



Agencia Tributaria

**TAX REVENUE.  
MONTHLY REPORT**

JULY 2011



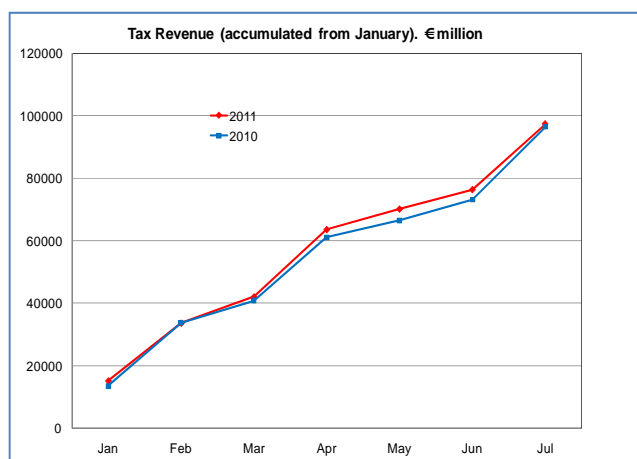
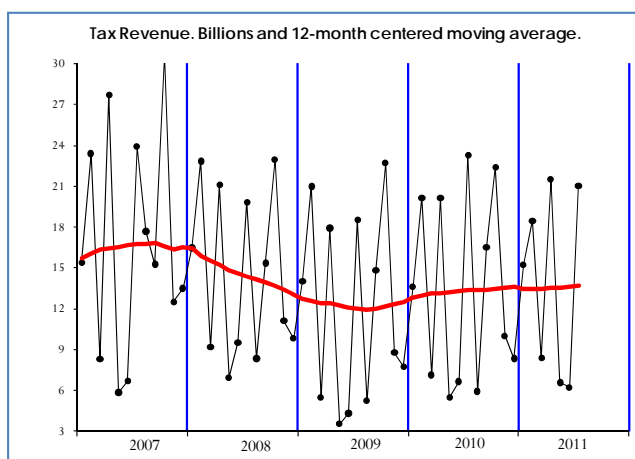


## TAX REVENUE PERFORMANCE

Total tax revenue has increased up to July by 1.0% over the comparable prior year period (4.4% up to June). However, caution must be exercised in interpreting this month negative performance, since it is affected by two transitory factors. First, a timing difference in debt securities withholdings between 2010 and 2011: while in July 2010 they amounted to € 1,372 million, in July 2011 they reached only 2 million. Second, although tax refund claims up to July 2011 are down € 1.8 billion on the 2010 equivalent result, they are becoming effective at a faster pace than in the previous year. If these transitory factors were removed by computing tax receipts in homogenous terms, tax revenue would grow by 2.8%. This figure is still lower than that of June: 4.1%. Yet, this comparison must again be interpreted cautiously, since it is downwards biased by two other elements. On the one hand, two transitory factors, whose impact on tax receipts will unwind as the year progresses: some expansionary fiscal policies implemented in 2009 were still present in the first half of 2010, and consumption plans were partially anticipated from the second to the first half of 2010, due to the VAT-rate increase that became effective on 1 July of that year. On the other hand, some tax categories traditionally having in July a larger share in total receipts (as PIT installments) have shown a less dynamic performance than the rest of categories.

Table 1. Tax Revenue (€ million)

