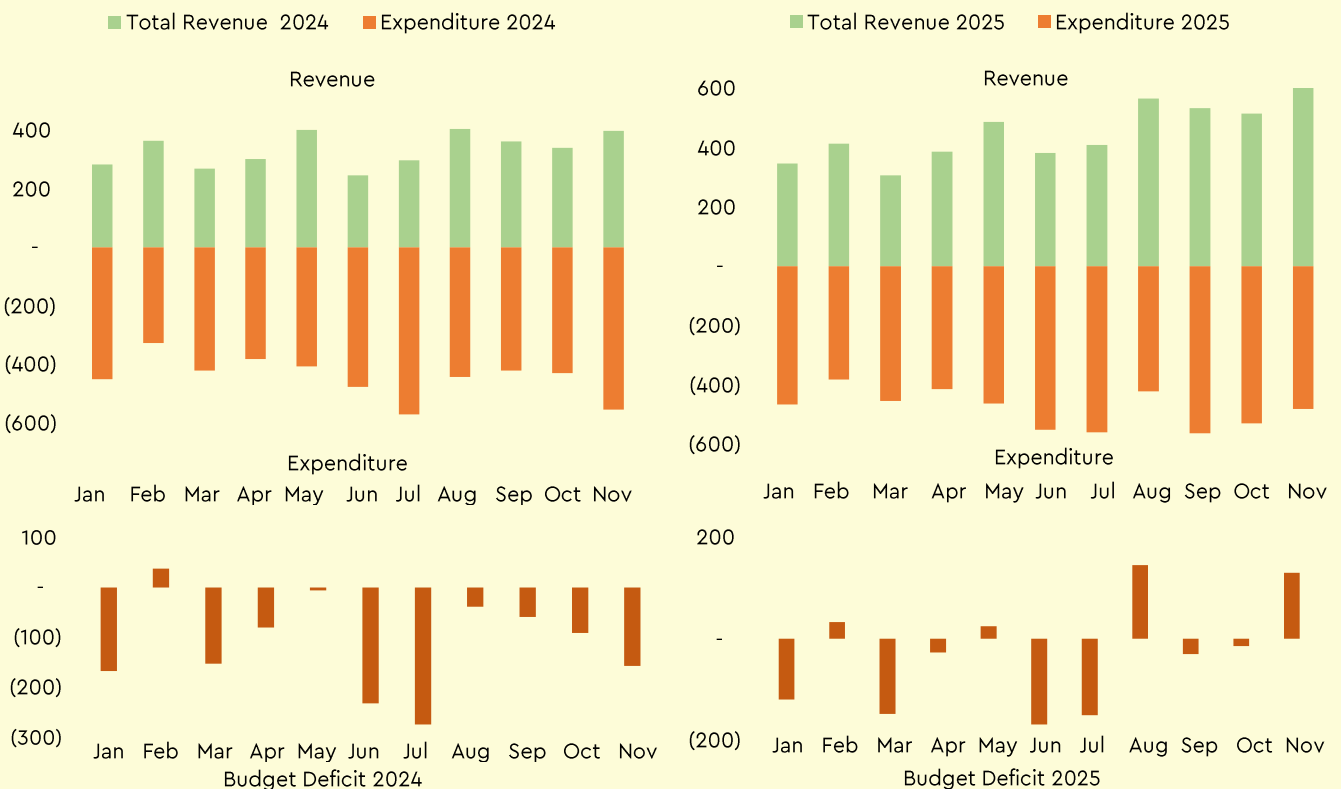


Performance of Key Fiscal Aggregates

Cumulative Revenue, Expenditure and Budget Deficit – January- November 2024/2025 (Rs. bn)

