

Citizen Budget Law 2024

This brochure presents the figures for the Budget law of 2024, as published in the Official Gazette

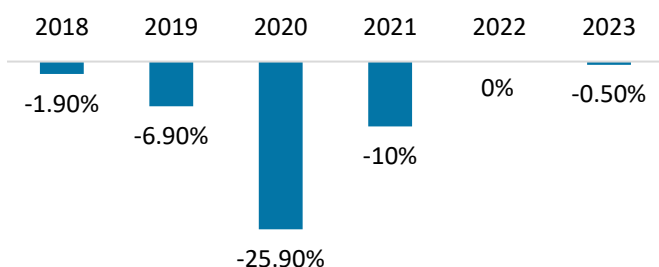
The "Citizen Budget" is a simplified version of budget laws. It promotes transparency and enables citizens and experts alike to familiarize themselves with the content of the general budget law and to read and analyze expenditure and revenue figures, estimates of the deficit, and other policy decisions impact their lives.



Fundamentals underlying the Budget 2024

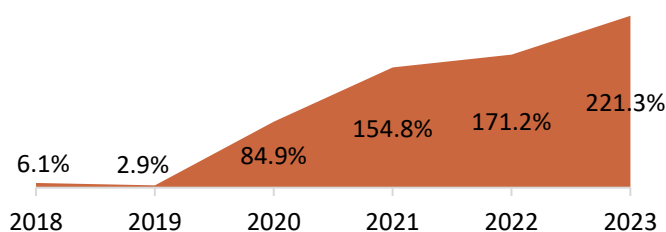
The following macroeconomic indicators are not included in the budget. They offer context and a better understanding of the country's economic and financial situation underlying the budget preparation.

Real Economic Growth - Percentage (%)



Source: International Monetary Fund (2023), Lebanon: 2023 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for Lebanon, URL: <https://bit.ly/3Zpvmn4>

Annual Inflation Rate - Percentage (%)



Source: Central Administration for Statistics, Consumer Price Index 2023. <http://www.cas.gov.lb/index.php/latest-news-en/165-inflation-4>

What you need to know about the Budget 2024

The Budget 2024 was approved within the constitutional deadline and published in the Official Gazette on February 15, 2024.

Total expenditures estimated in the Budget 2024 amount to **LBP 308,435 billion**, compared to LBP 295.113 billion in the 2024 budget proposal.

Total revenues are estimated at **LBP 308,435 billion**, compared to LBP 277,923 billion in the 2024 budget proposal.

The approved budget has a **calculated deficit of 0%**. However, this deficit does not take into account:

- Potential Treasury advances to the Electricité du Liban (EDL).
- The balance of other treasury revenues.
- The balance of other treasury expenditures.

Budget expenditures for 2024

Budget expenditures distributed by the 10 main functions

These functions follow the International Monetary Fund standards.

