

Higher estimated tax revenues reduce deficit to EUR 6.1 bn.;
the budget target may be exceeded by 0.2 % of GDP (EUR 291 million)

	Gov. targets	CBR forecast	Deviation	Budget risk
General government balance	-4.1 % GDP	-4.3 % GDP	-0.2 % GDP	
Net expenditure growth	11.2 %	7.5 %	-3.7 p.p.	
Public expenditure ceilings	EUR 61.8 bn.	EUR 61.6 bn.	EUR -0.2 bn.	

Council for Budget Responsibility (CBR) estimates the 2026 general government (GG) deficit at 4.3 % of GDP

- CBR has decreased its estimate of the 2026 GG deficit. Compared with the August forecast, the expected deficit has decreased by EUR 133 million mainly due to higher estimated tax revenues and lower investment expenditures in defense.
- **According to the CBR, the 2026 deficit could reach 4.3 % of GDP (EUR 6.1 billion),** if the government does not adopt additional measures. **This represents a negative deviation of 0.2 % of GDP (EUR 291 million) from the approved budget amounts,** indicating a medium level of risk that the public deficit will exceed the government's objective.
- Compared to the government's estimate published in a mid-August report on expected budget outcome, the level of the CBR deficit forecast is lower by 0.1 % of GDP (EUR 176 million).
- **The most significant negative deviation in the CBR forecast compared to the budget comes from higher expenditures of local governments, amounting to 0.4 % of GDP (EUR 498 million).** These expenditures are underestimated in the budget, reflecting this year's local elections. The CBR identifies further risks relative to the budget in lower taxes and social and healthcare contributions, particularly in lower expected revenue from CIT and VAT.
- On the other hand, the most significant positive impact on the GG balance compared to the budget comes from the better financial performance of other GG entities, mainly public transport companies and Slovak Railway Company.

Underlying data are published [in a data file available on the CBR website](#).

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