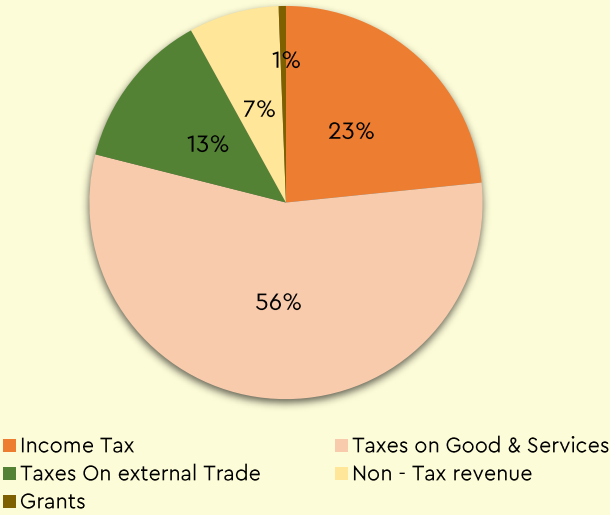


Monthly Revenue, Expenditure and Budget Deficit – January - November 2024/2025 (Rs. bn)

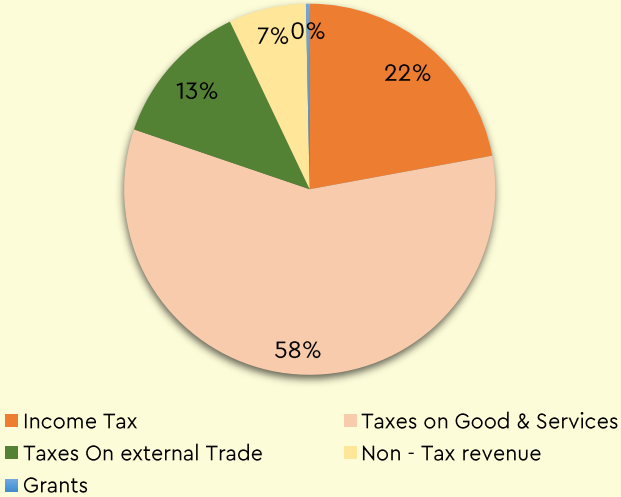


Revenue Performance

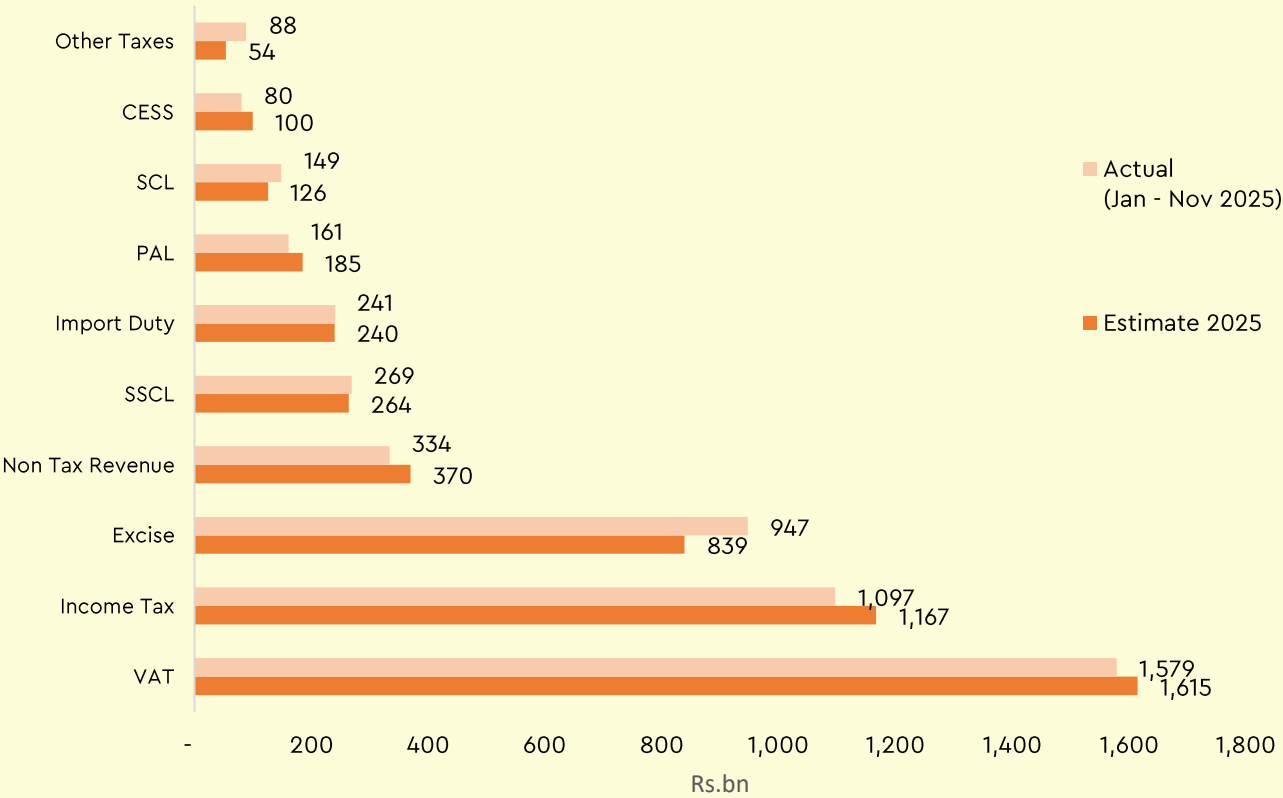
Composition of Annual Revenue Estimate
2025 (%)



