

The Lower House approves the 2023 Spending Budget with few changes

- Last Friday, the Lower House approved the *2023 Spending Budget*. With this, the approval process of [next year's Budget](#) has finalized
- The discussion and approval –in general terms– was done on November 8th. The discussion on specific issues began afterwards. The full process was done in accordance with the Fiscal Responsibility Law, which establishes November 15th as the deadline for the approval of the *Spending Budget*
- We recall that [the Senate](#) finalized on October 26th the approval process of the Revenue Law, tax code, and Federal Rights, without major changes to the proposal made by the Ministry of Finance. Thus, the amount of the Revenue Law stood at \$8,299.6 billion
- Regarding the Spending Budget, 2,264 reserves were presented, from which only four were approved. Moreover, they did not impact the total amount
- The four approved reserves were:
 - (1) Regarding the allocation of resources already accrued but not spent, as well as refunds for infrastructure construction, it was established the possibility of agreements or co-participation between states, municipalities, and/or Mexico City's territorial demarcations
 - (2) Establish that the *National Institute of Indigenous People* has the option of issuing opinions regarding disbursements of resources from the Development of Indigenous Peoples and Communities programs
 - (3) The operating rules of 'The School is Ours' program were extended to clearly define the budget allocation for: infrastructure and equipment, extended hours, and food service
 - (4) Create a fund to strengthen state and municipal police forces to comply with the decree that allows the participation of the Armed Forces in public security issues to 2028
- On assigned resources, we highlight lower amounts –relative to last year– to the National Electoral Institute (\$4,475 million less) and the Federal Judiciary Council (\$2,286 million less), among others
- Meanwhile, total resources for social projects will be close to \$600.3 billion, with a significant amount for priority programs such as Pensions for the Elderly, Scholarships, Sowing Life (reforestation) and The School is Ours
- After this, the proposal is sent to the Executive branch for final approval and publication in the *Official Gazette* (Diario Oficial de la Federación)

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Main fiscal variables – 2023
% of GDP

Variable	% of GDP
Public balance	-3.6
Budget revenues	22.7
Total revenues ¹	26.3
Total expenditures	26.3
Public debt	49.4

Note: 1. Takes into account revenue from additional debt.

Source: Lower House, MoF

Deadlines for the 2023 Budget

Date	Concept	
Sep-8	2021 Budget Proposal	✓
Oct-20	Lower House approval of the Revenue Law	✓
Oct-31	Senate approves the Revenue Law	✓
Nov-15	Lower House approval of the <i>Spending Budget</i>	✓

Source: MoF

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