



Agencia Tributaria

**TAX REVENUE  
ANNUAL REPORT**

2025





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## **Overview**

**In 2025 tax revenues amounted to €325.36 billion, 10.4% above the collection recorded in 2024.**

**The revenue growth in 2025 is explained by the increase of the tax bases and the positive impact of regulatory and management measures.** The aggregate tax base of the main taxes enlarged by 7% in 2025, below the previous year (8.2%) due to the slowdown in income-related bases, intensified by the build-up in 2024 of large increases in income from movable capital and from economic activities, as well as a sharp increase in the consolidated Corporate Income Tax base driven by regulatory changes. Altogether these bases grew by 8%, down from 11.2% in 2024. On the contrary, expenditure-related bases rebounded, increasing by 5.5% compared to 4% the previous year. For its part, the positive impact of regulatory and management changes is estimated at €7.82 billion, which lead to in 2.7 points of revenue growth. The overall effect includes a negative impact of €2.98 billion from extraordinary receipts and refunds paid (if added together, revenue would grow by 11.4%). The rest of the measures, which resulted in a net additional revenue of €10.8 billion, were mainly the result of the measures in the Corporate Income Tax, the full return to normality regarding VAT (the recovery of rates on energy products and food staples) and taxes on electricity, new taxes (Tax on the Interest and Charges Margin of certain Financial Entities and Tax on Liquids for Electronic Cigarettes) and the increase in the rate in the Tobacco Excise Duty.

**Economic activity showed the same pattern of moderation as the tax bases.** The volume index of GDP, which measures real growth, increased by 2.8% in 2025, seven tenths less than in 2024. Year-on-year rates gradually slowed, from 3.7% in the last quarter of 2024 to 2.7% on the closing of the year. Fiscal indicators (daily domestic sales, like-for-like basis monthly large corporation's sales and quarterly sales of Large Corporations and corporate SMEs) also showed signs of moderation in the middle of the year, although an improvement was seen in the last months and, overall, the rates were higher than those recorded in 2024. In nominal terms the slowdown was similar to that underwent by real activity. The result was a GDP growth at current prices of 5.8% in 2025 (6.4% in 2024). Domestic demand, which is a variable more related to income than nominal GDP, also moderated its pace compared to 2024, albeit to a lesser extent than GDP (6.1% in 2025 compared with the previous 6.4%).

**The 10.4% growth in revenues in 2025 is due to an 11.4% increase in direct taxes and an 8.9% in indirect taxes, fees and other revenues as a whole.** Personal Income Tax revenues grew by 10.1% in 2025. Household income is estimated to have grown by 7.2%, an increase that, together with the upsurge in the effective tax rate, explains the noteworthy escalation in the tax, even after the negative impact in 2025 of the refunds to mutual fund holders (€2.7 billion were refunded, almost €2.2 billion more than in 2024). The elements that contributed the most to revenue growth were withholdings on earned income and the outcome of the annual return. Corporate Income Tax revenues grew by 8.1%. The evolution of the tax was shaped by the performance of the instalment payments, linked to the profits generated in the year, which grew by 8.1%, above the profits of Large Corporations and groups that did so by 6.1%. The gross outcome of the annual return (for the fiscal year 2024) also saw a high growth, of 16.9%, although in this case partly due to the positive impacts of regulatory measures, especially in groups. With regard to indirect taxes, VAT revenue grew by 9.9%. It is estimated that final taxable expenditure grew by 6.1%. Moreover, the average rate also increased (3.7%) because of the return to standard rates of energy and basic food staples. Revenue from Excise Duties grew by 4.3%. Here also there is a positive impact of the regulatory measures; without them, would merely have grown by 0.6%.



## **1. TAX REVENUE IN 2025**

**In 2025 tax revenues amounted to €325.36 billion, 10.4% above those recorded in 2024.**

Revenue growth in 2025 is explained by the increase of the tax bases (provisionally estimated at 7%) and the positive impact of regulatory and management measures (€7.82 billion, representing 2.7 points of revenue growth).

The aggregate tax base of the main taxes grew by 7% in 2025. The rate is lower than that observed in 2024 (8.2%). The reason is linked to the evolution of the income-related bases that showed a slowing trend, stressed by the build-up in 2024 of large increases in income from movable capital and from economic activities, in addition to an upturn in the consolidated tax base of the Corporate Income Tax due to regulatory changes. Together, these bases grew by 8%, down from 11.2% in 2024, and slightly above the rise in 2023. In contrast, expenditure-related bases rebounded, increasing by 5.5% compared to 4% the previous year. The improvement was mainly due to the recovery in the value of consumption subject to Excise Duties, although the growth of final spending subject to VAT also exceeded that achieved in 2024 (6.1% and 5.7%, respectively).

The positive impact of regulatory and management changes is estimated at €7.82 billion. The total effect includes a negative impact of €3 billion from extraordinary receipts and refunds (if added, collection would grow by 11.4%, a rate similar to that of homogeneous revenue). The rest of the measures, which resulted in a net additional revenue of €10.8 billion, were mainly the result of the actions in the Corporate Income Tax, the complete return to normality in VAT (the recovery of rates on energy products and basic food staples) and in taxes on electricity, new taxes (on the Interest and Charges Margin of certain Financial Entities and on Liquids for Electronic Cigarettes) and the increase in the rate in the Tobacco Excise Duty.



Economic activity, in annual terms, showed a slowdown profile. The chain index measuring changes in **GDP in terms of volume** grew by 2.8% in 2025, seven tenths less than in 2024 (Table 1.1). Year-on-year rates gradually slowed, from 3.7% in the last quarter of 2024 to 2.7% in the second half of 2025 and 2.8% in the year (Figure 1.1). The unfolding weakness in external demand was the driver of feeblers real GDP growth as the year progressed (Figure 1.2). The downturn observed in the year is nuanced when looking at quarter-on-quarter rates (Figure 1.3). The slow start of the year gradually improved as quarters went by, so that in the picture of the year there is an upward trend that peaked in the last quarter with a growth similar to that recorded at the end of 2024. As will be seen later, this same improving trend in the last part of the year was also observed in the tax base indicators.

In nominal terms the slowdown over the year was similar to that seen in real activity. The result was a rise of **nominal GDP** by 5.8% in 2025 following 6.4% in 2024. The same cannot be said on the trend over the course of the year, upward in the case of nominal GDP (Figure 1.1), especially in the last quarter due to the rebound in prices in the final months of the year. The slowdown was also felt in domestic demand, a better pointer for revenues than nominal GDP. In 2025, domestic demand grew by 6.1%, three tenths less than in 2024 and one less than in 2023, which gives an idea of the intense and steady growth that this variable has shown since the recovery in 2022 following the impact of COVID-19 (Graph 1.4). Compensation of employees, another variable that explains revenues better than nominal GDP, barely noticed the slowdown, growing by 7.2% in 2025, almost the same as in 2024 (7.3%).

FIGURE 1.1  
year-on-year change (%)

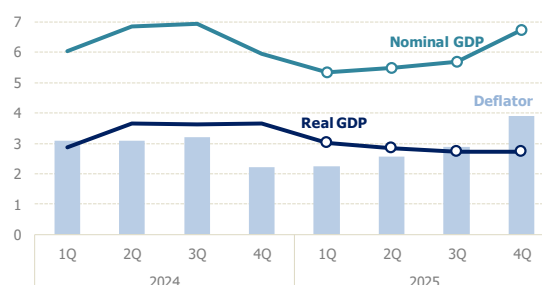


FIGURE 1.2  
Contribution to Real GDP growth (%)



FIGURE 1.3  
Quarter-on-quarter change (%)

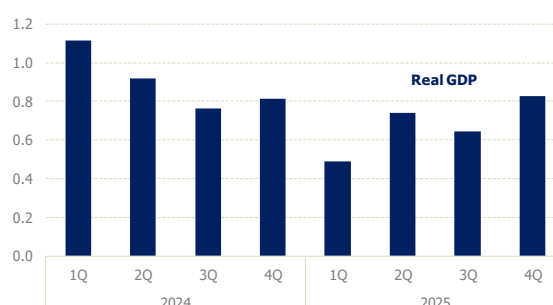
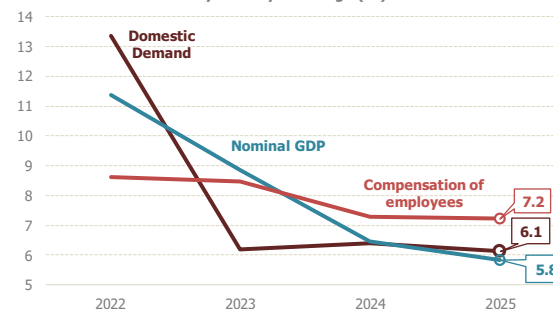
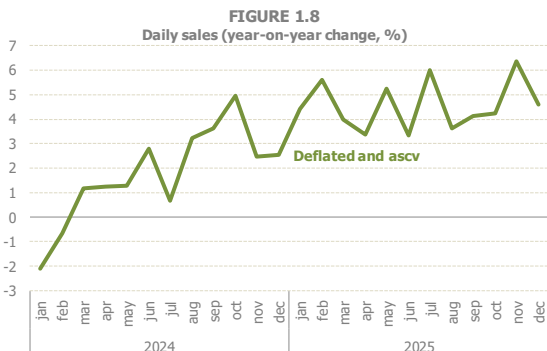
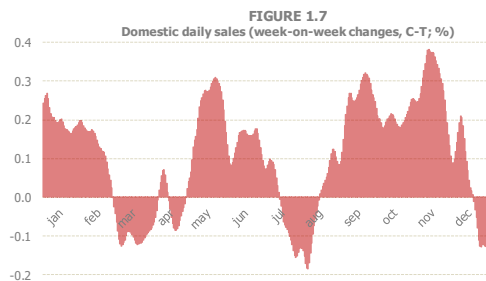
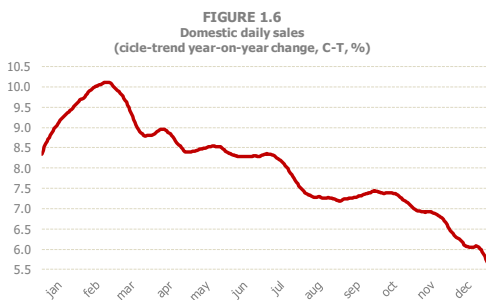
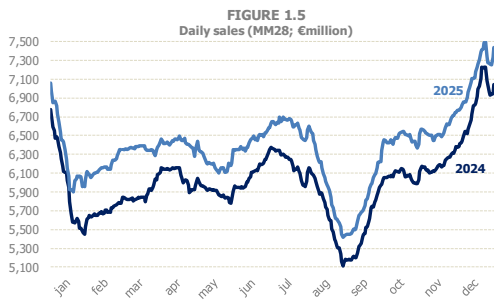


FIGURE 1.4  
year-on-year change (%)





As to the main indicators derived from fiscal data, they also gave a sign of a slowdown throughout the year with a rebound in the last months, although overall growth in 2025 was higher than in 2024. **Daily sales data from VAT Immediate Information System (IIS)**, grew at a faster pace than in 2024, starting from very high rates in the first half of the year and gradually easing (Figure 1.5). The information provided by these daily sales was completed in 2025 with the **Daily Domestic Sales Flash**, an indicator that delivers the daily domestic sales data a week earlier and also includes an estimate of the cyclical-trend component, to get a clearer picture of the underlying evolution of sales and allows to have indicators of the change in the very short term (day-to-day or week-to-week differences). Graph 1.6 shows the behaviour that followed this cycle-trend in 2025 with large increases at the beginning of the year that moderated later. Figure 1.7, with the week-on-week changes, shows at what points in the year activity picked up. However, the very clear deceleration profile of daily sales changes when the impact of prices is removed, especially industrial prices, whose variation, as will be seen later, was very different at the beginning and at the end of the year. For this reason, when analysing the daily data from a monthly perspective, once deflated and amended from seasonal and calendar variations (cvec), as done in Figure 1.8, the diagnosis is different: the trend is best characterised by a pattern of stability with the aforementioned upturn in the final stretch of the year. Moreover, the differing performance of domestic sales and exports is shown by Figure 1.9. For the former, there is a slight slowdown since the beginning of the year, consistent with what the Flash was showing, which breaks in recent months, while exports gradually recovered from the losses seen in the first half of the year to the growth of the last quarter.

The same results were obtained in the **Total Domestic Sales in Large Corporations and SMEs**, the indicator that tracks the economic activity of over 1.1 million company on quarterly basis. Figure 1.10, in blue, shows an initial sales growth of around 4% that began to slow up until the last quarter, when an increase of 4.5% was recorded; in any case, all of the rates were significantly higher than those of 2024. The monthly indicator, which only shows the sales of the Large Corporations, albeit irregularly, also followed that same pattern.



The analysis of the activity is rounded off with the results of the **Business Margins Observatory**, which adds more structural information, from the profit and loss accounts of the Corporate Income Tax and of personal businesses in direct estimation, to the short-term information from VAT returns and withholdings on earned income. This allows to track not only sales, purchases and salaries (which are already in the statistics of Large Corporations and SMEs), but also the remaining costs and the gross operating surplus that is the EBITDA estimate, one of the key indicators of business activity. Thus, Figures 1.11 (1.11a Corporations and 1.11b personal businesses) show the evolution of the creation of added value since 2017 (the Observatory also provides information on the quarterly estimate and the breakdown by sector). In 2025 added value growth moderated, more intensely in corporations than in personal businesses, despite the increase in sales analysed above. The breakdown of this added value between salaries and profits is shown in Figure 1.12, which displays the percentage of this added value that accrues to profits. In 2025 that share grew again in personal businesses, while it decreased slightly in corporations. However, in the latter, the percentage is in line with the figures recorded in recent years and well above pre-pandemic levels.