JANUARY TO JUNE	2011	2010	% 11/10
<b>DIRECT TAXES</b>			
Personal Income Tax	44.021	41.841	5,2
Corporate Income Tax	4.764	6.250	-23,8
Non-Residents Income Tax	1.252	2.085	-40,0
Other	77	50	55,0
<b>DIRECT TAXES TOTAL</b>	<b>50.114</b>	<b>50.225</b>	<b>-0,2</b>
<b>INDIRECT TAXES</b>			
Value Added Tax	33.100	31.877	3,8
Excise taxes	11.109	11.471	-3,2
+ Alcohol	409	427	-4,2
+ Beer	141	142	-0,3
+ Intermediate Products	10	10	-4,3
+ Fuels	5.383	5.743	-6,3
+ Tobacco	4.349	4.333	0,4
+ Electricity	816	816	0,0
+ Other	1	0	---
Other	1.722	1.683	2,3
<b>INDIRECT TAXES TOTAL</b>	<b>45.931</b>	<b>45.031</b>	<b>2,0</b>
<b>FEES AND OTHER REVENUES</b>	<b>1.332</b>	<b>1.169</b>	<b>13,9</b>
<b>TOTAL AMOUNT</b>	<b>97.377</b>	<b>96.425</b>	<b>1,0</b>





Regarding tax categories, Personal Income Tax revenue has grown by 5.2% (6.5% up to June). This fall is mainly attributable to small and medium-sized companies and public-sector wage and salary withholdings and second quarter 2011-PIT installments. On the contrary, the first 2010-PIT final payment for positive liabilities and investment income withholdings show a noticeable positive performance. In particular, total wage and salary withholdings increase by 1.1%, while investment income withholdings (excluding public debt securities) keep their upward trend (-0.7% up to July vs -2.3% up to June). As stated in the June Report, this negative figure entirely obeys to the fact that the January 2011 result is compared to the anomalous figure observed in January 2010, when investors were anticipating the withholding tax rate increase implemented in that year. Finally, it must be remarked that the first 2010-PIT installment has been made effective in July. It has recorded a 6.4% increase, which is the first increase in four years.

With respect to Corporate Income Tax receipts, they have fallen by 23.8% up to July (15.7% up to June). However, this deterioration is due to differences in the interest payment dates on debt securities and in the tax refund pace between 2010 and 2011, since the equivalent figure in homogenous terms amounts to -10.7% (-12.8% up to June). Broadly speaking, CIT revenue performance in 2011 is conditioned by a significant fall of tax installments (-16.9%; -28.0% in consolidated groups), a wider freedom of amortization, the compensation of negative bases recorded in previous years, and higher provisions in financial companies. With regard to Non-Residents Income Tax revenue, it drops by 10.5% (excluding debt securities net withholdings).

Regarding indirect taxes, the upward trend shown by VAT receipts slows down this month: they rise by 3.8% up to July (9.4% up to June). The reasons behind this deceleration are twofold. On the one hand, the 2010 figure is biased upwards, since consumers partially anticipated their consumption plans from the second to the first half of that year, due to the VAT-rate increase announced for the 1 July. On the other hand, VAT refund claims are becoming effective at a faster pace in 2011 than in 2010. In homogeneous terms, VAT receipts increase by 7.2%. Excise taxes have recorded a 3.2 drop (-4.0% up to June). This fall is almost entirely credited to Fuel taxes, whose revenue shows a 6.3% decrease. Alcohol and Intermediate Product taxes have also fallen (4.2% and 4.3%, respectively), while Beer, Tobacco and Electricity taxes keep stable.

### **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. July**

Personal Income Tax: monthly PIT withholdings. Second quarter PIT withholdings and 2011 installments (small and medium-sized companies). 2010 first installment.

VAT: Monthly self-assessments (large companies). Second quarter self-assessments (small and medium-sized companies).

Manufacturing Excise Taxes:

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

Fuels and Tobacco: June payments.

Electricity: June payments (large companies). Second quarter payments (small and medium-sized 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)
- Cuentas anuales en el Impuesto sobre Sociedades (Corporate Income Tax Annual Accounts)
- Mercado de Trabajo y Pensiones en las Fuentes Tributarias (Tax-data on Labor and Pensions)
- Estadística del Impuesto sobre Matriculación de Vehículos Automóviles (Motor Vehicle Tax Statistics)
- Estadística de Comercio Exterior (Foreign Trade Statistics)

[Statistics](#)