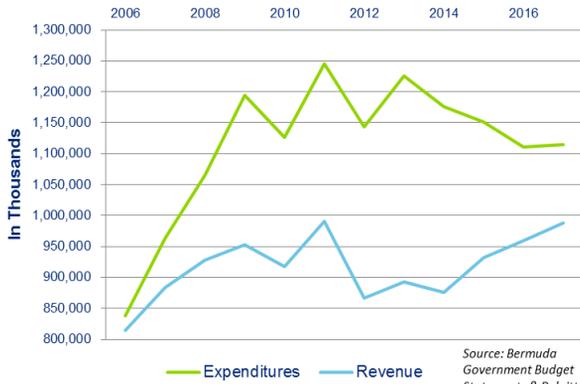
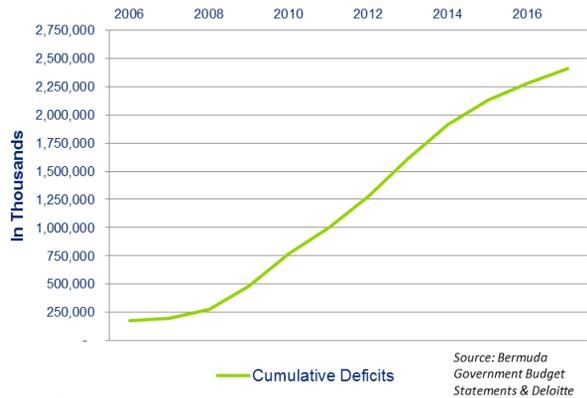


In delivering the 2015 Budget Statement, Minister Richards announced Government's goal to table a balanced budget within three years. In the current year, increases to current tax rates and decreases to government expenditures are forecast, resulting in a budgeted Current Account surplus (excluding Debt Service and Sinking Fund Contributions) for the first time in seven years.

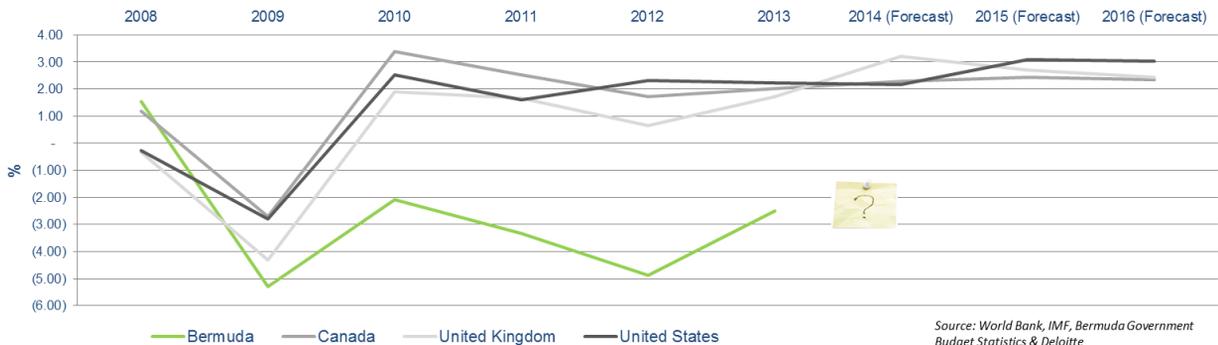
Revenues & Expenditures



Cumulative Deficits



GDP Growth



Government Budget

- 2015/16 deficit to be \$220 million
- 2015/16 interest on debt of \$170 million
- 2015/16 borrowing requirement of \$125 million



Future tax changes

Government to study the feasibility of broadening Bermuda's tax base through tax on consumption, including services



Positive Signs

- Work permits increase by 4.5%
- Building permits increase by 25%
- Planning applications up 23%



Investment

Government anticipates \$930 million in private hospitality-related development capital over next 3 years



Americas Cup

\$11.7 million Americas Cup expenses in 2015



Tax

- Payroll tax to increase by 0.5% to 14.5%, with employee maximum share to increase by 0.25% to 5.5%
- Payroll tax cap remains unchanged
- Corporate services tax to increase by 1% to 7%
- Fuel tax to increase by \$0.05/litre
- Land tax to increase on commercial buildings