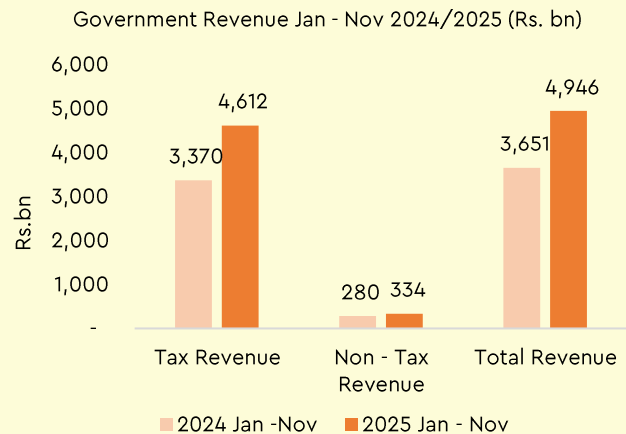
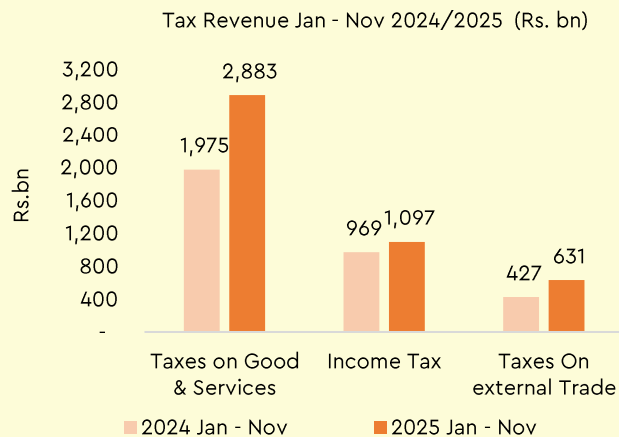
Composition of Actual Revenue
2025 - (Jan - Nov) (%)



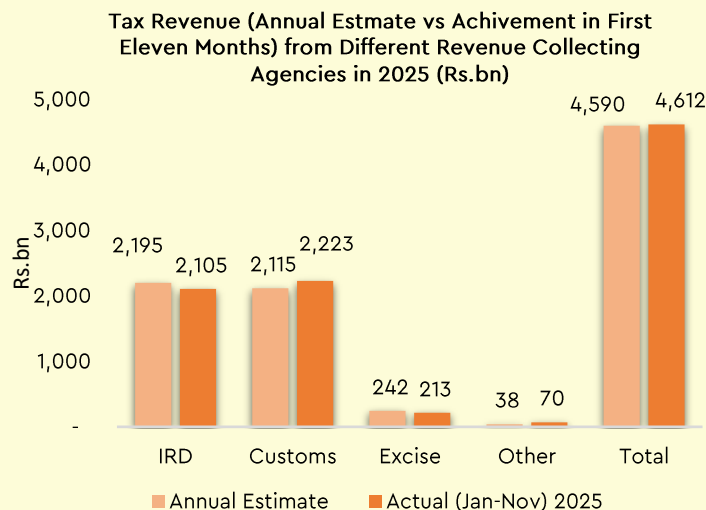
Annual Estimate Vs Revenue by Majour Revenue Sources Jan - Nov 2025 (Rs.bn)



Revenue Performance



The total revenue increased by 35.5 percent to Rs. 4,945.8 billion in the first eleven months of 2025 from Rs. 3,650.9 billion in the same period of 2024. The revenue from income tax increased by 13.2 percent to Rs. 1,096.9 billion in the first eleven months of 2025 from Rs. 969.2 billion compared to the same period of 2024. Revenue from VAT increased by 34.5 percent to Rs. 1,579.0 billion in the first eleven months of 2025 from Rs. 1,174.0 billion in the same period of 2024.