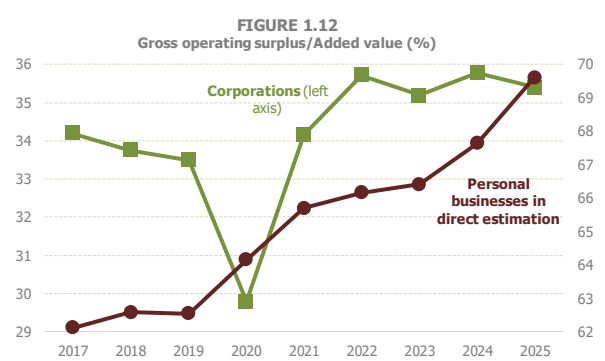
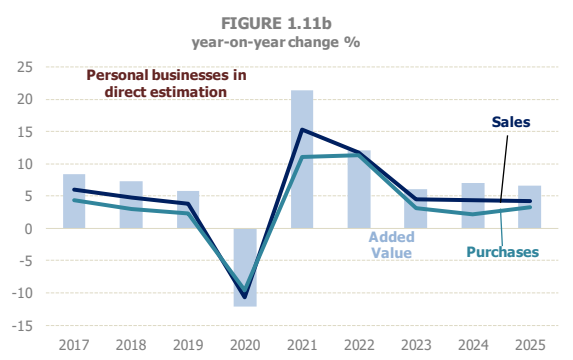
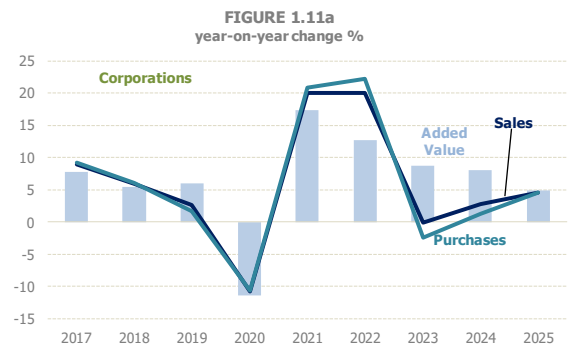
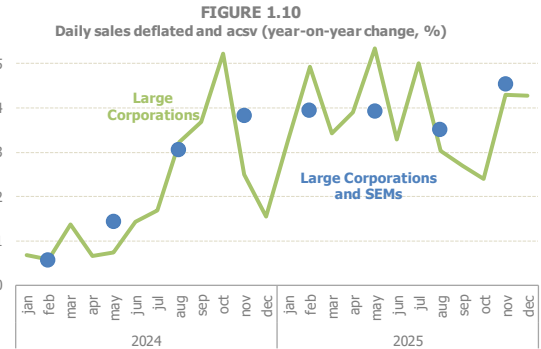
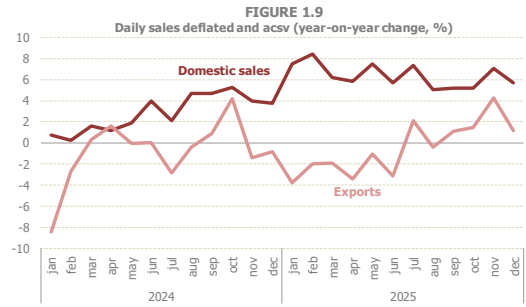




FIGURE 1.13  
year-on-year change %

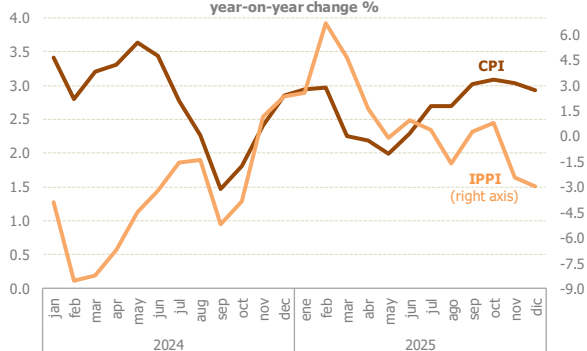


FIGURE 1.14  
year-on-year change %

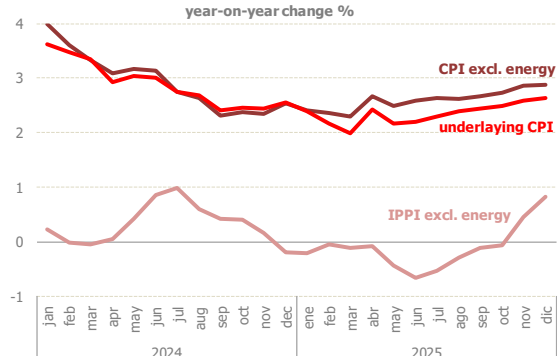


FIGURE 1.15  
year-on-year change %

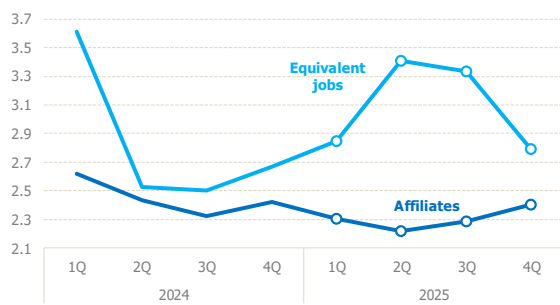
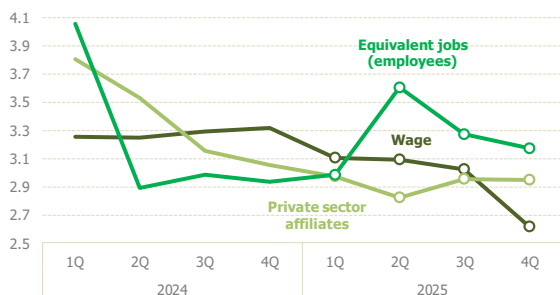


FIGURE 1.16  
year-on-year change %



Regarding **prices**, the start of the year was a continuation of the inflationary upsurge that had marked the end of 2024 due to rising energy prices. After those first months, consumer goods and services inflation (CPI) moderated to return to the levels of the beginning of the year in the final stretch of 2025. In industrial producer prices (PPI), however, the rise continued to slow down until mid-year, with price drops in the last quarter, which explains why, as seen before, sales in nominal terms showed that patten of moderation throughout the year. Both developments can be seen in Figure 1.13. On an annual average, the CPI ended up increasing by 2.7%, one tenth less than in 2024, and the PPI grew by 0.9% compared to the decrease of the previous year.

Figure 1.14 allows to the carry out the analysis isolating the impact of the energy component. In this case, on the one hand, it is seen the significant effect of this component on the evolution of the general indices, even when the most turbulent years in the energy sector had been left behind, and, on the other hand, the upward trend in prices throughout the year, even if, in the year as a whole, price growth rates were lower than those in 2024.

Finally, the **labour market** outlook in 2025 could be defined as one of stable growth compared with 2024. As is often the case, there are discrepancies between the various indicators, although more in the behaviour of employment within the year than in annual terms. Graph 1.15 illustrates how employments levels developed. On an annual average, growth was slightly lower than in 2024 when looking at Social Security affiliation (2.3% in 2025, 2.4% previously, [Table 1.2](#)), with an upward trend in the second half of the year, whereas it rose moderately (from 2.8% to 3.1%) when looking at the full-time equivalent employment of the National Accounts, which is a measure that summarises the evolution of employment, hours and average days. Throughout the year the trend in affiliation remained broadly in line with the trend of activity, especially in the final months. The data on salaried employment from the National Accounts (Figure 1.16) saw a slight increase (one-tenth for the year as a whole), while private sector salaried affiliates showed signs of moderation, rising from 3.4% in 2024 to 2.9% in 2025.



**Main Tax Bases** are estimated to have expanded by 7% in 2025, which translates into a moderation of just over one point compared to the rate achieved the previous year. (Table 1.3). This marks, therefore, the third consecutive year with an average increase in the aggregate tax base of 7%. The same slowdown profile was spotted, as already seen, in the economic activity. GDP growth, both in real and nominal terms, moderated by just under one point compared with 2024. Domestic demand, a nominal variable more linked to the evolution of the aggregate tax base than GDP, also reflected this slower pace of growth, albeit to a lesser extent (the year closed with an increase just three tenths below 2024) Figure 1.17 shows the connection between the tax base and the estimated domestic demand as calculated by the National Accounting.

The lower increase in the aggregate tax base is due to the performance of income-related bases, that showed a slowing trend, stressed by the build-up in 2024 of large increases in income from movable capital and from economic activities.

Gross household income grew by 7.2%, 1.7 points below the 8.9% of 2024, while the Corporation tax base increased by 11.6%, a rate that, while high, is below the 23.1% reached a year earlier, a rebound driven by regulatory changes. In short, the aggregate tax base on income increased by 8%, which meant a slowdown of more than three points compared to 11.2% in 2024. On their side, expenditure-related bases grew by 5.5%, exceeding the previous year's figure by one and a half points (Figure 1.18). Final spending subject to VAT rose by 6.1%, compared to 5.7% in 2024, thanks to the slight increase in its volume component and with a practically stable deflator. The value of Consumptions subject to Excise Duties went back to positive rates, following two years of declines. The 1.4% increase was based on higher fuel and electricity consumption and higher prices for tobacco and electricity, in both cases amplified by rate hikes.

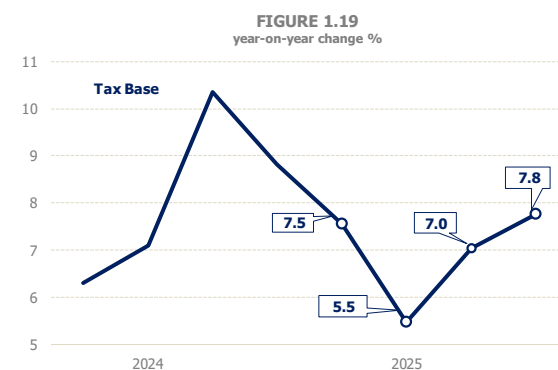
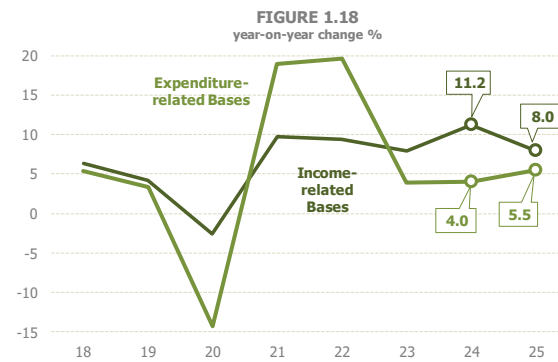
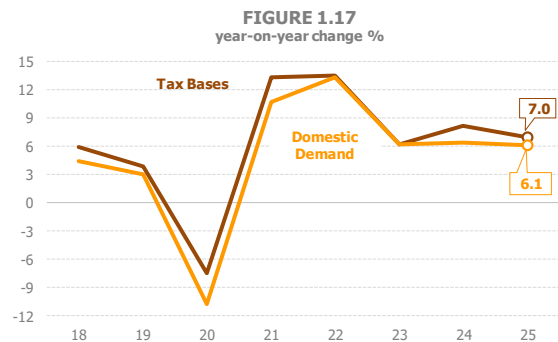
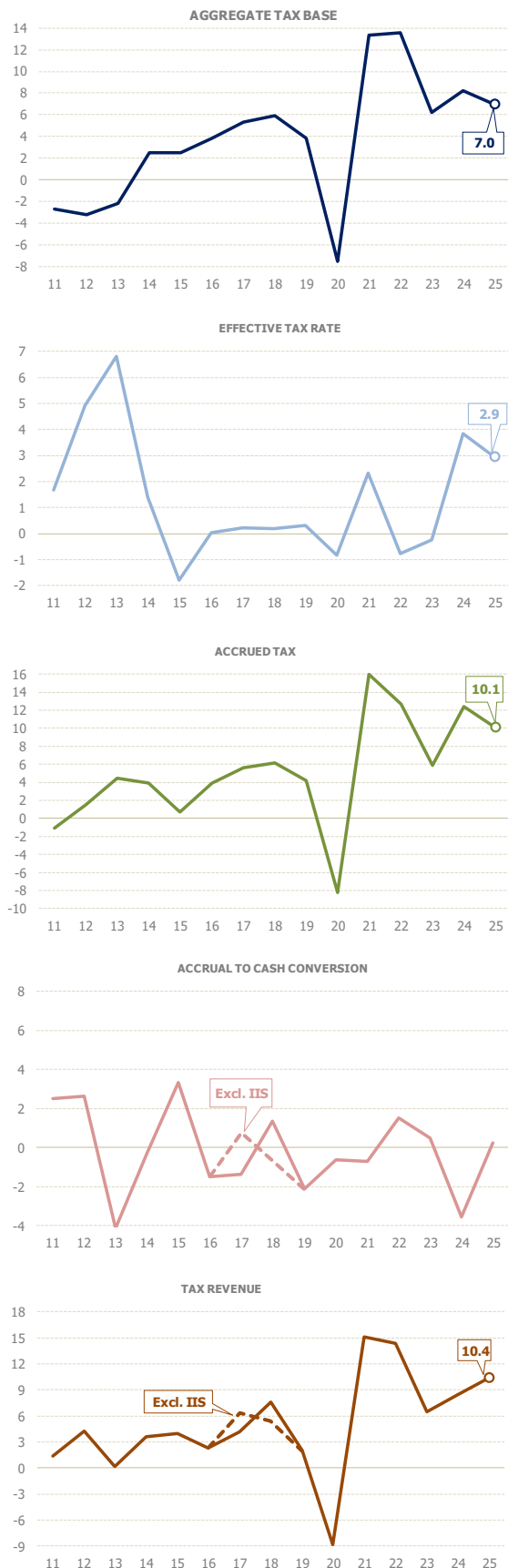




FIGURE 1.20  
MAIN TAXES  
year-on-year change %



The aggregate tax base began the year with a clear downward trend (Figure 1.19). Up to June the increase was 6.5% compared to 9.6% in the previous semester, partly due to the strong rebound in the corporate income tax base in the second half of 2024. As of the middle of the year, on the other hand, the bases picked up, so that, between July and December, the base increased by 7.4%, with household incomes and the consolidated tax base of Corporate Income Tax remaining stable and larger growth in spending subject to VAT.

The **average effective tax rate** on income and expenditure is estimated to grow by 2.9% in 2025, standing at 16.2%, following an increase of 3.9% in 2024 (Figure 1.20 and [Table 1.3](#)). This is a preliminary estimate, pending on the outcomes of the annual returns of the PIT and the Corporate Income Tax, information that will be available, mostly, between June and July 2026. The increase in rates is mainly due to the recovery initiated in 2024 of the rates in VAT on electricity, gas and food staples and in the Electricity Excise Duty, to which adds in 2025 the rate hike in the Tobacco Excise Duty. In addition to these increases resulting from regulatory changes, there is an increase in the rates associated with earned income, which is a result of higher average incomes. The average annual increase since 2019, before the crisis prompted by the covid and the subsequent adjustments of the rate, initially lowered to counter the inflationary pressures, and later returned to the previous ones from 2024, stands at 1.2%, which translates into an increase in the average rate of 1.1 points (Figure 1.21).

**Accrued taxes** enlarged by 10.2% in 2025, ([Table 1.4](#)), a rate similar to that of the sum of the main tax figures (10.1%, [Table 1.3](#)). The 10.2% expansion implies a slowdown of more than three points compared to the 13.4% reached in 2024. The slowdown is one point lower for accrued taxes when excluding the estimate outcome of the Personal and Corporation Income Tax annual return (10.8% in 2024 and 8.7% in 2025). The growth in accrued taxes was due to the 7% increase in the bases and an increase in the average tax rate of 2.9%.



The 10.4% **increase in tax revenues** slightly exceeded that of accrued taxes. Revenue growth in 2025 is explained by the increase of the tax bases and the positive impact of regulatory and management measures, quantified at €7.82 billion (Table 1.5 shows the breakdown), representing 2.7 points of revenue growth. The overall effect includes a negative impact of €2.98 billion from extraordinary receipts and refunds, and a positive impact of €10.8 billion that was mainly the result of the actions in the Corporate Income Tax, the return to normality in VAT and in taxes on electricity, new taxes (on the Interest and Charges Margin of certain Financial Entities and on Liquids for Electronic Cigarettes) and the increase in the rate in the Tobacco Excise Duty.

