



Agencia Tributaria

**TAX REVENUE.
MONTHLY REPORT**

SEPTEMBER 2011

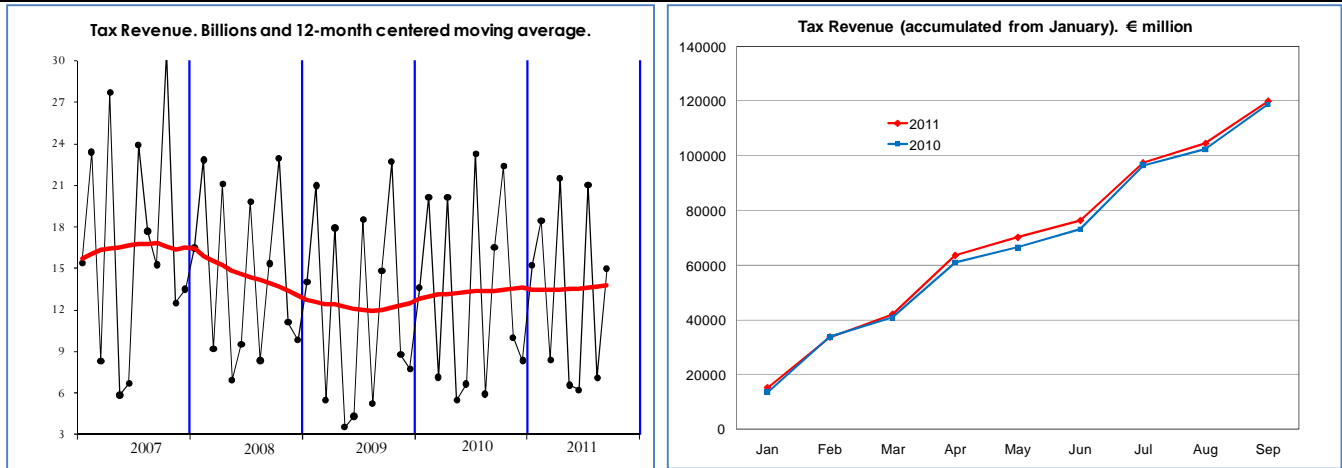


TAX REVENUE PERFORMANCE

Total tax revenue has grown up to and including September at a more moderate pace compared up to August: 0.6% vs. 2.1% on the equivalent 2010 result. This result is attributable to three reasons: 1) refunds of withholdings on public debt securities have been € 1,397million higher than a year ago; 2) some wage withholdings have been deferred; and 3) VAT receipts have fallen in September by 4.6%, which shows that final expenditure has kept falling in July and August. On the other hand, it must be recalled that fiscal consolidations measures (PIT, VAT, and some Excise taxes) have partially counterbalanced this negative factors; their impact amounts to € 6.641 million up to September. However, despite this recent evolution, an upward trend is expected for the next months due to: 1) the negative effect of the cut in public-sector wages on withholdings will be vanished; 2) a decrease in VAT refund claims; 3) the second 2010-PIT final payment (November) will increase by about 6%; 4) an increase of CIT installments, since installment rates for those companies with a turnover higher than € 20 million have been risen. 5) since due to the VAT rates increase in July 2010, consumers anticipated consumption plans to the first half of that year, in coming months normal consumption figures will be compared to unusually low levels.

Table 1. Tax Revenue (€ million)

JANUARY TO SEPTEMBER	2011	2010	% 11/10
DIRECT TAXES			
Personal Income Tax	51,480	49,437	4.1
Corporate Income Tax	9,941	11,340	-12.3
Non-Residents Income Tax	1,589	2,008	-20.8
Other	96	62	55.0
DIRECT TAXES TOTAL	63,106	62,847	0.4
INDIRECT TAXES			
Value Added Tax	38,126	37,404	1.9
Excise taxes	14,478	14,923	-3.0
+ Alcohol	567	615	-7.8
+ Beer	200	198	1.0
+ Intermediate Products	13	14	-5.4
+ Fuels	6,997	7,445	-6.0
+ Tobacco	5,679	5,603	1.4
+ Electricity	1,020	1,048	-2.7
+ Other	1	0	---
Other	2,242	2,223	0.9
INDIRECT TAXES TOTAL	54,846	54,550	0.5
FEES AND OTHER REVENUES	1,546	1,430	8.2
TOTAL AMOUNT	119,498	118,827	0.6



Regarding tax categories, Personal Income Tax revenue has grown by 4.1% (4.3% up to August). It must be remarked that the strong increase observed in tax liabilities and investment income withholdings has been partially offset by a rise in wage withholding deferrals. In fact, if legal changes and tax deferrals were removed, PIT receipts would grow by 2.2%, clearly outpacing gross income household growth in the first semester. It also must be stressed that withholdings on investment income (excluding public debt securities) show a very positive performance; they have grown by 21.2% in September. With respect to Corporate Income Tax receipts, they have declined by 12.3% up to September (-14.5% up to August) in homogenous terms, currently a more meaningful concept. This improvement is credited to the good performance of investment income withholdings. However, it must be reminded that the deterioration of CIT revenue over the comparable prior year period is due to the negative performance of 2010-CIT final payments (-11.3%) and installments (-17.1%). In both cases, consolidated groups have performed noticeably worse than the rest of companies. Since tax installment rules have been recently reformed, an increase of consolidated group payments is expected. Non-Residents Income Tax revenue shows a remarkable downward trend (-21.1% up to September, excluding public debt securities), but this is due to an increase in tax refunds motivated by the application of the EU legislation demanding equal treatment in dividend exemption between residents and non-residents.

With respect to indirect taxes, VAT receipts have increased by 1.9% (3.2% up to August). This moderate rate reflects that the positive momentum associated with the VAT rate rise implemented in mid-2010 is unwinding. Import VAT is currently growing at a 3.4% rate, which is remarkably lower than that observed up to July (26.1%). Leaving aside the progressive elimination of the rates increase effect, this result shows an attenuation of non-energy imports. Excise taxes decreased by -3.0% up to September (-3.9% up to August). While this improvement is almost entirely attributable to a strong rise in Tobacco tax receipts (23.8% in September), the overall decline is the result of a strong drop in Fuel taxes (6.0% up to September). As regards to Electricity tax receipts, they have fallen by 2.7% up to September, which mainly obeys to tax refunds pertaining to prior taxation years. Taxes on alcohol have also fallen noticeably (7.8 up to September)

Technical notes



Tax revenue data refer to taxes collected by the AEAT (Spanish National Tax Agency). They amount to above 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 corresponding to year t-2 made effective between July and October year t.

Monthly Tax Calendar. September

Personal Income Tax: monthly PIT withholdings (large companies and public sector)

VAT: July and August self-assessments (large companies).

Manufacturing Excise Taxes:

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

Fuels and Tobacco: August payments.

Electricity: August 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	27
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](#)