The graph illustrates the performance of three key revenue-collecting agencies in the first eleven months of 2025. The Custom achieved 105.1 percent of its annual estimate, contributing to around half of the total tax revenue collected in the first eleven months of 2025.

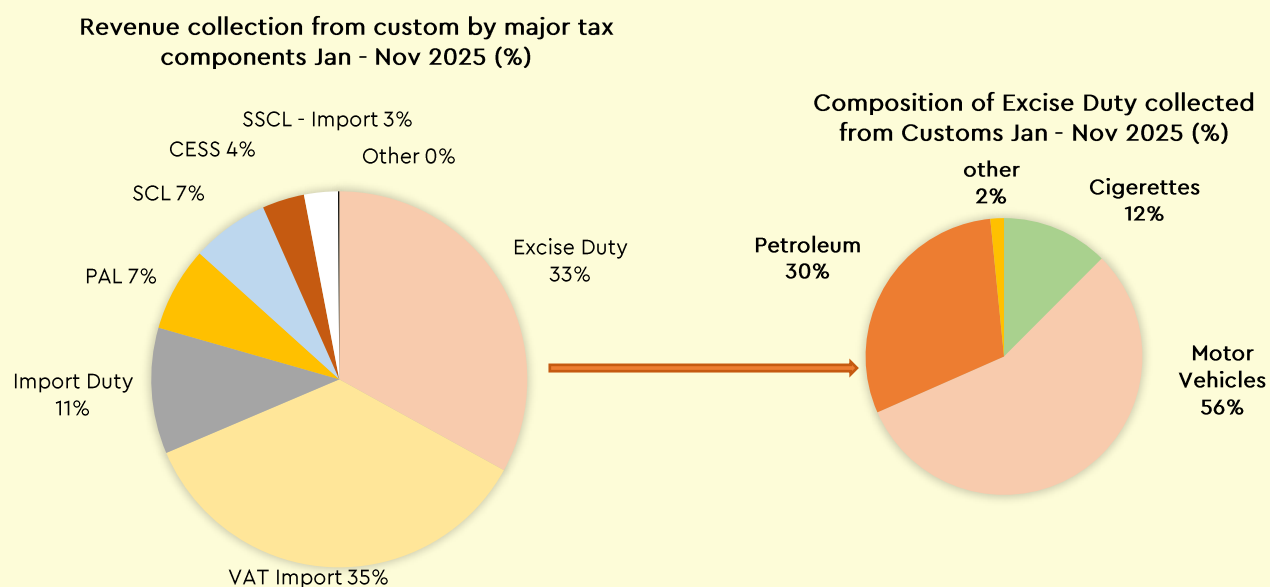
Revenue Performance

Tax Revenue from 3 Key Revenue collecting agencies during Jan - Nov 2025

	Annual Estimate (Rs. bn)	Actual Jan – Nov 2025 (Rs. bn)	Achievement (%)
IRD	2,195	2,105	96
Customs	2,115	2,223	105
Excise	242	213	88
Other	38	70	185
Total	4,590	4,612	100

In the first eleven months of 2025, the key revenue-collecting agencies achieved around 100 percent of their annual estimates. The Customs became the largest contributor, representing 48.2 percent of the tax revenue collected, and this surpassed the revenue collected from IRD. The second largest contributor is the IRD, representing 45.7 percent of the tax revenue collected. The third largest contributor is the Excise Department.