Analysing the evolution of bases and income by figures, in the PIT **gross household incomes increased** by 7.2% in 2025, down by almost two points compared to the 8.9% reached in 2024, but what points towards four years of increases averaging 7.9% (Table 2.1).

The loss of momentum affected all components of income subject to withholdings and instalment payments, being particularly marked in capital income subject, (Figure 1.22) subsequent to the strong dynamism they showed in 2024 due to the boost received at that time from income from movable capital and mutual investment funds. On the contrary, capital income not subject to withholdings is expected to continue to grow strongly, above 22% (Figure 1.23), driven by the development of non-subject capital gains, thanks to the positive evolution of real estate sales and the share price. A smaller slowdown in non-subject rental income (9.5% in 2025, 10.6% in the previous year) is also foreseen, mainly linked to housing rentals.

FIGURE 1.21  
%



FIGURE 1.22  
year-on-year change %

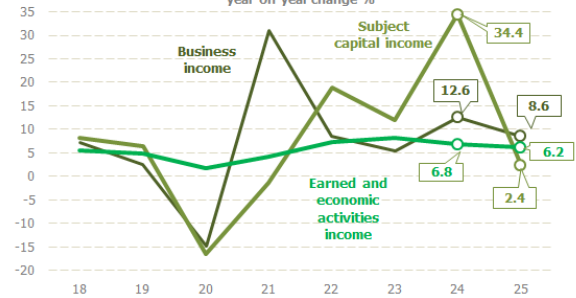


FIGURE 1.23  
year-on-year change %

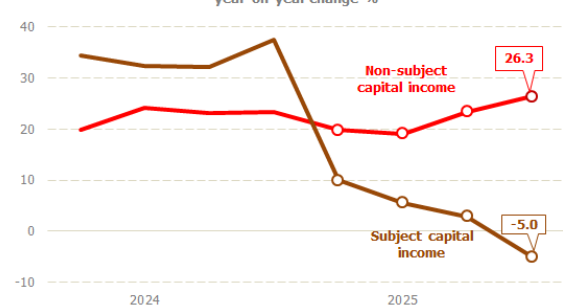




FIGURE 1.24  
%

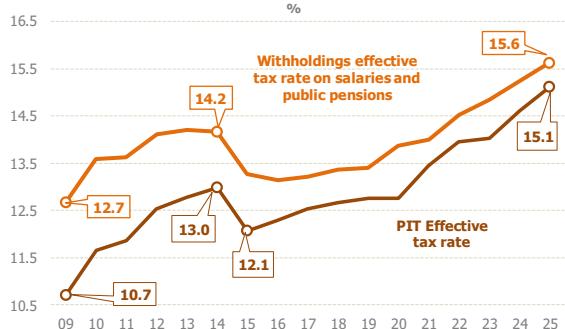


FIGURE 1.25  
2006=100

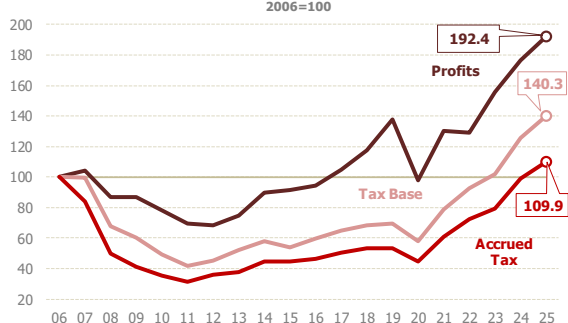
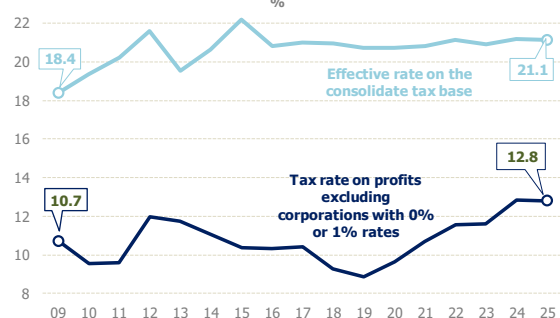


FIGURE 1.26  
year-on-year change %



FIGURE 1.27  
%



**Accrued PIT** once again showed significant progress in 2025, 10.9%, already marking five consecutive years of strong growth, above 11% on average, as a result of the good performance of income and the increase in the effective tax rate, which has enlarged by 3.5% on average annually between 2021 and 2025. Its evolution is clearly determined by that of the effective rate on public salaries and pensions (Figure 1.24), which has also grown significantly in recent years, pushed by rising average incomes. Excluding the annual return outcome, accrued PIT increased by 8.4% in 2025, as a result of the increase in the bases of 7.2% and the effective rate of 1.1% (Table 2.1).

**PIT revenues** grew by 10.1% in 2025, a high rate despite being negatively affected by regulatory and management changes that subtracted €1.15 billion from this tax figure's collection (Table 1.5). The items that contributed the most to revenue growth were withholdings on earned income and the gross outcome of the annual return for the year 2024, entered in 2025.

As previously mentioned, the regulatory measures had a negative impact of €1.15 billion in 2025. The most relevant was certainly the one related to refunds to mutualists. These extraordinary refunds, following a judgment in their favour, were already being paid in previous years, especially in 2024, but in 2025, they received a new boost. A total of €2,717 million were paid, compared to €551 million in 2024, thus, in differential terms, the negative impact amounted to €2.17 billion. The rest of the measures touching the PIT had a positive effect of €1 billion. About €600 million are the result of the measures implemented to mitigate the effects of the dana at the end of October 2024, mainly the deferment of the second instalment payment of the annual return (the taxpayers of the province of Valencia were able to enter that second instalment, of about €300 million, in February 2025 instead of 5 November 2024, as customary). The remaining €412 million include, as the most notable measures with a positive impact, the adjustment of the annual return outcome due to changes in the general reduction for earned income and the changes in the percentage of reduction in rentals of properties intended to housing (that went from 60% to 50%, although 60% is maintained for contracts in force, and increased to 70% or 90% for certain types of



contracts), and, with a negative impact, the increase in the deduction on donations (the level of the first bracket of the deduction base was enlarged, the general applicable percentage of deduction was increased and the number of years to apply the increased percentage was reduced) and the changes introduced by the Regional Governments in the autonomous bracket (mostly changes in the exempt minimum and rates, partially offset by the withdrawal of some temporary deductions).

The **Consolidated Corporate Income Tax base** surged by 11.6% in 2025 ([Table 3.1](#)), also chaining five years of strong increases. This positive evolution of the tax base has meant that every year since 2023 the previous historical high of 2006 has been exceeded, although this result has not been fully transferred to the accrued tax, which in 2025, for the first time, exceeded the level reached that year (Figure 1.25). The evolution of the tax base is fairly similar to that of corporate profits, excluding those with 0% and 1% tax rates. The change in the double taxation regulation in 2021 reduced the quantity of these adjustments in the consolidated groups, favouring a gradual rapprochement of the tax base to these benefits (Figure 1.26 and [Table 8.5](#)). Profits (excluding corporations with 0% and 1% rates) are estimated to have grown by 11.3% in 2025, above what profits reported by Large Corporations and Groups in their instalment payments showed (6.1%, [Table 3.2](#)).

**Accrued Corporate Income Tax** is forecasted to have increased by 11.2% in 2025, a rate slightly lower than that of the tax base, due to the minimal reduction in the effective rate. The good performance of the accrued tax is supported by the increase in instalment payments and by the outcome of the annual return, for which a net positive result is expected for the first time since 2010.

**Corporate Income Tax revenue** grew by 8.1% ([Table 3.1](#)), hitting €42.27 billion. The surge is shaped by regulatory and management changes that added €3.64 billion to revenue. As in the PIT, there is a downside due to extraordinary receipts and refunds, €713 million, of which €463 million come from the ruling on RDL 3/2016 that overturned the limitations to the compensation of negative bases and, therefore, led to extraordinary refunds for the previous non-prescribed years. In particular, in this

latter case, €1.43 billion were refunded in 2025 and €879 million in 2024. Besides this impact, the measures that have had the greatest effect were those enclosed in Law 7/2024, applicable to the 2024 annual return and to the 2025 instalment payments. Firstly, the limit of 50% to the consolidation of the losses of the companies belonging to groups. The measure was in force in 2023 with an impact on the instalment payments of that year and, residually, on the annual return submitted in 2024. With the endorsement of the measure for the years 2024 and 2025, there is a full impact on the 2024 annual return, submitted from July 2025 (in differential terms, €1.48 billion), and on the instalment payments of that year (€1.47 billion). Secondly, the recovery of the limits to the carry-forward of negative tax bases of previous periods for companies with a turnover of more than €20 million. In 2023, because of the ruling that overturned RDL 3/2016, these limits were the general ones, what translated into a loss of revenue. Law 7/2024 restores it to the previous situation. Because of the way the impact is estimated, this recovery is treated as a reversal of the loss of the previous year and the same amount with opposite sign is estimated (€1.7 billion). And, thirdly, the rise of the applicable percentage (from 10% to 15%) to the decrease of the tax base due to the capitalisation reserve and the reduction of the period for the maintenance of own funds increase and for the unavailability of the reserve. This measure is estimated to have a negative impact on revenues of €324 million.

As for VAT, **final spending subject** to this tax grew by 6.1% (5.7% in 2024, [Table 4.1](#)), thanks to the slight increase in its volume component and with a practically stable deflator. Expenditure of households, the main component of final spending subject to VAT, showed a slight slowdown in its growth rate (5.7% compared to the previous 6% in 2024), lower than that estimated for household gross income (Figure 1.28). The largest increase in total expenditure was due to the more positive evolution of its other two components. Thus, current and capital expenditure of Public Administrations increased by 6.9% in 2025 (3.2% in 2024) and household's expenditure on new housing by 9.7% (7.4% formerly).



The increase in rates on energy products and food staples triggered an increase in the average rate estimated at 3.7 points, thus returning to a level similar to that seen prior to the successive cuts implemented since 2020 (Figure 1.29). **Accrued VAT** increased by 10% in the year, driven by the rate hikes and exceeding by almost three points the estimated rate for 2024 despite the humble increase in spending (Figure 1.30). Net accrued VAT recorded a similar rise.

**VAT revenue** grew by 9.9% in 2025 (7.9% previously, [Table 4.2](#)), thanks to the increase of rates, the same as accrued VAT. In 2025, from 1 January, rates applied to VAT were those applicable before the different measures that had been taken since mid-2021; that is, the rate of 21% on electricity and natural gas and the rate of 4% on basic food staples.

The return to these rates was made progressively during 2024, in the case of gas definitively from the very first months, in that of electricity non-regularly, depending on the prices in force in each month and, in the case of food staples, since October with an intermediate step between that month and December (2% and 7.5% rates). In addition, given the lag between the time the tax is due and the time the cash receipts are entered, the full impact of the recovery of the rates is spread over three years, 2024, 2025 and 2026. The share matching 2025 amounts to €562 million in energy products (compared with the initial months of 2024 and those in which electricity prices were high and, therefore, the reduced rate was maintained) and €2 billion in food staples (comparing the standard rates of 2025 with the reduced rates applied in most of 2024 and the intermediate ones of the month of October, entered in December). The total impact on VAT, including also extraordinary revenues and refunds and other minor measures, was €2.22 billion.

FIGURE 1.28  
year-on-year change %

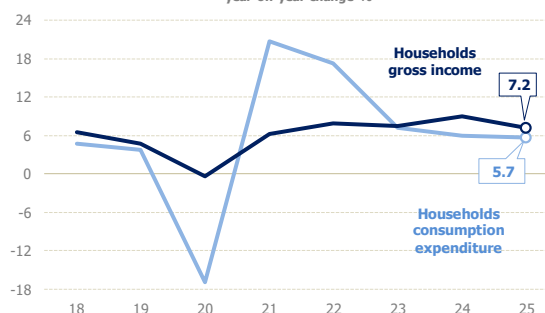


FIGURE 1.29  
%

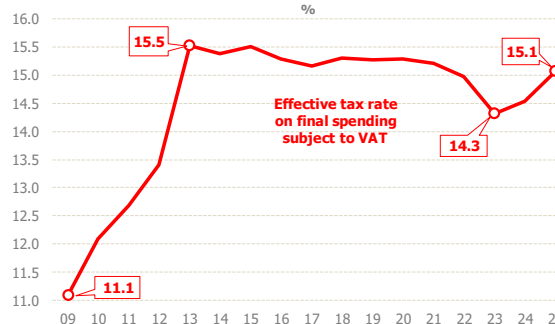
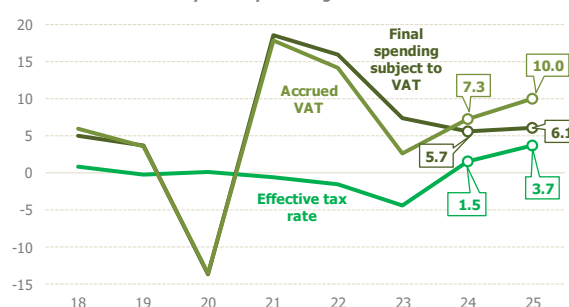


FIGURE 1.30  
year-on-year change %





The **value of consumption subject to Excise Duties** grew by 1.4% following two years of declines ([Table 1.3](#)). This trend reversal is driven by the higher value of those consumptions with the greatest weight in the aggregate, as electricity (6.1%) and tobacco (1.5%) due to higher prices and, only in the case of electricity, also to higher consumption. The value of consumptions of hydrocarbons went on the opposite direction (-1.9%), dragged down by falling prices ([Table 9.1](#)), and by the value of alcohol and beer, due to lower consumption.

In 2025 revenue from **Excise Duties** grew by 4.3%, up to €23.08 billion, driven by the impact of regulatory changes. Regulatory measures brought in revenues of €831 million. There were three measures to bear in mind. Firstly, the full recovery of the rate on the Electricity Excise Duty. Similar to what happened in VAT, the return from 0.5% in force since September 2021 to 5.11% took place gradually in 2024, closing from July. The comparison of 2025, already a full year with the standard rate, and the half-year of 2024 in which the rate was approaching that level, results in an impact of €436 million. Secondly, the increase in rates on the Tobacco Excise Duty with effect from 1 January 2025. In the case of the most widely consumed product, cigarettes, the increase meant going from a fixed rate of €0.47 per package to €0.69 and from a proportional rate of 51% to 48.5%. The impact is estimated at €365 million during the first eleven months of the measure (the effect in December has been seen in January 2026). And, thirdly, the new Tax on Liquids for Electronic Cigarettes that, as said, collected €30 million euros since the first receipts in April. When the additional revenue provided by these regulatory changes is subtracted, the increase in Excise Duty would stand at 0.6%.

Hydrocarbons Excise Duty, the weightiest item ([Table 5.5](#)), grew by just 0.5%, up to €12.37 billion, thanks to a higher consumption (2%), specially of gasoline and reduced-rate diesel and biofuels, while diesel-oil and natural gas not used as fuel in vehicles declined.

