



Agencia Tributaria

**TAX REVENUE.
MONTHLY REPORT**

OCTOBER 2011

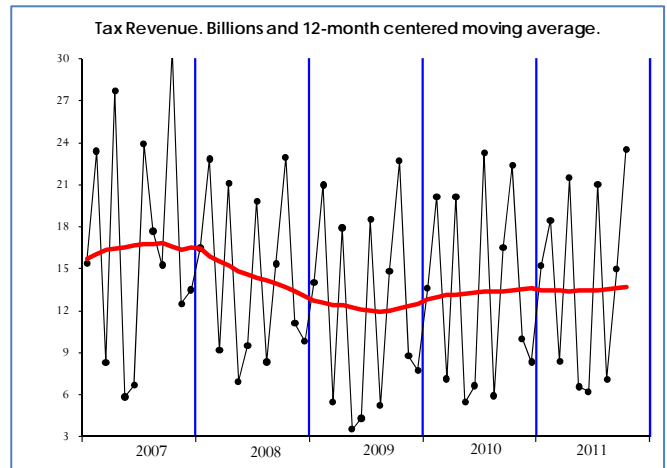
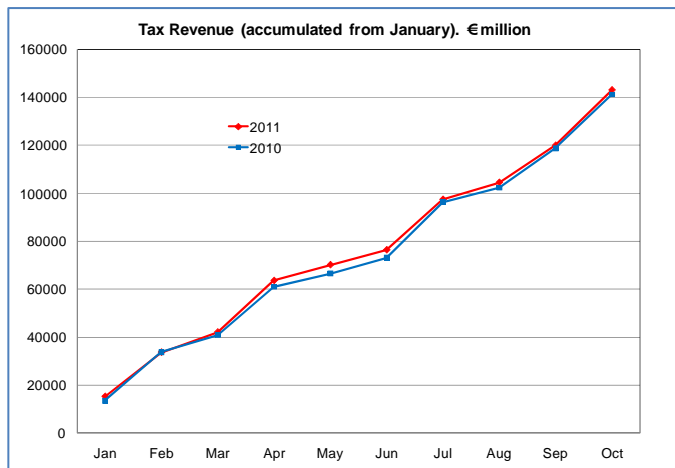


TAX REVENUE PERFORMANCE

Total tax receipts have grown up to and including October by 1.3% (0.6% up to September). More precisely, the noticeable increase experienced by tax revenue in October (5.1%) is due to the joint effect of three factors: 1) in line with the amelioration observed in sales and total spending, VAT gross receipts have rebounded (+0.%) from a -5.4% plunge in the prior three months; 2) tax refunds are down on the equivalent 2010 result; and 3) the reform of CIT installment rules by increasing installment rates and limiting compensations has resulted in higher payments, despite the deterioration of tax bases (mainly in largest groups). In addition, the positive performance of withholdings on investment income (excluding public debt securities), Electricity Tax and VAT and withholdings corresponding to deferments pertaining to previous taxation years must be highlighted. In homogenous terms, tax revenue up to and including October grows by 0.8%, thus remaining on track with last month figure.

Table 1. Tax Revenue

JANUARY TO OCTOBER	2011	2010	% 11/10
	Total	Total	Total
DIRECT TAXES			
Personal Income Tax	59,536	57,290	3.9
Corporate Income Tax	15,658	16,536	-5.3
Non-Residents Income Tax	2,054	2,355	-12.8
Other	104	70	48.2
DIRECT TAXES TOTAL	77,353	76,252	1.4
INDIRECT TAXES			
Value Added Tax	45,485	44,340	2.6
Excise taxes	16,007	16,538	-3.2
+ Alcohol	611	661	-7.5
+ Beer	226	227	-0.7
+ Intermediate Products	14	15	-5.5
+ Fuels	7,796	8,293	-6.0
+ Tobacco	6,216	6,192	0.4
+ Electricity	1,144	1,151	-0.6
+ Other	1	0	---
Insurance primes tax	1,194	1,203	-0.8
Custom duties	1,299	1,270	2.3
Other	12	42	-72.3
INDIRECT TAXES TOTAL	63,998	63,394	1.0
FEES AND OTHER REVENUE	1,664	1,554	7.1
TOTAL AMOUNT	143,014	141,199	1.3



Regarding tax categories, Personal Income Tax receipts grow by 3.9% up to October (4.1% up to September), thanks to a decrease in negative tax liabilities and a rise in investment income withholdings, while wage and salary withholdings keep on track (0.9%). In fact, investment income withholdings (excluding public debt securities) remain as the most dynamic component of PIT (3.1%), due to an increase in dividend distribution and in bank account interest income. Tax refunds keep falling (12.4% up to October), as a consequence of lower tax refund claims and the elimination of the tax deduction for birth in 2011. Were legal changes and tax deferrals removed, PIT receipts would grow by 2.1%, outpacing gross income household growth up to September. Regarding Corporate Income Tax, receipts decrease by 5.3% up to October, (-12.3% up to September). This amelioration can be credited to the reform implemented in installment rules (rates have been increased and compensations have been limited) and the fall experienced by tax refunds. Installment receipts have clearly improved: -5.3% in the second installment of the year versus -17% in the first one. However, it must be noted that consolidated groups (and especially the largest ones) have performed noticeably worse than the rest of companies. Non-Residents Income Tax revenue (excluding public debt securities) improves slightly (-19.1% up to October vs. -21.1% up to September).

Regarding VAT revenue, it increases by 2.6% up to October (1.9% up to September), thanks to higher gross receipts and lower tax refunds. In homogenous terms it keeps stable (4.7%). Gross VAT performance in small and medium-sized companies shows a clear improvement in the third quarter of the year with respect to the previous one: -1.5% vs. -9.3%, while receipts in large companies grow by 2.4% in October (the prior 3-month average reached -7.3%). Import VAT has experienced a remarkable fall in October, leaving the accumulated rate in 17.5%, which reflects the attenuation of non-energy imports. Excise taxes show a similar performance than in the previous month (-3.2% up to October vs. -3.0% up to September), since the better results achieved in October by the Electricity Tax have been offset by a deterioration of the Tobacco Tax.

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. October

Personal Income Tax: monthly PIT withholdings (large companies and public sector); third quarter withholdings (small and medium-sized companies); third quarter installments (small and medium-sized companies).

Corporate Income Tax: April-September installments

VAT: September self-assessments (large companies); third quarter self-assessments (small and medium-sized companies).

Manufacturing Excise Taxes:

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

Fuels and Tobacco: September payments.

Electricity: September payments (large companies); third 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	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](#)