Sri Lanka Customs

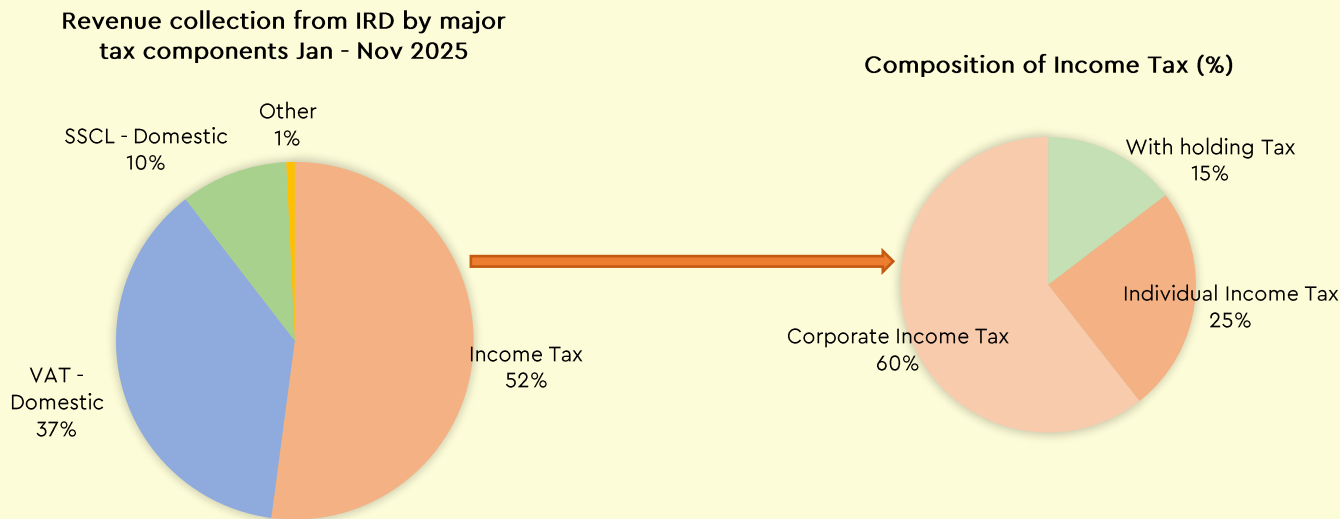


Revenue from VAT on imports is the largest revenue component among the Custom's major tax components. The revenue from VAT on imports increased by 49.1 percent to Rs. 790.8 billion in the first eleven month of 2025 from Rs. 530.3 billion in the same period of 2024. Revenue from excise duty increased by 112.6 percent to Rs. 734.3 billion in the first eleven months of 2025 compared to the same period of 2024.

Revenue from excise duty on motor vehicles significantly increased by Rs.355.9 billion to Rs. 410.5 billion in the first eleven months of 2025 from Rs. 54.6 billion in the same period of 2024.

Revenue Performance

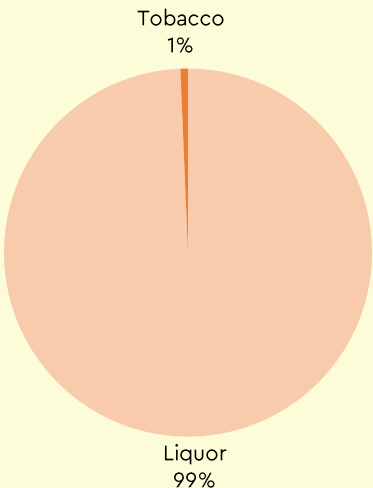
Inland Revenue Department of Sri Lanka



This graph demonstrates revenue collection from IRD by major tax components. Revenue collection from Income Tax increased by 13.2 percent to Rs. 1,096.9 billion in the first eleven months of 2025, compared to the same period of 2024. Revenue from VAT on domestic activities and SSCL on domestic activities increased by 22.5 percent and 19.6 percent, respectively, in the first eleven months of 2025 compared to the same period of 2024.