Tobacco Excise Duty receipts increased by 6%, amounting to €7.34 billion ([Table 5.6](#)) thanks to the rake hike in force since 1 January and despite the fall of consumption (-4.5%) accounted for both by

the price rises and the hoarding ahead of the rate hikes at the end of 2024. The Tax on Liquids for Electronic Cigarettes collected €30 million in its first year.

The Electricity Excise Duty ([Table 5.7](#)) grew by 42.8% as the 5.11% rate recovered in July 2024 was in force throughout the entire period. The outcome is a record-breaking collection of €1.59 billion, above the 2012 peak (€1.51 billion). In addition to the tax rate, higher consumption and higher prices before taxes, also played a role on the increase.

Receipts from taxes on alcohol decreased by 3.4% dragged down by consumptions. The fall was more intense, by 3.8% ([Table 5.2](#)) in the case of Alcohol and alcoholic beverages Excise Duty, the one that taxes beverages with a higher alcohol content, while the Beer Excise Duty recorded a 2.8% drop ([Table 5.3](#)).

The Tax on Non-Reusable Plastic Packaging collected €599 million, 4.8% more than in 2024.

Regarding other tax figures, the **Non-Resident Income Tax** ([Table 6.1](#)) collection in 2025 went up by 33.8%, marking five consecutive years of growth and surpassing the amount of €5 billion. This strong growth is underpinned by both, the positive performance of withholdings and payments on account and the higher collection of the annual return, boosted by an extraordinary receipt and by the positive developments of the annual settlements accrued in 2024 and cashed in 2025.

Revenue in the 'Other Receipts' from Chapter I increased exceptionally in 2025, influenced by two elements. On the one hand, the debut in 2025 of the new **Tax on the Interest and Charges Margin of certain Financial Entities**, which involved revenues of €1.42 billion. This tax, that replaced the Special Levy (non-tax revenue), in force in 2023 and 2024, although managed by the Spanish Tax Agency, is assigned to the Autonomous Communities. However, the impact on revenue of this assignment will be visible from 2026. On the other hand, the **Tax on the Electricity Production Value** also made a significant contribution to the increase in collection, adding €924 million more than in 2024 ([Table 6.2](#)), mostly



(€807 million) due to the full recovery of the tax, fully standardized in 2025 following the gradual recovery in 2024 after its suspension in 2021.

As for the rest of the concepts included in Chapter II, it is worth noting the performance of its two main components: **The Tax on Insurance Premiums**, that grew by 7.9% following the already sharp increase of 9.1% in 2024 ([Table 1.6](#) and [Table 6.4](#)), and the **Tax on Foreign Trade**, which increased by 13.3% after two years of drops ([Table 6.3](#)). The trend of the **Tax on Financial transactions** also was quite positive, growing by 36.5% and adding more than €90 million to collection. On its side, the **Tax on Digital Services** expanded by 9.2%.

**Chapter III** receipts, **Fees and other revenues**, ([Table 1.6](#) and [Table 6.6](#)) grew by 7% (€141 million more than in 2024). As for fees, all the growth was due to the Canon for the use of continental waters (€182 million more than in 2024), that made up for the loss of revenue (more than €100 million in the Public Radioelectric Domain Fee due to a legal dispute with the administration by some operators).

Finally, as regards the comparison between tax revenue and Budget revenue, it must be recalled that the last Budget passed (that of 2023) was extended in 2025, so the comparison is meaningless. Data on budget forecasts and deviations for the period 1995-2023 are shown in [Tables 7.9](#) and [1.7](#) respectively.



## **2. PERSONAL INCOME TAX**

In 2025 **PIT revenue** amounted to €142.47 billion, representing a 10.1% rise, rate two and a half points above the 7.6% reached in 2024. Had it not been adversely affected by management and regulatory measures, that detracted €1.15 billion from collection, the surge would stand at 11%, similar increase to that of the accrued tax, that stems from a tax base growth of 7.2% and an average tax rate growth of 3.5%. The fact that revenues in 2025 grew at a higher rate than in 2024, despite the fact that both, incomes and the average rate, grew at lower rates than a year earlier, is due to two factors: on the one hand, the outcome of the annual return of 2024, which recorded a remarkable increase (26%), entered in 2025; on the other hand, the negative effect of the aforementioned regulatory and management impacts was almost three times higher in 2024 than in 2025.

**Gross household incomes** grew by 7.2% in 2025, almost two points below the 8.9% in the previous year, but following four years of growth exceeding 7,9% ([Table 2.1](#)). Income from capital gains not subject to withholding remained strong in 2025, but the rest of income sources moderated their growth, with the slowdown being particularly pronounced in income from movable capital, following the strong increases achieved in previous years driven by the evolution of interest rates. Without these incomes, the slowdown in household incomes would be only six-tenths.

Earned income, representing over 82% of household income, grew by 6.2% in 2025, slowing down for the second year in a row (8.1% in 2023, 6.8% in 2024), in line with employment performance and average compensation. Even so, it must be noted that these incomes' growth is more than one point above the average growth over the last ten years. Both, salaries and pensions, the two main elements that together account more than 93% of earned income, moderated their progresses in 2025. Salaries enlarged by 6.1% and public pensions by 5.9%, in both cases eight tenths less than in the previous year ([Table 2.2](#)). In the private sector, average wage increases went from nearly 5% in 2024 to less than 4% in 2025. In this sector, the slowdown in the salary bill was concentrated in Large Corporations, which lost 1.7 points compared to the previous year,



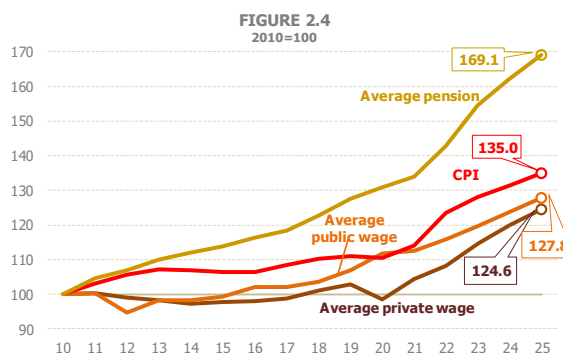
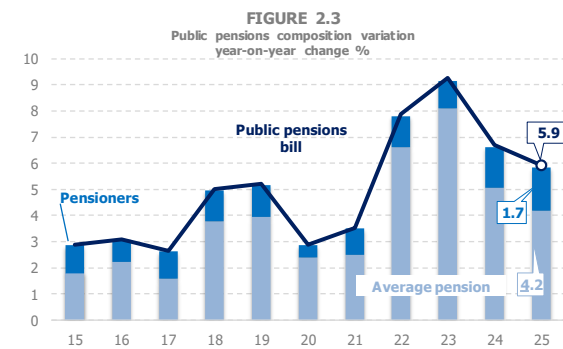
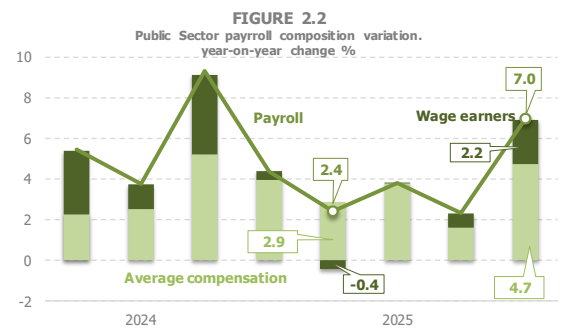
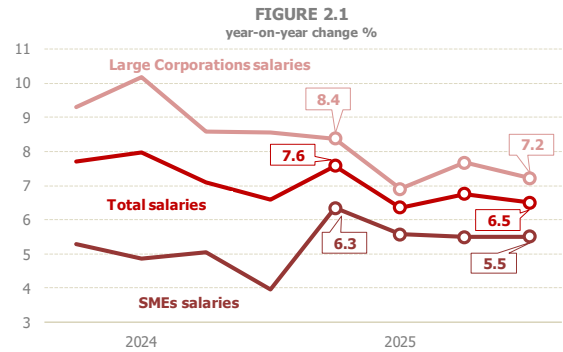
despite closing the year with an average annual increase of 7.5%. The surge in the wage bill in SMEs was lower than in Large Corporations, 5.7%, but in this case following an improving trend, as they exceeded the rate observed in 2024 by almost one point. In sum, the private sector wage bill increased by 6.8% in 2025 (7.3% in 2024), with smaller increases in the final stretch of the year (Figure 2.1).

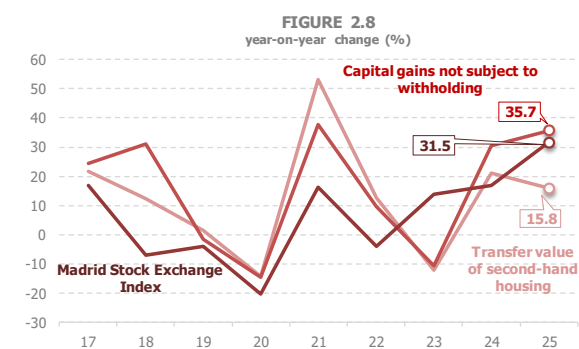
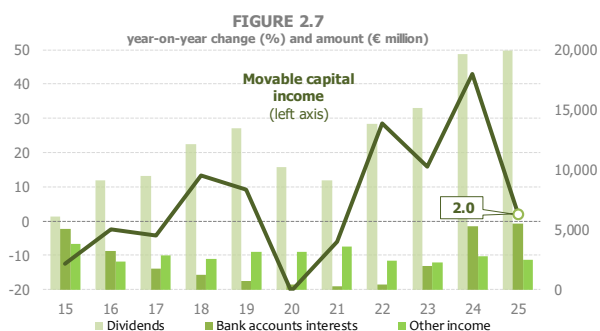
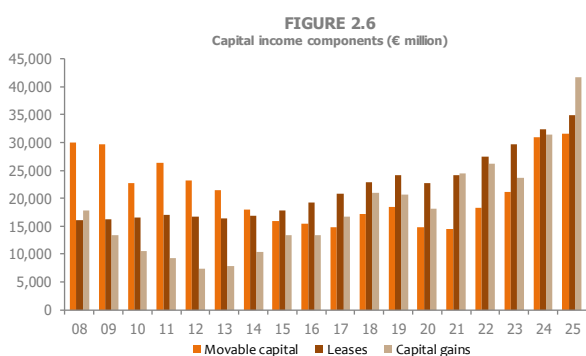
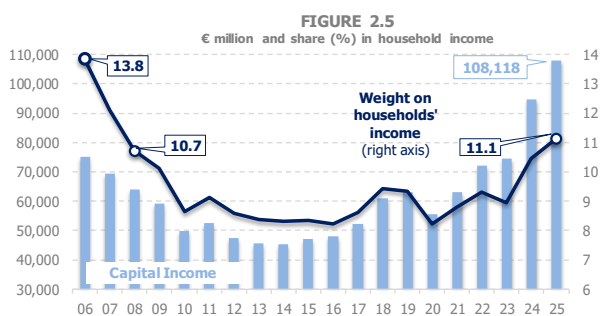
The slowdown of the salary bill in the public sector was deeper than in the private sector, moving from 5.6% in 2024 to 4% in 2025, due to the lower increase of employment (0.6% compared with 2.1% the previous year) while average compensation maintained a 3.4% growth thanks to the update of public salaries that took place in December (Figure 2.2).

The public pensions' payroll expanded by 5.9%, with an increase of 1.7% in the number of beneficiaries, which shows a steady upward trend, and an increase of 4.2% in the average public pension, around one point below the rate reached in 2024 (Figure 2.3). Private pensions increased again, even more so this year, although their weight on the total payroll of pensions remains low (3.6% compared to 8% in the period 1995-2010, year after which they began to lose ground).

Figure 2.4 compares developments in average private and public wages, average pensions and consumer prices (CPIs) since 2010. In the case of wages, wage increases have not been sufficient to compensate for the increase in prices, while in the case of average public pensions, their evolution exceeds that of the price index.

The rise in the average pension was driven not only by the annual update, but also the upward impact of the largest increases in the lowest pensions and the higher level of new pensions entering into the system compared to those already in it. It should also be noted that in recent years the increases in average wages in the private sector have been greater than in the public sector, so that the gap between the two has been closing since 2020.





Finally, in 2025 unemployment benefits increased for the third year in a row, and did so at a slightly higher rate than in 2024 (4.7% compared to 4.5% previously), the moderate acceleration being due to the higher increase in the number of unemployment beneficiaries (1.4% in 2025, 1% a year earlier), while the increase in the average benefit remained above 3%, although a few tenths below the rate recorded in 2024.

Total household capital income is estimated to have grown by 14.2% in 2025, a significant slowdown after rebounding to 27.2% in 2024. This development is a consequence of the sharp slowdown in income from movable capital (2.0% in 2025, 46% in [Table 2.1](#)). Capital income has regained a share of total household income not seen since 2008, as shown by Figure 2.5, although it has not reached the all-time high recorded in 2006, when it accounted for 13.8%. Behind this recovery lies the performance of capital income over the last five years, throughout which it has maintained an average annual growth of 14.2%. The breakdown of these incomes has changed over the years, as shown in Figure 2.6. Income from movable capital was the main component of households' capital income until 2015, when rental income began to play a predominant role, while capital gains were also becoming increasingly important.

The strong momentum shown by income from movable capital since 2022, as well as the strong growth in capital gains last year, meant that by 2024 the three sources of capital accounted for a similar proportion of the total. By 2025, the once again expected significant rise in capital gains, will mean that this account for almost 40% of total capital income.

Movable capital revenues expanded by 2% in 2025, following strong gains in the previous three years, that recorded an average increase of close to 29% ([Tables 2.1 y 2.4](#)). From the end of 2022 interest income from bank accounts began to rise following the interest rate hikes that had been taking place for some time. That process continued to peak throughout 2024. Since then, a downward trend began, which, from the second quarter of 2025 onwards, resulted in losses compared to the income generated a year earlier. On the other hand, dividends, which have been the main component of



movable capital income since 2015, also moderated their progress in 2025, following three years of intense increases (Figure 2.7), coupled with the decline in the rest movable capital revenues.

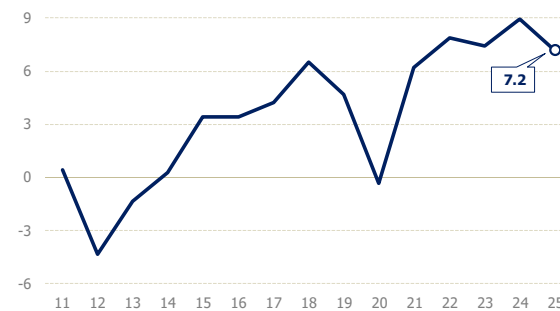
Capital gains are expected to continue growing strongly (32.6% in 2025 following the 32.8% growth in 2024) driven by the evolution of gains not subject to withholding, while mutual investment fund gains progressed by 4.1% in 2025, a figure far below the 58% reached the previous year (Table 2.1 and 2.6). The positive outlook for capital gains not subject to withholdings is linked to the strong performance of both share prices and real estate sales (Figure 2.8).

