



Agencia Tributaria

**TAX REVENUE.
MONTHLY REPORT**

JUNE 2011

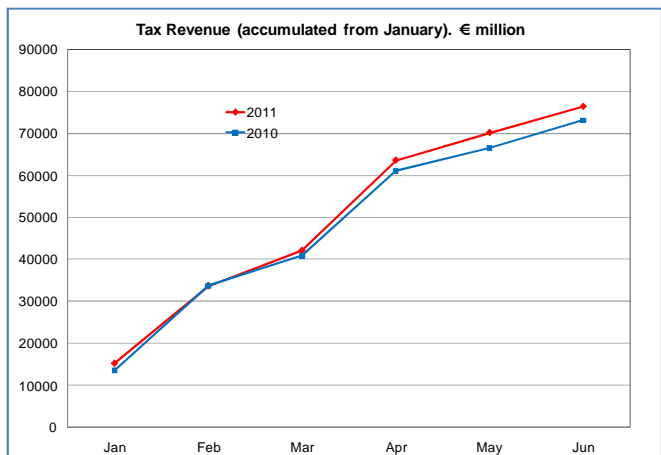
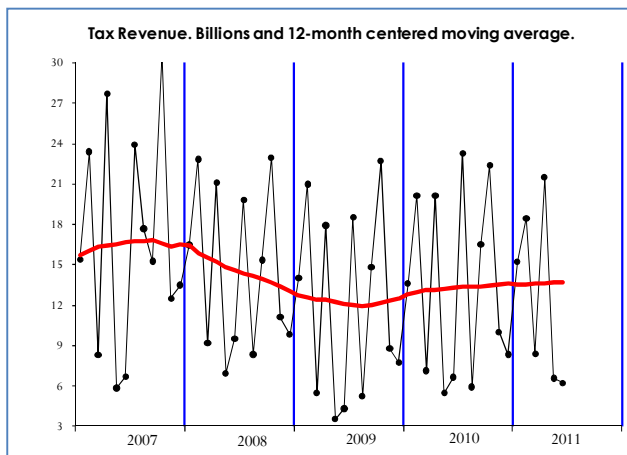


TAX REVENUE PERFORMANCE

Tax revenue performance during the first half of the year is determined by three factors: 1) an attenuation of the decrease in tax bases; 2) the impact of fiscal consolidations measures (€ million 4,000 up to June); and 3) a significant drop in tax refund claims (€ million 1,800 in VAT, PIT and CIT). In particular, total tax receipts up to June have increased by 4.4% over the comparable prior year month. Although May's figure was higher (5.5%), two factors must be taken into account. First, it was affected by a transitory difference in the interest payment dates on debt securities between 2010 and 2011. In June this effect has vanished. Second, as a consequence of a higher exports growth rate, VAT refunds have risen this month. However, the 4.4% increase up to June is one p.p. above the minimum growth rate necessary to meet the 2011 official tax budget.

Table 1. Tax Revenue (€ million)

JANUARY TO JUNE	2011	2010	% 11/10
DIRECT TAXES			
Personal Income Tax	32.297	30.323	6,5
Corporate Income Tax	4.005	4.752	-15,7
Non-Residents Income Tax	1.126	1.282	-12,2
Other	69	41	68,6
DIRECT TAXES TOTAL	37.498	36.398	3,0
INDIRECT TAXES			
Value Added Tax	26.764	24.473	9,4
Excise taxes	9.402	9.795	-4,0
+ Alcohol	381	395	-3,5
+ Beer	117	121	-3,2
+ Intermediate Products	9	9	-4,7
+ Fuels	4.628	4.878	-5,1
+ Tobacco	3.563	3.696	-3,6
+ Electricity	704	696	1,2
+ Other	1	0	---
Other	1.473	1.427	3,2
INDIRECT TAXES TOTAL	37.649	35.706	5,4
FEES AND OTHER REVENUES	1.201	1.027	17,0
TOTAL AMOUNT	76.348	73.131	4,4





Regarding tax categories, Personal Income Tax revenue recorded a 6.5% increase (4.3% up to May). This positive performance of PIT revenue is mainly attributable to lower tax refunds (both the 2010 PIT refunds and the elimination of anticipated refunds of tax deduction for birth in 2011), and the increase experienced by private-sector wage and salary withholdings. On the contrary, public-sector wage and salary withholdings keep stabilized (-0.4%). On the other hand, investment income withholdings (excluding public debt securities) show a noticeable improvement: 7.2. p.p. Although they fall by 2.3% up to June, this entirely obeys to the fact that the January 2011 figure is compared to the anomalous figure observed in January 2010, when investors were anticipating the withholding tax rate increase implemented in that year. If the impact of fiscal consolidation measures (partial elimination of the € 400 personal deduction, cut in public sector wages, birth grant elimination) is removed, PIT receipts rise by 1.4%, in accordance with the evolution of household gross income increase (1.0%).

