



CAROLUS XIII
ROYO Y IMPERAD
A.S. 324

No.23 of 2024

An Act relating to the Federal Sarovian Budget for the Stefanic
Years of 324 AS to 327 AS.

Given Sanction on the 18th of December, 2024



SARHOLM



aya seo donir plisir eun Seito Majis Imperial y Stefanica, pur Seito Majis y pul y pur tel consei y sazion eui tel Parlamente eui tel Rozirre, comaria tel segeoare:

1. **Short Title** This Act may be known as the *New Year, New Sarovian Budget Act of 324 AS*.
2. **Introduction** The Sarovian economy is, in many ways, improving from the *Building Our Future Budget*, but is not meeting the expectations of our Government. In November, the Lorvalle Administration opened up new innovative and exciting ways to make money, which has stalled inflation and in some areas has decreased it. The next steps are to introduce a comprehensive three year plan to bring new economic success to New Sarovia, which will be reported and updated with yearly Economic Statements which shall serve as mini-budgets in the interim.
3. **Income** In order to accommodate raising inflation, Parliament will adjust the following taxes in accordance with the Taxes Act of 277 AS:
 - a) Universal 15% income tax for all residents, citizens and immigrants below net worth of 35,000Sr;
 - i) Additional 10% income tax for all residents, citizens and immigrants above a net worth of 40,000Sr after the first income tax bracket; and
 - ii) An additional 20% income tax for all residents, citizens and immigrants above a net worth of 100,000Sr after both income taxes above.
 - b) Increasing the contribution tax for individuals who in the opinion of the *Rozirre-da-Conseili*, possess more than 50,000Sr and do not directly nor actively contribute to the Sarovian economy, to a 15,000Sr set tax;
 - c) Increasing the social tax for individuals who in the opinion of the *Rozirre-da-Conseili*, do not present nor embody Sarovian values, to a 25,000Sr set tax;
 - d) Maintaining the property tax to a set 1,000Sr per property owned; and
 - e) Maintaining the corporate tax to a set 5,000Sr per corporation.

In accordance with the Leda Declaration, which on January 1 2025 begins in full force, New Sarovia will be expecting roughly 827,000Sr in territorial income, with a significant 37% coming from colonies in Ostos and Orios, such as the Northern Occupation Zone and Metternau. New Sarovia expects a total revenue of **2,967,550Sr** by the end of February 327 AS.

4. **Expenses** New Sarovia predicts **2,472,500Sr** in overall expenses, including expenses from the Treasury Table. Sarovia is expecting a decrease in Army and Navy personnel, including commissioned officers and other ranks, which allows a smaller expense than the November Lorvalle Budget. Tax exemptions are cut from previous budgets in favour of 750,000Sr to be allocated to provincial governments, to be released with the consent of the President of the Treasury Board and under the Great Seal to be announced in *Rozirre-da-Conseili* for development. Similarly, 30,000Sr in funding for academic bonuses, 40,000Sr for Sarovian colonies and dominions and 36,000Sr for pensions will be released on the signature of the President of the Treasury Board and under the Great Seal, to be announced in

Rozirre-da-Conseili. Pay for the Imperial Army and the Imperial Navy is likely to surpass 521,500Sr in February, with new classifications and roles for serving members to be used due to the amendments to the National Defence Act. Pay remains unchanged except for minor decreases in Civil Service pay.

5. Overall Values New Sarovia predicts **2,472,500Sr** in overall expenses, including expenses from the Treasury Table, leaving New Sarovia with a surplus of **495,050Sr**. This surplus will be used to create the Sarovian Sovereign Wealth Fund (SSWF), which will grow every week at 0.3% interest in accordance with the criteria laid out by the President of the Treasury Board and the Sarovian Imperial Bank of Commerce. The SSWF is expected to increase the government's income by ~200,000Sr by the end of the budgetary period.

6. Treasury Table The Treasury Board has allocated just over 500,000Sr in events and military exercises from now until the end of February. These events include three day long military exercises, planned and created by the Ministry of Defence with the Imperial Defence Staff, to cooperate with all forces of the Imperial Sarovian Armed Forces to work together, meet readiness requirements and reform activity requirements. Events that did not occur, such as balls and football games, have been cut.