Social protection



26.8%

82,623,530.8 billion LBP

Health



13.2%

40,623,894 billion LBP

Economic Affairs



10.5%

32,436,179.0 billion LBP

Housing and community amenities



1.0%

2,932,201.3 billion LBP

Environmental protection



0.5%

1,513,450.8 billion LBP

General public services



21.4%

66,061,900.8 billion LBP

Defense



12.7%

39,276,790.6 billion LBP

Public order and safety



7.7%

23,650,693.4 billion LBP

Education



5.6%

17,269,638.0 billion LBP

Recreation, culture and religion

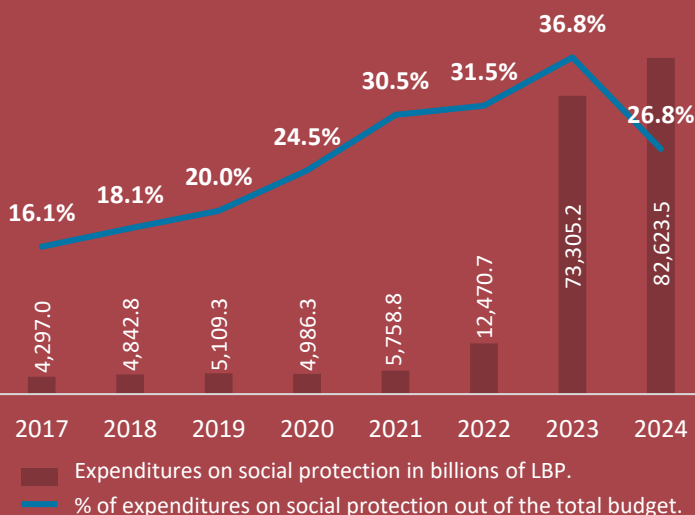


0.7%

2,046,944.5 billion LBP

Social protection expenditures for 2024

With the launch of a new social protection strategy for Lebanon on February 13, 2024, here is a focus on social protection spending in the 2024 budget law, as found in the functional classification.



Some indicators related to social protection:

(in % of total expenditures on social protection).



Retirement and end of service indemnities

29.8%

24,596.0 billion LBP



Sickness

21.7%

17,925.6 billion LBP



Disability

0.3%

244.9 billion LBP



Family allowances

1.0%

800.1 billion LBP



Orphanages & other

0.2%

0.132 billion LBP

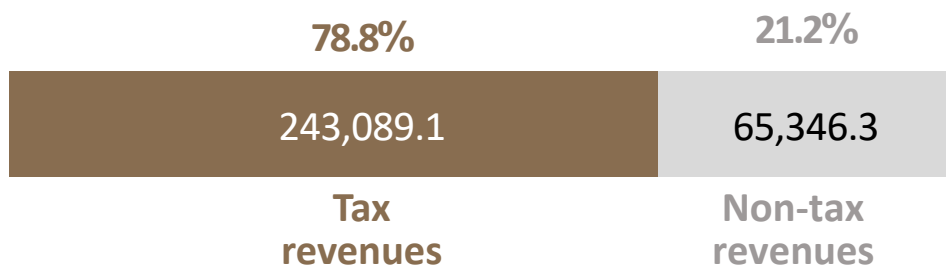
Reference: 2024 Budget law

Note: General public services include expenditures related to Executive and legislative institutions (such as Presidency of the Republic, Presidency of the Council of Ministers, Parliament, the Constitutional Council, the Court of Audit, etc.), Financial and fiscal affairs (Management of public funds, Customs etc.), External affairs, Public debt transactions, Transfers of a general character between different levels of government, Basic research, etc.