Excise Department of Sri Lanka

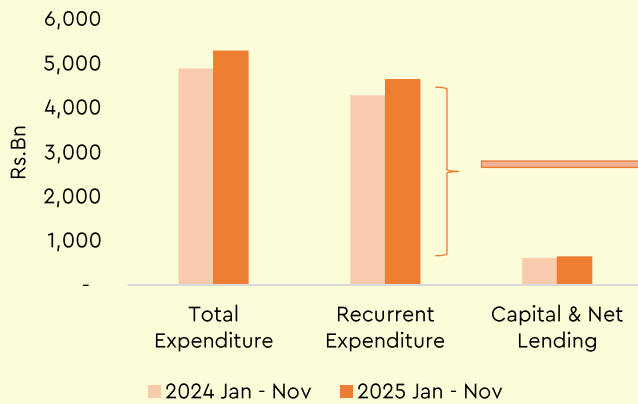
Revenue Collection From Department of Excise By Major Revenue Sources Jan - Nov 2025



The revenue from excise duty on liquor increased by 13.2 percent to Rs. 211.6 billion in the first eleven months of 2025 from Rs. 187.0 billion in the same period of 2024.

Execution of Expenditure

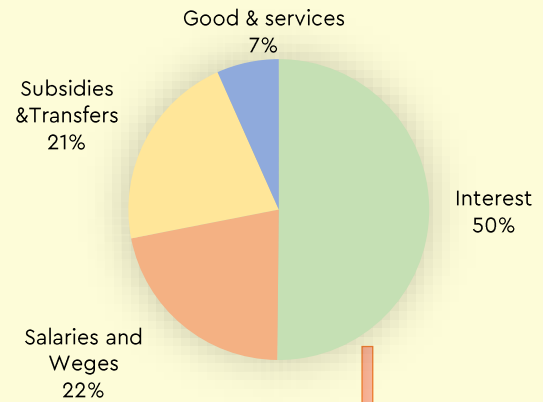
Expenditure Jan - Nov 2024/2025 (Rs.bn)



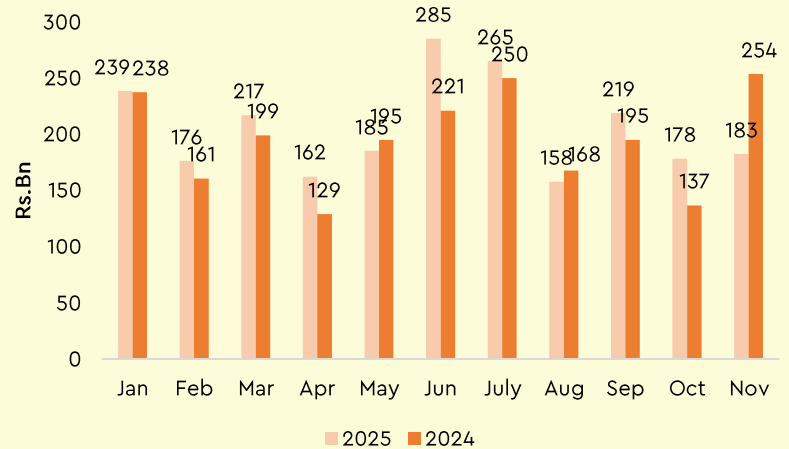
The total expenditure increased by 8.3 percent to Rs. 5,287.4 billion in the first eleven months of 2025 from Rs.4,881.9 billion in the same period of 2024. Following the same trend, recurrent expenditure increased by 8.6 percent to Rs. 4,641.7 billion in the first eleven months of 2025 from Rs. 4,276.0 billion in the same period of 2024. However, capital and net lending increased by 6.6 percent to Rs. 645.6 billion in the first eleven months of 2025 from Rs. 605.9 billion in the same period of 2024.

Total Interest payments increased by 5.7 percent to Rs. 2,267.3 billion in the first eleven months of 2025 compared to Rs. 2,145.1 billion in the same period of 2024.

Recurrent Expenditure Jan - Nov 2025 (%)



Interest Payments Jan - Nov 2024/2025 (Rs.bn)



Budget Outturn Jan – Nov 2025

	Annual Estimate 2025 (Rs. bn)	Jan – Nov 2024 (Rs. bn)	Jan – Nov 2025 (Rs. bn) (provisional)
Total Revenue & Grants	4,990	3,665	4,962
Tax Revenue	4,590	3,371	4,612
Non-Tax Revenue	370	280	334
Grants	30	14	16
Total Expenditure	7,190	4,882	5,287
Recurrent Expenditure	5,886	4,276	4,642
Capital and Net Lending	1,304	606	646
Primary Balance (+)/ (-)	750	928	1,942
Budget Balance (+)/ (-)	-2,200	-1,217	-326