As for income resulting from the rental of real estate, the estimated increase is around 7.9%, a high rate but more moderate than in 2024 (9.2% Table 2.1 and 2.5). In this case too, a more favourable outcome is expected for income not subject to withholding (mainly rentals for housing) in contrast with income subject to withholding, mostly relating to rentals of real estate for commercial purposes, which, in 2025, expanded by 2.9%.

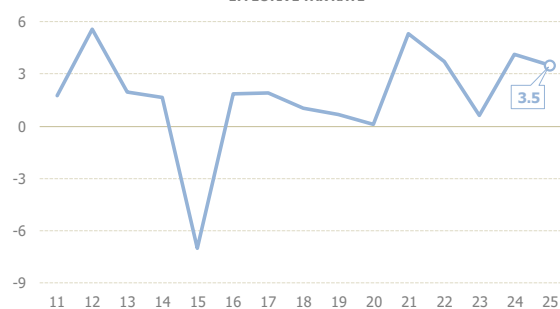
Finally, personal business income revenues are estimated to have grown by 8.6% in 2025. This rate is four points lower than the outstanding increase of 12.6% observed in 2024, but marks the fourth consecutive year of an average increase of 8.7%, a pace that exceeds by almost three points that achieve in other periods of expansion of these incomes (between 2013 and 2019 growth stood at around 5.8%, Table 2.8).

The **effective tax rate** on gross household income increased by 3.5% in 2025 (4.1% in 2024, Table 2.1 and Figure 2.9). Without the outcome of the annual return, the increase stands at 1.1%, compared to 1.4% in 2024. As in previous years, the rise in the rate is due to increases in wages and average pensions.

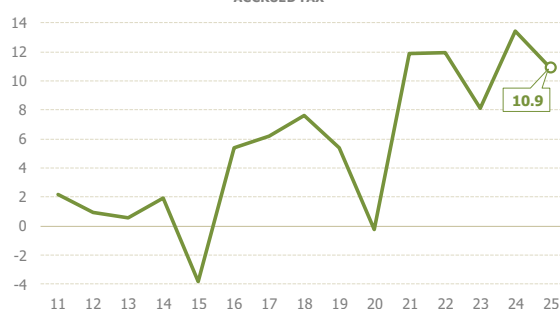
FIGURE 2.9  
PIT  
year-on-year change %  
GROSS HOUSEHOLDS INCOMES



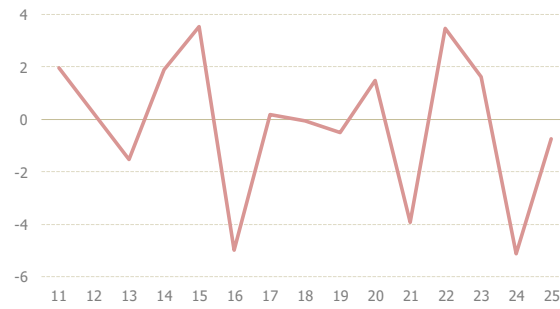
EFFECTIVE TAX RATE



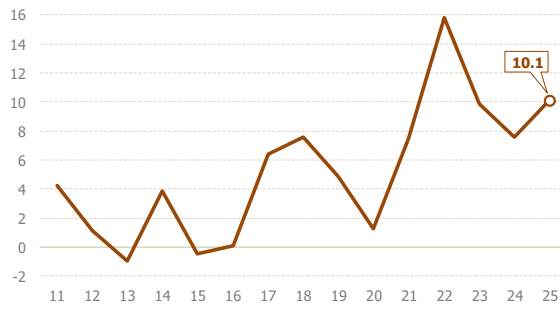
ACCRUED TAX



ACCRUAL TO CASH CONVERSION



TAX REVENUE





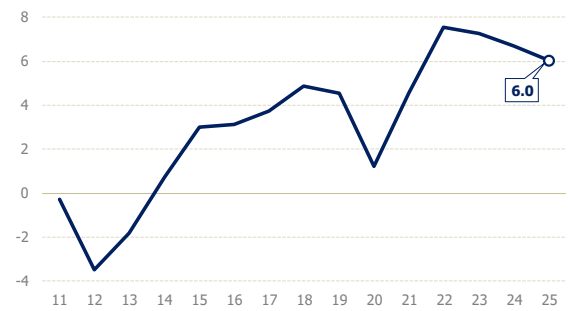
**Accrued PIT** grew by 10.9% in 2025, marking five consecutive years of growth. Between 2021 and 2025, the average rate of increase is 11.2%, resulting from an average increase in incomes of 7.5% and in the average effective rate of 3.5%. Excluding the outcome of the annual return, accrued PIT increased by 8.4% in 2025, as a result of the increase in the bases by 7.2% and the effective tax rate by 1.1% ([Table 2.1](#)).

**PIT revenue** increased by 10.1% (7.6% in 2024), eight tenths below the growth of the accrued tax. Most of the discrepancy is due to the fact that the latter includes the estimated accrued annual return outcome matching the 2025 fiscal year, while revenue in terms of cash include receipts and refunds corresponding to the annual return outcome of the year 2024. In addition, annual return refunds include the extraordinary refunds paid to the members of mutual funds. Revenue excluding the outcome of the annual return increased by 8.6%, a rate closer to that of accrued taxes excluding the annual return outcome (8.4%).

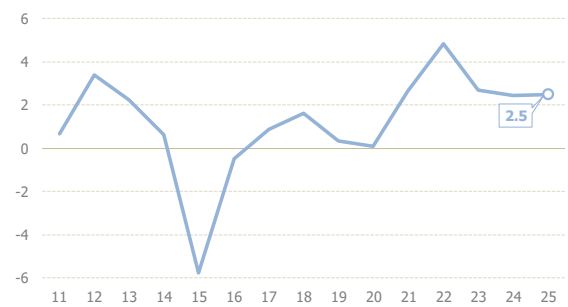
Withholdings on earned and economic activities income enlarged by 8.7% in 2025, virtually the same as in 2024 (9.0%). Earned and economic activities income increased by 6.0%, (6.7% the previous year), whereas the average tax rate remained at 2.5% ([Table 2.3](#) and Figure 2.10).

In the private sector, withholdings on earned and economic activities income grew up to 8.9% (9.1% in 2024). The slowdown in the wage bill was partly offset by the larger increase of the tax rate. Growth differed in Large Corporations, where withholdings grew by 9.5%, and in SMEs, where they did so at 7.6%, but, while in the former the trend was slowing down with respect to 2024, in the latter the opposite arose, along with the evolution of their respective wage bills.

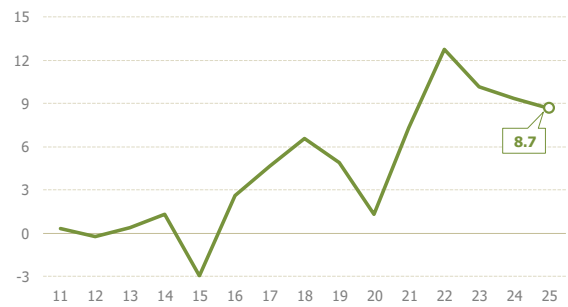
FIGURE 2.10  
WITHHOLDINGS ON EARNED AND ECONOMIC ACTIVITIES INCOMES  
year-on-year change %



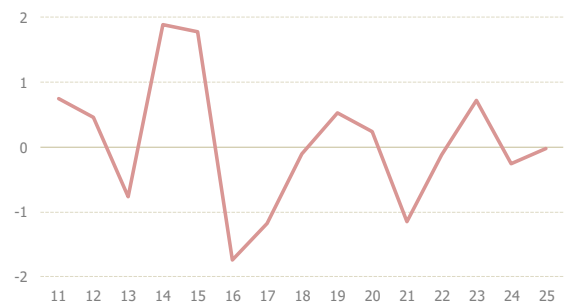
EFFECTIVE TAX RATE



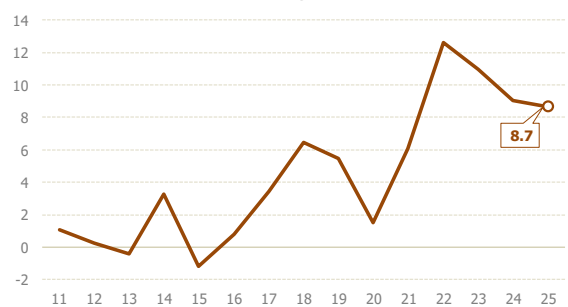
ACCRUED TAX



ACCRUAL TO CASH CONVERSION



TAX REVENUE





As for Public Administrations, withholdings on earned income grew by 8.1%, far-off the 9.7% of 2024. The lower growth in withholdings was mainly due to the lack of salary update for public employees, which took place only in December and therefore with little impact on 2025 withholdings (the greatest impact will be observed in the first months of 2026). Thus, salary income grew by just over 5%, some three points less than in 2024, as the impact of the late update of salaries adds to the slower improvement of employment and of the effective tax rate (that increased by 1.5% in 2025 compared with 2.6% in 2024). In contrast, revenues from withholdings on public pensions grew by about 11%, a figure close to 11.7% in 2024. The lower revaluation of pensions limited the growth of the pension bill, although part of that effect was offset by a greater increase in the tax rate (4.7% in 2025 compared with 3.7% in 2024).

Collection from movable capital withholdings grew by 7.1% in 2025 ([Table 2.4](#)). The growth is not minor, although it looks like if compared to the previous two years (26.7% in 2023, 40.8% in 2024), and even with 9.5% in 2022. The slowdown is less pronounced than that seen in income and in the accrued tax (that goes from 42% in 2024 to -1.5% in 2025) as December 2024 accrual, that was 35.2% higher than that of December 2023) was cashed in January 2025, with the December 2025 accrual (that dropped by 7.2%) being cashed in January 2026.

Withholdings on mutual investment funds' gains increased by 12.2% in 2025 ([Table 2.6](#)). They also follow an exceptional rate in 2024 (69.6%). With this further growth, the level of these withholdings is approaching the maximum of 2021 (€988 million in 2025, €1,052 in that year). However, its evolution was very uneven in the year. In January, growth was quite strong, extending those of the last months of 2024, probably with an anticipation effect due to the entry into force in 2025 of the rises in the tax rate on savings for high incomes. During the following months, the increases were much more limited, rebounding sharply between June and October, to close the year with falls compared to 2024.

Withholdings from leases (mainly from commercial premises) grew by 5.2%, slightly below the previous year (5.8%, [Table 2.5](#)). The tone throughout the

year was of stability around that average growth of the year.

In 2025 payments on account, related to the profits of personal businesses, grew by 11.4% ([Table 2.8](#)), thus, chaining three years of strong growth (in 2024 growth stayed 9.5% and in 2023, if corrected for regulatory changes, the increase would be of the same order). To illustrate this, it suffices to say that the incomes of these personal business were in 2025 almost 29% higher than in 2022 (in the same period wage and pension incomes increased by about 22%).

The outcome of the annual return, together with the withholdings on earned income, are the two elements that contribute the most to the growth of the PIT. In 2025 the positive outcome of the annual return increased by 26% ([Table 2.9](#)), slightly above 24% if it is taken into account that about €300 million were shifted from 2024 to 2025 due to the deferment, for the taxpayers of the province of Valencia, of the payment of the second instalment of the 2023 annual return. The cause of this strong growth was the positive behaviour in 2024 of the income not completely subject to withholding or payments on account (capital gains, income from movable and fixed capital and income from economic activities). Its impact on revenues was revealed at the time of filing the 2024 return, at the end of June 2025. Refund requests also felt the increase of these incomes and only grew by 1.7%, compared to increases of around 15% in the two previous campaigns. This circumstance is not observed in the refunds paid, which grow by 16%, as, it must be recalled, these include extraordinary refunds to mutual fund holders.



### **3. CORPORATE INCOME TAX**

In 2025 the CIT collected €42.27 billion, 8.1% more than the previous year ([Table 3.1](#)). In 2025, regulatory changes took centre stage, adding €3.64 billion to collection ([Table 1.5](#)), specially driven by those set out in the Law 7/2024, applicable to the 2024 annual return, most of which was paid in 2025, and to the 2025 instalment payments. The two measures with the greatest impact were the limit to the consolidation of the losses of the companies belonging to groups (in force in 2025 instalment payments, but not in 2024 instalment payments) and the recovery of the limits on the carry-forward of negative tax bases of previous periods for companies with a turnover of more than €20 million. In addition, it must be noted that revenue was negatively affected by the strong growth of refunds from other periods, such as those resulting from the refund requests matching the fiscal year 2023 (of a large sum that were completed at the beginning of 2025) and the extraordinary ones related to the court ruling on RDL 3/2016.

Corporation profits growth in 2025 (excluding those with 0% or 1% rates) is estimated at 11.3%, marking five consecutive years with an average increase above 13%. The rise was lower for profits reported by Large Corporations and Groups in their instalment payments, 6.1% (7.5% in Large Corporations not integrated in groups and 5.1% in Groups; [Table 3.2](#)).

Instalment payments, the main constituent of the tax, increased by 8.1% as a result of the trend in profits and the boost provided by regulatory changes. Out of the €3.17 billion additional collection in 2025, €3.07 billion come from the instalment payments. Withholdings on capital income amounted to around €260 million additional receipts, a far distant figure from the more than €860 million recorded in 2024, thanks to the aforementioned upturn in withholdings on movable capital income and the sharp increase of withholdings on mutual investment funds. The contribution of the outcome of the annual return (that of fiscal year 2024) was also positive by almost €560 million. Revenue rose by 16.9%, partly driven by regulatory changes, although refunds also increased significantly, as a big share of those requested in 2024, matching the fiscal year 2023, were paid in 2025 ([Table 3.3](#)). On

the contrary, the payment of a larger amount of extraordinary refunds and the lower receipts from tax assessments made by the Administration, subtracted almost €770 million from the collection.

The **consolidated Corporate Income Tax base** surged by 11.6% in 2025, a rate that, although high, embodies a significant moderation compared to the 23.1% recorded in 2024, favoured by the regulatory changes at the time (50% limit to the consolidation of losses in Groups and the recovery of the limits on the off-set of negative tax bases from previous periods). This tax base has shown an average increase in the last five years close to 20% surpassing the already positive trend in profits (Table 3.1 and Figure 3.1). 2025 has once again set an all-time high in terms of the tax base, surpassing the 2023 figure, the year when the previous record set in 2006 was beaten for the first time. Furthermore, it is expected that the accrued tax will also exceed, for the first time, the peak recorded at that time (Figure 1.25). The detailed trend of the tax since 1995 is shown in Table 8.5.