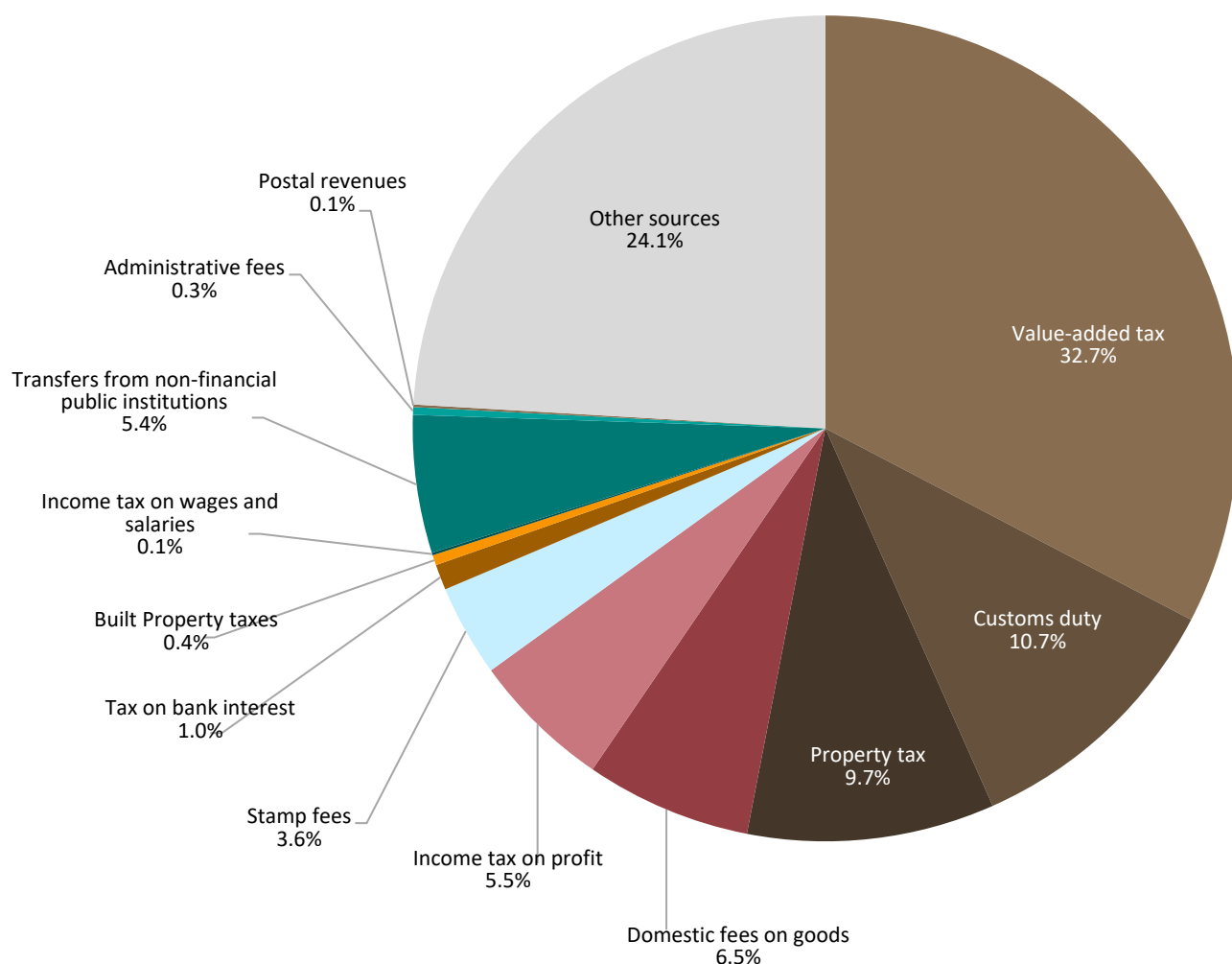
The remaining expenditures on social protection are distributed among other benefits for the elderly, survivors, women's rights protection, displaced persons, human rights protection and promotion, and others.

Budget revenues for 2024

Distribution of estimated revenues (billion LBP)



Main sources of revenue [%]



Reference: General Budget for the year 2024

Key measures of the Budget 2024

Adjustment of taxable thresholds

- Article 14 - Value Added Tax (5 billion LBP instead of 100 million LBP).
- Article 36 - The minimum fees for property rental value tax

Taxes due in foreign currency

- Article 15 - Departure fees for travelers by sea and air
- Article 15 - Airport fees
- Article 15 - Taxes and fees payable on petroleum rights-holding companies and petroleum rights-operating companies.
- Article 18 - For salaries and wages paid in foreign currency

Increase of fees and new fees

- Article 42 - Traffic fees and fines
- Articles 43, 57 & 58 - Fees on alcohol
- Article 64 - Hunting license
- Article 65 - Fees for running for elections
- Article 67 - Exit fee for travelers by air or sea and entry fee for non-Lebanese individuals
- Article 68 - Lumpsum fee on electricity sold by private generators (100,000 LBP per KVA annually instead of 15,000 LBP)
- Article 80 - Fee on imported cigarettes and tobacco

Tax Deduction

- Article 48-49 – Deduction of 450 million LBP per individual, in addition to 225 million LBP for married couples and 45 million LBP per dependent child, subject to conditions.

Adjustment of tax brackets

- Article 46 - Tax on profits of commercial, industrial, and non-commercial professions
- Article 47 - Tax on wages and salaries, and pensions.
- Article 50 - Inheritance tax
- Article 51 - Built property taxes

Fines

- Article 45 - Fines for violating maritime properties (ranging from 10,000 to 35,000 US dollars)
- Article 72 - Tax fines in the currency of the due tax for taxpayers required to pay their taxes in foreign currency

Extension of deadlines

- Article 41 - A **6 months period**, with an exemption from fines, has been granted to declare and settle taxes on capital revenues realized abroad.
- Article 63 - Extension until **31/12/2024** of the application of the 3% lumpsum fee on imports subject to VAT (voted in 2019) excluding gasoline, industrial equipment, raw materials used for industry and agriculture, and imports belonging to the military and security.