Regarding Corporate Income Tax receipts, they have fallen by 15.7% up to June (11.4% up to May). However, this deterioration is partially credited to differences in the tax refund pace between 2010 and 2011, since the equivalent figure in homogenous terms amounts to -12.8% (-13.4% up to May). Broadly speaking, CIT receipts performance in 2011 is conditioned by a significant fall of tax installments (-16.9%; -29.0% in consolidated groups), a wider freedom of amortization, the compensation of negative bases recorded in previous years, and higher provisions in financial companies. With respect to Non-Residents Income Tax revenue, once the transitory rise in debt security withholdings has vanished this month, it drops by 12.2%.

Regarding indirect taxes, the upward trend shown by VAT revenue slows down this month: it reaches a 9.4% increase up to June (13.0% up to May). Two main factors explain this deceleration: 1) large companies' sales have grown at a lower rate than purchases, and 2) exports have risen significantly, thus fuelling VAT refunds. In homogeneous terms, VAT receipts increase by 12%. Excise taxes have recorded a 4.0% drop (3.9% up to May). Tobacco Tax receipts have decreased by 3.6% (consumption fell by 22% up to May, while on average prices rose by about 20%). Fuel taxes have fallen by 5.1%, while Alcohol and Beer taxes have dropped by 3% and 3.2%, respectively. Finally, Electricity Tax receipts have increased by 1.2% up to June.

Technical notes

Tax revenue data refer to taxes collected by the AEAT (Spanish National Tax Agency). They amount to about 90% of non-financial Government revenue (including *Comunidades Autónomas* –Autonomous Communities- and Municipalities' share).

Tax revenue is measured in cash flow and in net terms (gross revenue less refunds).

Comunidades Autónomas (Autonomous Communities) and Municipalities' share in Tax revenue may vary as a consequence of changes in the territorial financing system. This share is made effective through: 1) twelve equal monthly prepayments, 2) a final settlement of year t-2 made effective in October year t, and 3) prepayments corresponding to the final settlement of year t+2 made effective in November and December year t.



Monthly Tax Calendar. June

Personal Income Tax: monthly PIT withholdings.

VAT: Monthly self-assessments (large companies).

Manufacturing Excise Taxes:

Alcohol, Beer and Intermediate Products: March payments (large companies).

Fuels and Tobacco: May payments.

Electricity: May payments (large companies).

TRMR Publication Calendar for 2011

Reference Month	Release Date	
	Month	Day
Dec-2010 & Jan-2011	February	28
February	March	29
March	April	26
April	May	31
May	June	29
June	July	28
July	August	31
August	September	27
September	October	25
October	November	29
November	December	20

More information in Spanish available at the web addresses below:

Reports: Informes Mensuales de Recaudación (Tax Revenue Monthly Reports); Informe de Ventas, Empleo y Salarios en las Grandes Empresas (Large Companies' Sales, Employment, and Wages Monthly Reports); and Informes Anuales de Recaudación Tributaria (Tax Revenue Annual Reports).

[Reports](#)

Statistics:

- Estadística de los declarantes del IRPF (PIT Statistics)
- Estadística de los declarantes del Impuesto sobre el Patrimonio (Property Tax Statistics)
- Resultados económicos y tributarios en el Impuesto sobre el Valor Añadido (VAT Outlook)



- o Cuentas anuales en el Impuesto sobre Sociedades (Corporate Income Tax Annual Accounts)
- o Mercado de Trabajo y Pensiones en las Fuentes Tributarias (Tax-data on Labor and Pensions)
- o Estadística del Impuesto sobre Matriculación de Vehículos Automóviles (Motor Vehicle Tax Statistics)
- o Estadística de Comercio Exterior (Foreign Trade Statistics)

[Statistics](#)