The **effective tax rate** on the tax base is expected to decrease slightly in 2025 (-0,3%) following a 1.3% increase in 2024, driven by the impact of regulatory changes (Figure 3.5). The changing incidence of regulatory changes over the last five years, when the progress of the tax base has been quite notable, has resulted in a moderate increase (0.4%) of the average rate in the period 2021-2025. The tax rate on profits, excluding corporations with 0% or 1% rates, is estimated to remain virtually stable in 2025 (-0.1%). The calculation of the tax rate does not include this type of corporations, mostly financial entities, due to the wide variability of their profits, linked to the valuation of their assets, that, in turn, depends on changes on interest rates and on responses of financial markets. This has a significant impact on profit fluctuations and, consequently, on changes on the tax rate (Figure 3.2), although it has little or no effect on the tax itself given their low or null taxation.

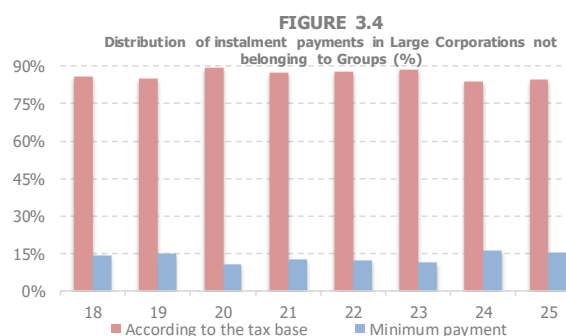
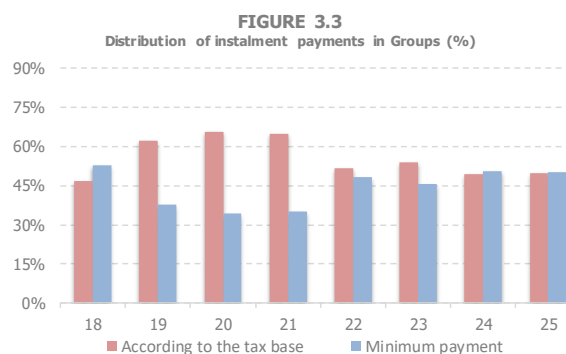
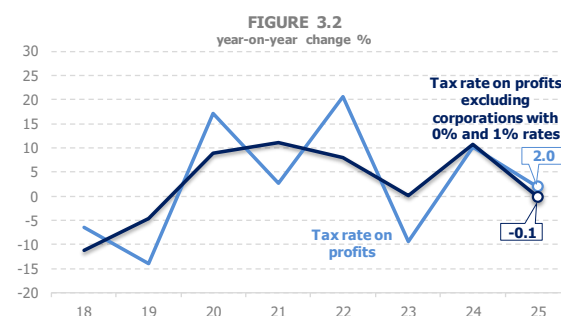
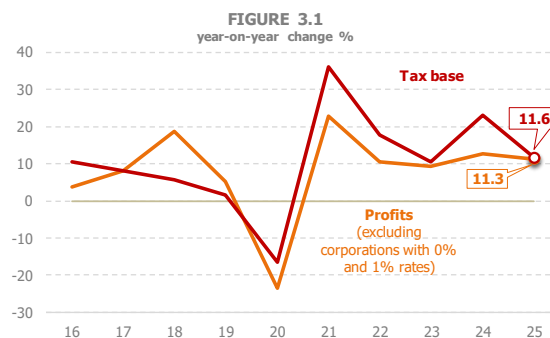
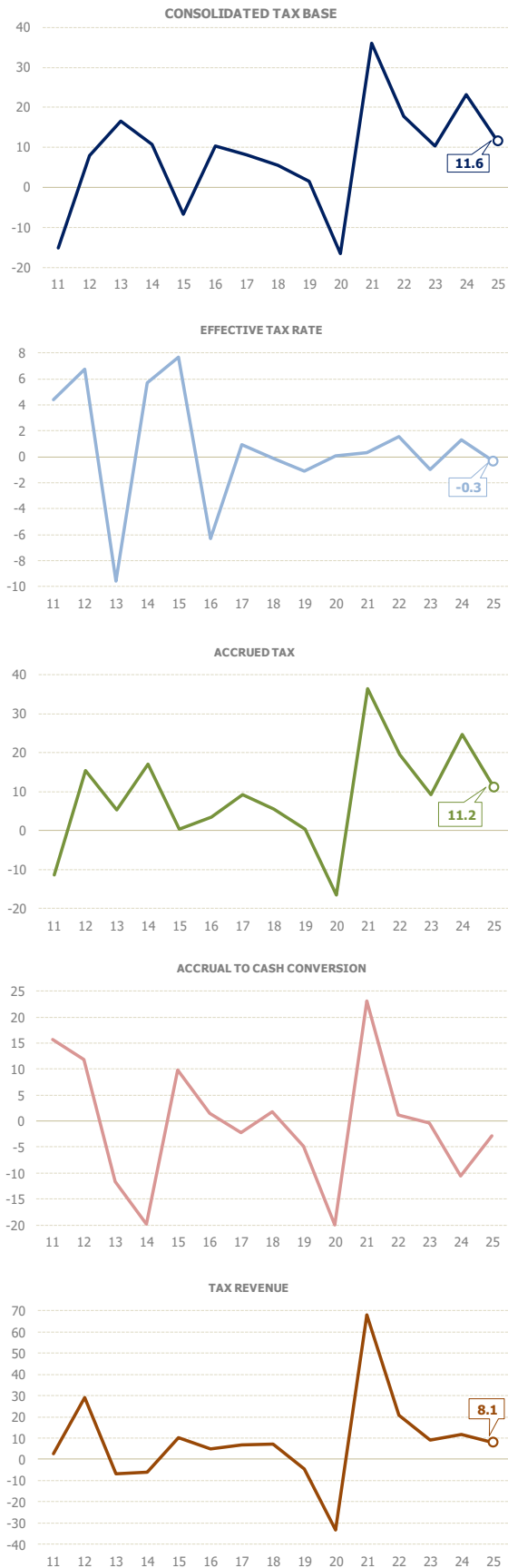




FIGURE 3.5  
CORPORATE INCOME TAX  
year-on-year change %



**Accrued Corporate Income Tax** is estimated to increase by 11.2% in 2025 (7.9% without taking into consideration the due tax of the annual return), thanks to a 7.7% increase of instalment payments and the expected favourable outcome of the annual return. In the case of consolidated Groups, the increase in the instalment payments stood at 7.5%, with a stronger growth in those declaring according to the taxable base (8.7%) than for those that do so on the minimum payment. (6.3%). The presence of regulatory measures (the limitation to 50% to the off-set of losses in the consolidation of the companies belonging to the group) explains why the progress of these payments was larger than the increase in profits (estimated at 5.1%). What has been unusual this year is the irregular trend of the three instalment payments, with a large increase of the first, an adjustment in the second due to the slowdown of profit in the central part of the year and a recovery at the end of the year. In Large Non-Group Corporations, instalment payments increased by 5.4%. In the case of these corporations the increase tends to concentrate mainly in those payments performed according to the tax base, unlike in Groups where the minimum payment, calculated on the basis of profits, is very relevant. The different pattern is clearly shown by Figures 3.3 and 3.4. As for SMEs, growth reached a rate of 14%, with strong increases both in those that were taxed according to their last annual return (11.7%), and in companies that declared according to the profits of the year (21.1%).

Tax **revenue** in terms of cash grew by 8,1% ([Table 3.1](#)), in line with the performance of the instalment payments. Both, withholdings on movable capital and those on mutual investment funds increased at a steady pace (7.0% and 12.2% respectively), albeit in sharp decline following the figures recorded in the previous year. The progress of the withholdings on leases was somewhat lower, as was the slowdown compared with 2024 (5.4% in 2025, 5.7% previously).

The outcome of the annual return matching the settlement of the fiscal year 2024 added almost €560 million to the collection, as a result of the increase of gross receipts (16.9%), boosted both by the good performance of profits and by the regulatory changes ([Table 3.3](#)). The refunds paid also exceeded those in 2024, although it must be



borne in mind that these combine refunds requests matching two fiscal years, those of 2024 and those of 2023, in addition to the extraordinary ones. The former dropped by 4.9%, as the same regulatory changes that favour the increase of positive net outcomes, imply a lesser increase of refund requests. On the contrary, the latter, those matching 2023, paid in the first months of 2025, involved large sums in line with the requests for that fiscal year. Finally, it must be added the extraordinary refunds stemming from the judgement that overturned RDL 3/2016. The final result of all these was an increase in the total refunds paid as of the outcome of the annual return.



#### **4. VALUE ADDED TAX**

**VAT revenues** grew by 9.9% in 2025, amounting to €99.53 billion ([Table 4.2](#)), almost four points more than the tax base, consumption subject, that increased by 6.1% ([Table 4.1](#)). The discrepancy between the two figures is explained by the rise in the average rate resulting from the complete return to standard rates of food staples, in addition to the differential effect on electricity, gas, wood and pellets, when compared to 2024, when the recovery of the 21% rate was in force for only a few months in the case of electricity (between March and June, due the fall in prices) and since April for gas, wood and pellets.

In the case of energy products, the recovery of the standard rate, resulted in additional revenue compared with 2024 amounting to €562 million. In food, the differential impact was huger, €2 billion, as the comparison is with a year when the convergence to original rates started in October, so that in cash terms the increase in revenues that prompted was only recorded in December.

In 2025, **final spending subject to VAT** closed the year with a growth of 6.1%, a slight improvement compared to the rate of 5.7% estimated for 2024 ([Table 4.1](#)), improvement concentrated in its volume component since the deflator component only increased by one tenth (Figure 4.1).

When focusing on the agents of spending, household expenditure, the main component of final spending subject to VAT, was the only one that showed a slight slowdown in its growth rate (5.7% in 2025 compared with 6% in 2024), due to price moderation and with a steady 3% rise of its real component. On the contrary, current and capital expenditure of Public Administrations intensified further (6.9% in 2025, 3.2% previously) motivated by the surge of the real component. Also household expenditure on new housing peaked up (9.7% in 2025, 7.4% formerly), with the entire increase being driven by the rising prices (Figure 4.2 and [Table 4.1](#)).

The incidence of prices on the different expenditure components has changed since the start of the inflationary cycle started in 2021. Figure 4.3 illustrates



this fact. Using 2018 as the baseline, it can be seen that up to 2020 the trends of expenditure deflators showed similar patterns, given the moderation and stability of prices at that stage. In 2022, year of the sharp rebound in prices, the increase was greater in those that affect household and Public Administrations spending. However, since 2023 it has been housing prices that have shown the greatest acceleration, so that in 2025 the deflator relating to housing expenditure would be almost 40% higher than the figure recorded in 2018, while the deflators of household consumption expenditure and Public consumption would have grown by around 21% and 24% respectively in the same period.

VAT **effective tax rate** increase is estimated at 3.7% in 2025 (Figure 4.5 and [Table 4.1](#)) as a result of the recovery of the tax rates previous to the successive rate cuts adopted since 2021 to mitigate the effects of rising energy prices (electricity, natural gas, wood and pellets) and then, in 2023, of food staples.

[Table 8.7](#) shows the breakdown by tax rate of spending subject to the tax. The breakdown returns in 2025 to a situation similar to that observed in the period between 2013 and 2019, prior to the Covid crisis and the repeated cuts that followed from 2020 to tackle the inflationary process.

**Accrued VAT** increased by 10%, almost four points more than the spending subject to the tax ([Table 4.1](#)), due to the increase in the average rate resulting from the recovery of the rates on electricity and food staples. An alike rate is expected for net accrued VAT (which differs from the previous one because it includes the change in the balance that companies carry forward from one period to the next). Gross accrued VAT ([Table 4.2](#)) closed the year at a 8.3% rate. The impact of the rate hikes, to bring them back to the levels prior to the rate cuts, varied depending on the type of taxpayer, depending on their position in the value creation and distribution chain for the products affected by the changes. Thus, monthly self-assessments recorded greater increases (mainly Large Corporations and Groups), which touched 9.4% from 5.1% in 2024, as they were more impacted by rate hikes, while in quarterly self-assessments the increase stood at 6.2%, more than three points below the monthly self-assessments and also below the 7% in 2024.

FIGURE 4.1  
Final spending subject to VAT  
year-on-year change %

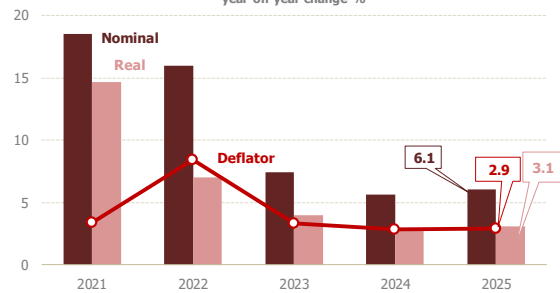


FIGURE 4.2  
Final spending subject to VAT  
year-on-year change %

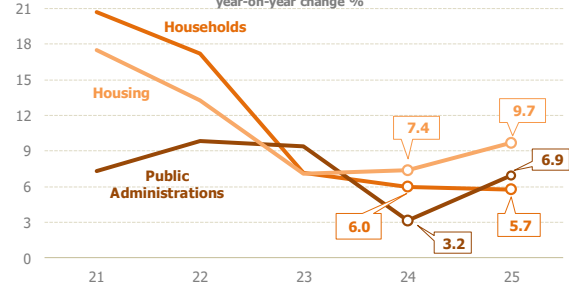


FIGURE 4.3  
Deflator of final spending subject  
2018=100

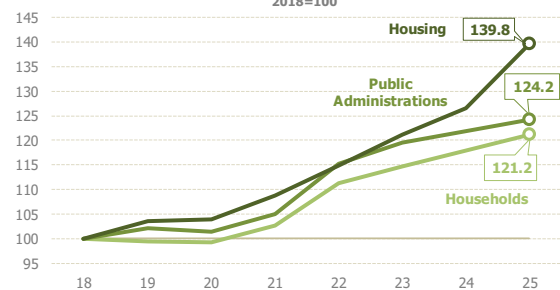


FIGURE 4.4  
Gross Accrued VAT  
year-on-year change %

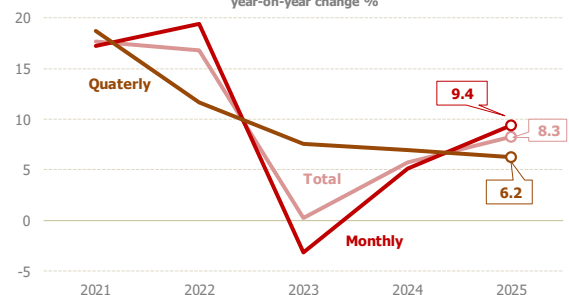
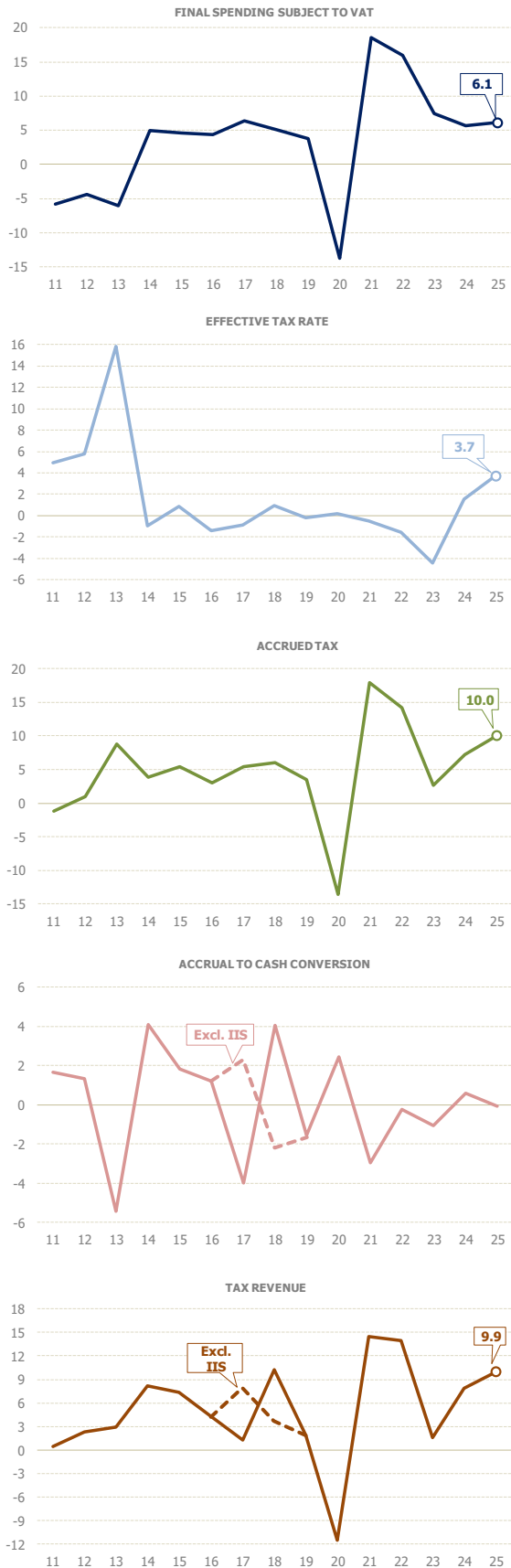




FIGURE 4.5  
VAT  
year-on-year change %



With regard to refund requests, they grew by 3.7% for the year as a whole, with an increase of 2.9% in monthly requests and 6.3% in annual ones.

**Tax receipts** in terms of cash increased by 9.9%, with an increase in gross revenue of 8.6% and a rise of refunds paid of 5.2% (Table 4.2). Collection from self-assessments improved by 8.1%, due to the larger increase of total gross VAT, to the strong progress in revenue related to deferrals and audit activities (16.3%), that gathers a share of the largest deferrals requested in 2024 and 2025. By type of taxpayer, although there is still a greater increase in monthly self-assessments (8.3%) than in quarterly ones (7.5%), the gap between their rates is less than one point, below the difference seen in accruals. The reason is that the accrual matching the last quarter of 2024 is cashed in 2025, and it showed a better performance than the one linked to the last quarter of 2025, to be cashed in the first month of 2026. This shift between accruals and cash also explains why the slowdown of accruals in quarterly self-assessments is no reflected in cash receipts.

VAT refunds paid grew by 5.2% in 2025. Monthly refunds paid increased by 5.5% mostly due to two reasons: the larger refunds requested both in 2024 and in 2025, and the improvement in the pace of payment of refunds in 2025. As for annual refunds, they increased once again (2.4%), despite requests for fiscal year 2024 (submitted at the end of January 2025) had decreased by 1.8%. The reason for this discrepancy lies in the increase in extraordinary refunds. Finally, there was also an increase in refunds related to foral adjustments and imports (9.3%).



## **5. EXCISE DUTIES**

**Excise Duties** revenue reached €23.08 billion, 4.3% more than in 2024, mainly due to regulatory changes ([Table 5.1](#)). On the one hand, 2025 was the first full year when the Electricity Excise Duty rate stood at 5.11%, following its cut to 0.5% in September 2021 and its gradual recovery in 2024. On the other hand, the increase in rates in the Tobacco Excise Duty took effect from 1 January 2025. Furthermore, the new Tax on Liquids for Electronic Cigarettes came into force in 2025, although its impact on collection was minor (€30 million). Excluding revenue from regulatory changes, that amount to €831 million ([Table 1.5](#)) the rise in revenue from Excise Duties would be of only 0.6%. Out of the rest of the figures, the 4.8% increase in the Tax on Non-Reusable Plastic Packaging, the 0.5% growth in the Hydrocarbons Excise Duty and the 3.4% fall in alcohol duties as a whole, are worth noting.

The **value of consumptions subject to Excise Duties** grew by 1.4% following two years of declines ([Table 1.3](#)). This shift in trend is explained by the higher value of the consumptions of elements with the greatest weight in the total, such as electricity (6.1%) and tobacco (1.5%), both driven by higher prices and, in the case of electricity, also by an increase of consumption (3.2%; [Table 5.7](#)). As for tobacco, consumption decreased by 4.5% ([Table 5.6](#)), due to the combined effect of higher prices and the hoarding process that took place at the end of 2024, prior to the expected rate hike.

Also the value of the consumption of hydrocarbons dropped (-1.9%), as a result of falling prices ([Table 9.1](#)) and despite the 2% rise in consumption (Figure 5.1), as it was the case for the value of the consumptions of alcohol and beer, due to a 1.3% fall in the consumption of alcoholic beverages and a 1.6% of beer.

Energy **prices** followed different paths in 2025. Thus, the average price of gasoline and diesel-oils continued the downward trend seen on previous years, with a fall of 3.9% (5.7% before taxes; [Table 9.1](#)), lower than that recorded by the oil barrel price in euros, which decreased by 17.4% (contrary to what happened in 2024, when the decline in gasoline and diesel-oil prices was higher than that of



the barrel in euros). However, the retail price of electricity increased by 8.8%, well above the pre-tax price which increased by only 2% (Table 5.7). This is because, for the entire fiscal year 2025, VAT and Electricity Excise Duty rates were at their normal levels, compared to only part of the fiscal year 2024.

As for tobacco, the average retail price increased by 7.1% (5.5% before tax, Table 9.2), with increases in the average prices of both packages (6% the average retail price and 2.9% the price before taxes) and other works (11.9% the average retail price and 9.3% the price before taxes). The higher increase in retail prices compared to pre-tax prices is explained by the increase in rates that entered into force on 1 January and that affected all tobacco products.

Finally, prices of alcoholic beverages increased slightly, by 0.1%, with no change in their price before taxes (Table 5.2) and those of beer increased by 1.1% (1.2% before taxes, Table 5.3).

The average effective tax rate of Excise Duties increased, primarily due to regulatory changes. Firstly, 2025 was the first full year since 2021 when the Electricity Excise Duty rate stood at 5.11%, following its complete recovery since July 2024. Secondly, the increase in rates in the Tobacco Excise Duty took effect from 1 January 2025. This, coupled with the rising pre-tax prices, increased the effective tax rate by 7.8%, with important differences across products: while the effective tax rate on cigarettes increased by 6.7%, that of other tobacco works enlarged by 14.5%.

Although with less impact on the aggregate average tax rate, in 2025 the effective rate of gasoline, diesel-oil and biofuels also increased slightly (0.4%), resulting from the change in the composition of consumption, as the consumption of gasoline, taxed at a higher rate, increased above the consumption of other fuels.

FIGURE 5.1  
HYDROCARBONS EXCISE DUTY  
year-on-year change %

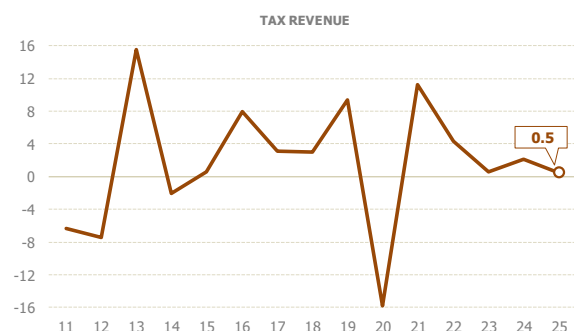
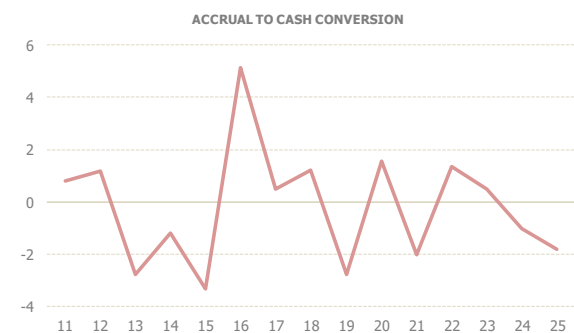
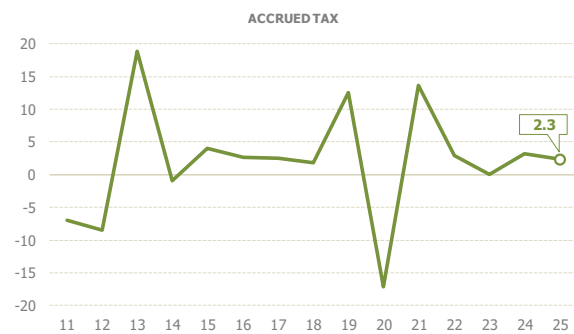
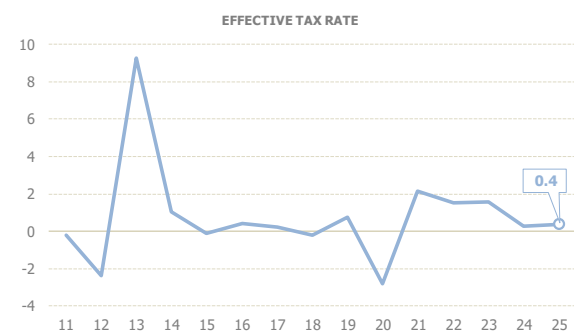
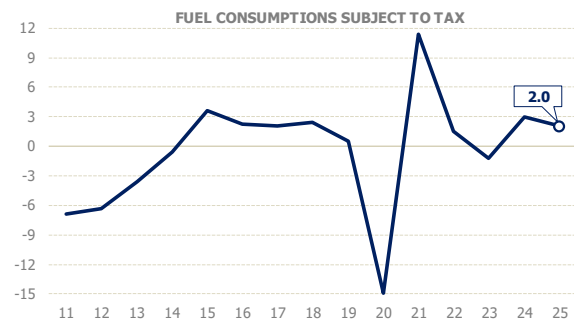
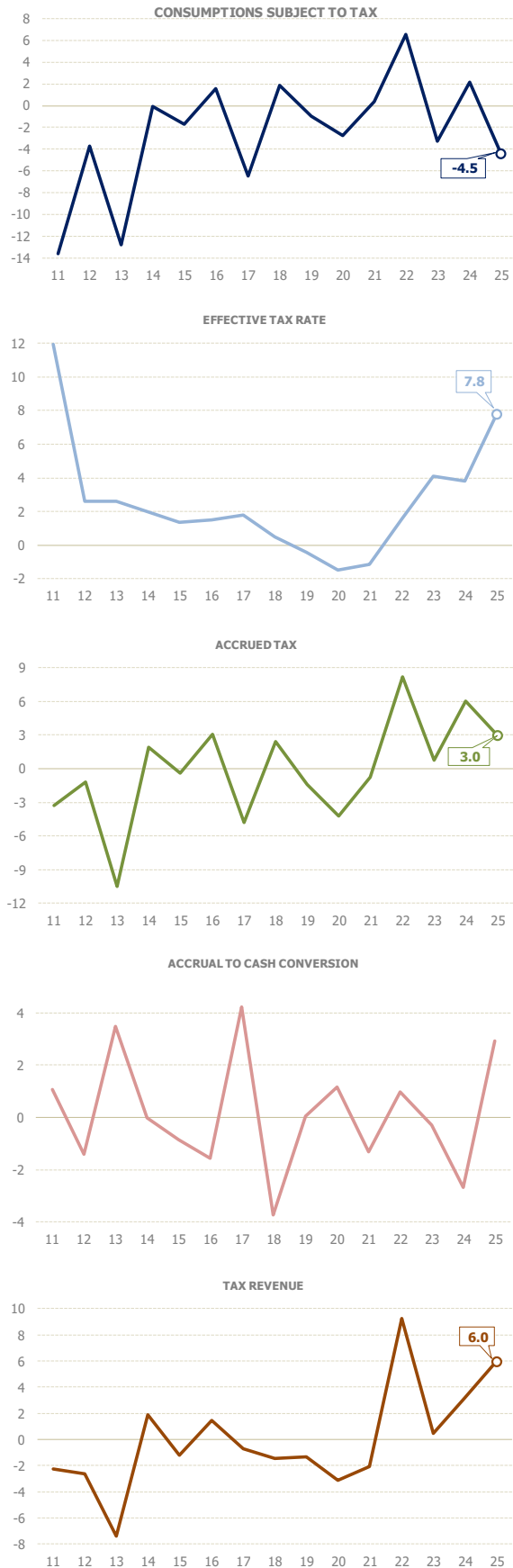




FIGURE 5.2  
TOBACCO EXCISE DUTY  
year-on-year change %



**Accrued Excise Duties** increased by 3.8% in 2025 (Table 5.1) driven by the three main tax figures. On the one side, the accrued Hydrocarbon Excised Duty enlarged by 2.3%, thanks to the performance of consumptions. On the other side, the rates hike in the Tobacco Excise Duty allowed a 3% rise in the accrued tax, despite the downturn of consumption. And, finally, the full recovery of the Electricity Excise Duty rate, together with higher prices and consumption, led to a 28.3% in the accrued tax.

Revenue from the Hydrocarbons Excise Duty, that accounts for more than half of total collection, grew slightly, by 0.5%, amounting to €12.37 billion (Table 5.5 and Figure 5.1). The rate is lower than that recorded by consumption, which enlarged by 2%, and that, together with the modest increase of the average effective tax rate, explain the 2.3% in the accrued tax. In terms of consumption, there are significant differences across products, with increases of 7.8% for gasoline and just 0.1% for diesel-oil, which corresponds, in the absence of rate changes, with the variations in the accrued tax of these products and with the gradual replacement of diesel-oil vehicles. There are several factors that explain the mismatches between accrued taxes and cash receipts. On the one hand, the effect of the foral adjustments, that added almost €100 million less to cash revenue than in 2024. On top of that, in 2025 receipts arising from temporary sifts were also lower. Finally, the presence of extraordinary refunds reduced net collection even more. Revenue from self-assessments, which better reflect the developments of consumption, increased by 1.8%, just a few tenths below 2024.

Tobacco Excise Duty receipts increased by 6% (Table 5.6 and Figure 5.2), up to €7.34 billion. €365 million, out of the €413 additional revenue, come from the rate hike, so without it, revenues would have been only slightly higher than in 2024. That small increase would have come from the rise in pre-tax prices, as consumption in 2025 fell by 4.5%, affected by higher prices, but also by the hoarding process that took place at the end of 2024 prior to the rate hike. This episode is precisely what explains the difference between the growth of the accrued tax (3%) and the cash receipts: the sharp increase in consumption that was recorded at the end of 2024 was reflected in the accrued tax of 2024 and in the cash receipts of 2025.

The new Tax on Liquids for Electronic Cigarettes



collected €30 million euros in its first year. It was in force since April and collection stabilized from July at just over €4 million per month.

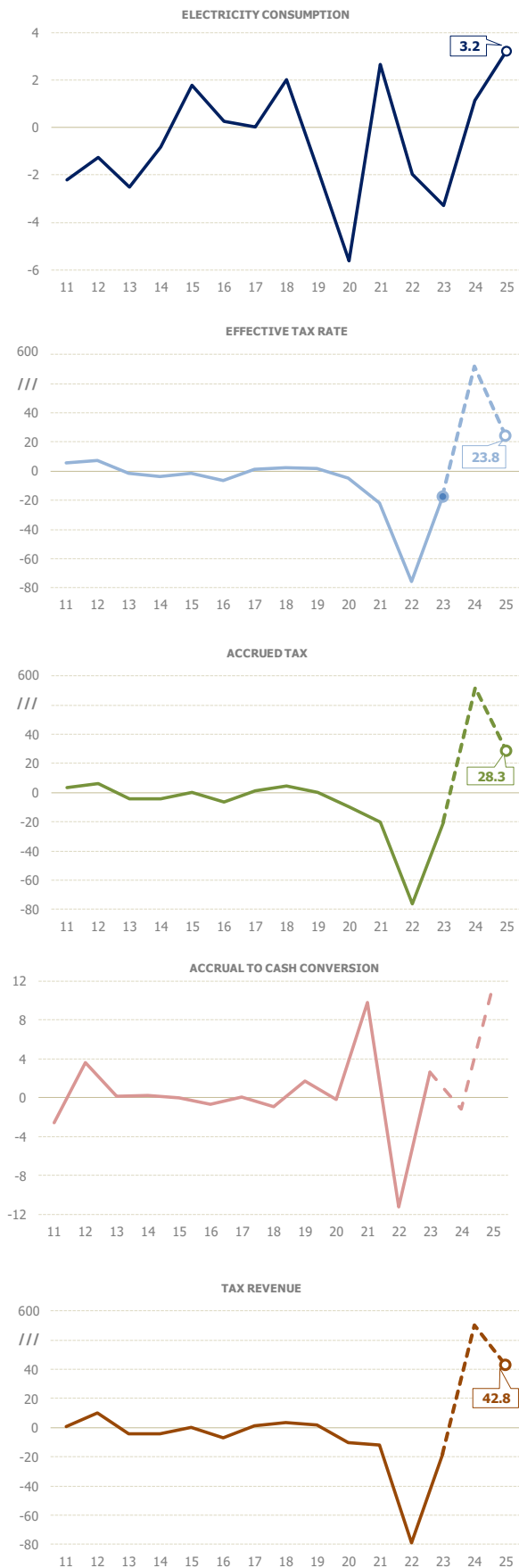
Electricity Excise Duty to reached €1.59 billion (Table 5.7 and Figure 5.3). The strong growth, 42.8% compared with 2024, was mainly due to the recovery of the 5.11% tax rate, in force throughout 2025, whereas in 2024 it was only in force from July. This differential effect added €436 million to collection, which was also favoured by higher consumption (3.2%) and by the increase in prices before taxes. Removing the impact of the recovery of the rate, the increase in revenue would be reduced to 3.6%, a rate close to the evolution of consumption. In any case, the level reached, which is already comparable with the rest of the series, is the all-time high. A close figure was reached only in 2012 (€1.51 billion), but revenues in the five years prior to 2020 were around €1.35 billion. The difference with the result in 2025, with a consumption below that year's, gives an idea of the jump in prices.

Receipts from the Excise Duty on Alcohol and Alcoholic Beverages and from the Excise Duty on Beer decreased in 2025, 3.8% and 2.8% respectively (Tables 5.2 and 5.3) as a result of the fall of consumptions (-1.3% and -1.6%, respectively) and of the mismatches between accrued taxes and cash receipts.

The Tax on Non-Reusable Plastic Packaging collected €599 million, 4.8% more than in 2024. The year was marked by the lower amount of refunds (which explains around two points of the growth in net receipts) and by the greater dynamism shown by imports (with increases close to 7%) compared to domestic operations (with a decrease close to 1%).

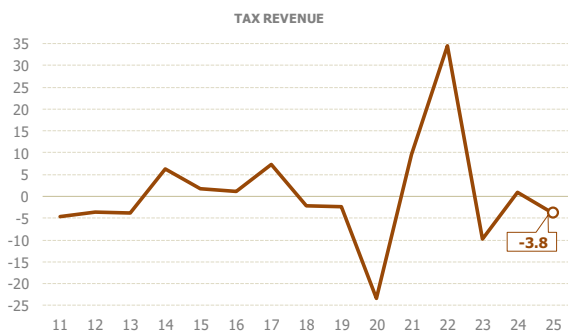
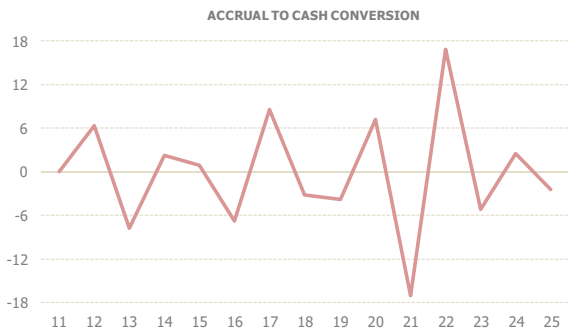
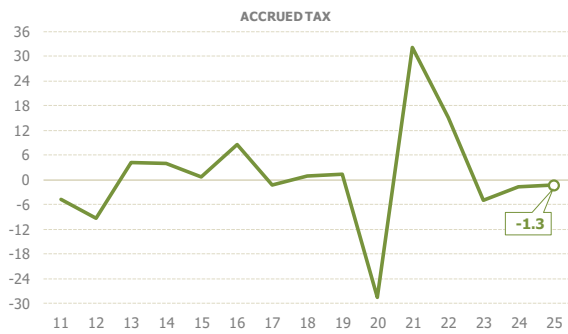
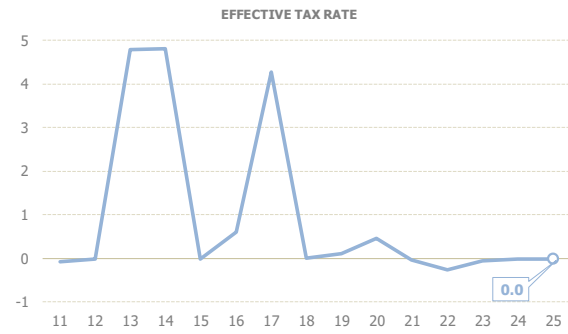
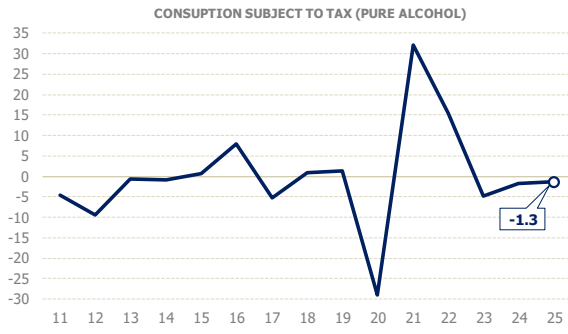
Finally, there is left the marginal revenue of the Carbon Tax, €9 million, less than half of what was collected in 2024.

FIGURE 5.3  
ELECTRICITY EXCISE DUTY  
year-on-year change %

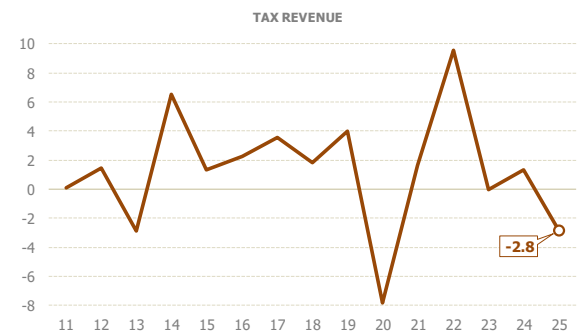
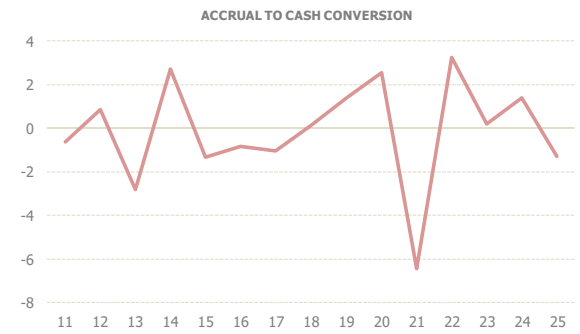
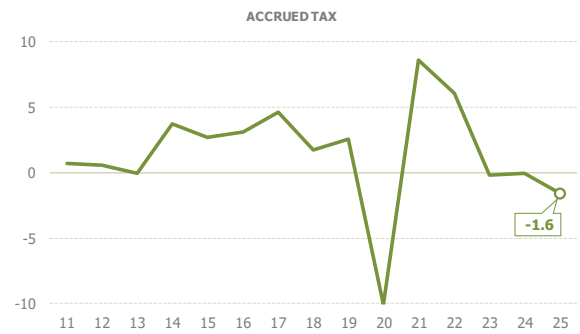
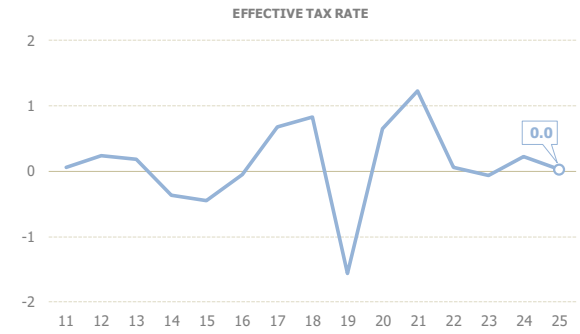
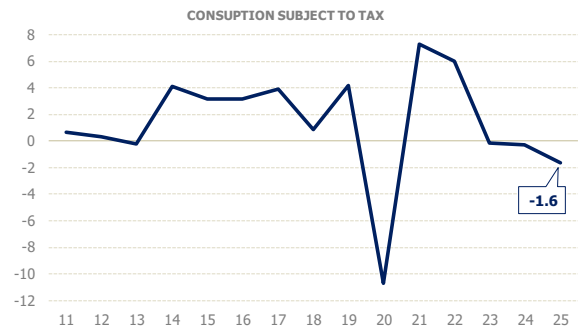




**FIGURE 5.4**  
**ALCOHOL AND ALCOHOLIC BEVERAGES EXCISE DUTY**  
year-on-year change %



**FIGURE 5.5**  
**BEER EXCISE DUTY**  
year-on-year change %





## **6. OTHER TAXES**

Collection from tax figures other than the main ones reached €18 billion in 2025, 32.8% above the previous year. This high rate is determined by two elements. On the one hand, the addition of the **Tax on the Interest and Charges Margin of certain Financial Entities**, collected for the first time in 2025 and whose receipts amounted to €1.42 billion. This tax, assigned to the Autonomous Communities, although managed by the Spanish Tax Agency, replaced the Special Levy, in force in 2023 and 2024, although in that case it was a non-tax revenue. On the other hand, the recovery of the **Tax on the Electricity Production Value**, one key figure among environmental taxes. In 2024 it recovered gradually the share of the taxable base subject to the 7% tax rate and 2025 accounted for a full year with the standard tax rate applied on the entire tax base, in such a way that around €807 million of the environmental taxes collection came from this standardisation.

Even without including revenue from the Tax on the Interest and Charges Margin of certain Financial Entities and from environmental taxes, figures other than the main ones expanded by 16.9% adding almost €2.1 billion to 2025 collection. The bulk of this revenue (€1.36 billion) is due to the **Non-Resident Income Tax** ([Table 6.1](#)), that grew by 33.8% amounting to €5.4 billion. Several reasons explain this strong growth. On the one hand, a huge revenue in the annual return from an extraordinary receipt related to a previous fiscal year, amounting to €331 million. Furthermore, the collection of the annual return exceeded the amount of the previous year by more than €300 million, thanks to the positive evolution of the annual settlements accrued in 2024 (and cashed in 2025) which increased by 26%. This growth was based on the good performance of income arising from the transfer of real estate and capital gains ([Table 8.8](#)). On the other hand, revenues from withholdings and instalment payments also boosted strongly, by 17.2%, adding more than €700 million to the collection.

As already discussed, the revenue from **environmental taxes** ([Table 6.2](#)), made a positive contribution to collection thanks to the recovery of the Tax on the Electricity Production Value, that



provided for €924 million more than in 2024 to the total revenue. This tax had been suspended since mid-2021 as part of measures to mitigate the effects of electricity price increases. In 2024 it was recovered gradually (25% in the first quarter and 50% in the second one), so that the recovery was not complete until the third quarter. Therefore, fiscal year 2025 was the first full year since 2020 in which this tax worked normally.

'Other Receipts' in Chapter I, excluding the Tax on the Interest and Charges Margin of certain Financial Entities, decreased again in 2025, by -24.3% amounting to €272 million. Both, the revenue from the Tax on Asset Transfer by real obligation and in Ceuta and Melilla (-20.5%) and the Tax on Inheritances and Donations (-22.1%) decreased. Furthermore, the already diminished Temporary Solidarity Tax of the Great Fortunes was halved, from €37 million in 2024 to almost €19 million in 2025.

The two main figures in the 'Other Receipts' from Chapter II, the **Tax on Insurance Premiums** ([Table 1.6](#) and [Table 6.4](#)) and the **Tax on International Trade** ([Table 6.3](#)), increased in 2025 (7.9% and 13.3%, respectively), together accounting for more than €550 additional million to 2025 collection. The **Tax on Financial Transactions**, with significantly lower receipts than the previous ones, was, however, the one that

showed the greatest growth, 36.5%. Already in 2024 it had experienced a sharp increase (25.5%). At that time, it was due to the lower foral adjustments due to the taking of management responsibilities by the foral administrations; in 2025, however, the driver of growth was the increase in transactions. In gross terms, without adjustments, the collection exceeds that achieved in the first year of implementation of the tax in 2021 ([Table 7.1](#)). Although smaller, revenue growth in the **Tax on Digital Services** was also noteworthy (9.2%).

**Receipts** under **Chapter III**, Fees and other revenue grew by 7% (€141 million more than in 2024; [Table 1.6](#) and [Table 6.6](#)). The increase occurred despite the loss of more than €100 million in the Public Radioelectric Domain Fee due to a legal dispute with the administration by some operators. As for fees, all the surge was concentrated in the Canon for the use of continental waters (€182 million more than in 2024). As for the rest of Chapter III, its revenues grew by 6.6%, with positive developments in two of its main components, surcharges and interest, and a fall in revenue from sanctions.