



Agencia Tributaria

TAX REVENUE MONTHLY REPORT

FEBRUARY 2014



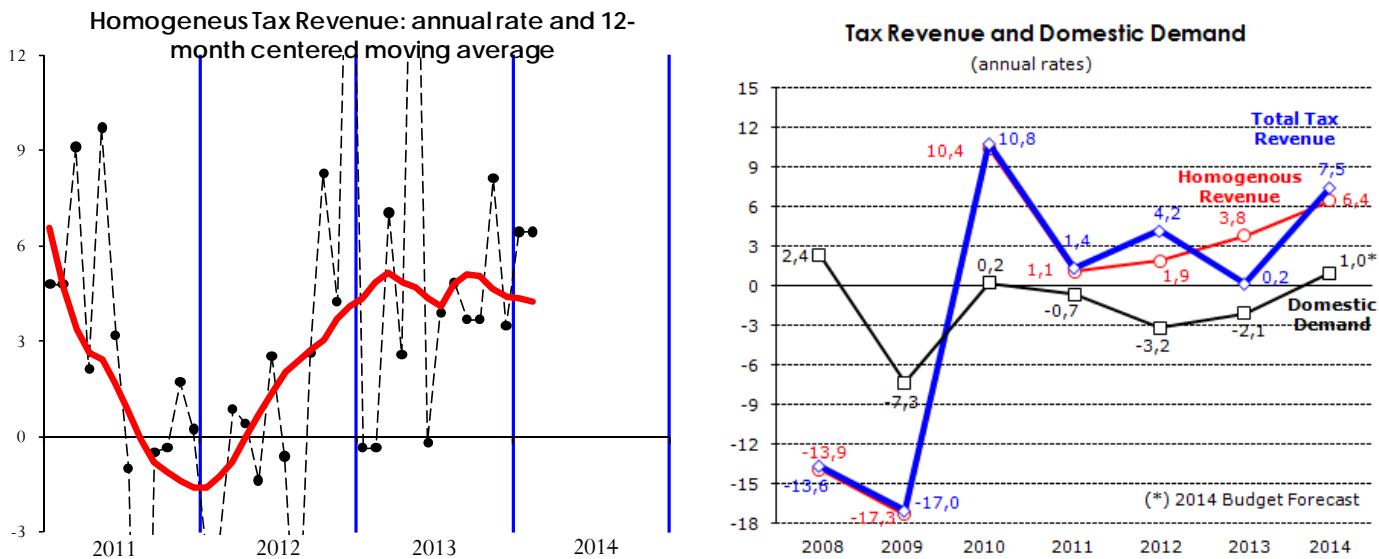
TAX REVENUE PERFORMANCE

Total tax revenue rose by 7.5% until February and this is the highest accumulated rate since 2007. Tax revenue mounted up to €20.2 billion in February and increased by 20%, compared with the same month of 2013. As in January, revenue performance was strongly driven by changes in public debt interests accounting (before January, interests were noted down in one month and they were almost totally refunded in the following month; now, their net amount is took down in one sole month). This time, refunds are the variable affected. Amending this impact, total revenue would grow by 9.8%. **Homogeneous total revenue**, after leaving out public debt interests accounting and different refunds schedules effects, **went up by 7.7% in February and by 6.4% in the first two months of the year**.

Gross receipts grew by 8.6%, €1.8 billion over the same month of 2013. The peak increment was scored by VAT (€0.8 billion, 5.8%), boosted up by December and fourth quarter receipts. €0.5 billion more were yielded from both Electric Energy Value Production Tax and Lottery Tax (0.1 billion in this item, much higher than the amount collected in February 2013). February receipts also includes part of January's small businesses payroll withholdings (€0.15 billion). This fact, together with the good performance of public payroll withholdings, enhanced total payroll withholdings above 8% growth rate (February's and accumulated).

Table 1. Tax Revenue (€million)

FEBRUARY	2014	2013	% 14/13
DIRECT TAXES			
Personal Income Tax	15.489	14.029	10,4
Corporate Income Tax	-3.802	-2.250	-69,0
Non-Residents Income Tax	227	299	-23,9
Environmental taxes	400	0	---
Other	19	19	-2,1
DIRECT TAXES TOTAL	12.334	12.098	2,0
INDIRECT TAXES			
Value Added Tax	13.058	11.610	12,5
Excise taxes	3.347	2.990	11,9
+ Alcohol	131	122	6,9
+ Beer	46	45	1,0
+ Fuels	1.630	1.441	13,1
+ Tobacco	1.204	1.125	7,0
+ Electricity	249	253	-1,3
+ Coal	83	0	---
+ Other	4	3	2,9
Insurance primes tax	231	233	-0,9
Custom duties	229	210	9,1
Other	21	28	-25,8
INDIRECT TAXES TOTAL	16.886	15.071	12,0
FEES AND OTHER REVENUE	250	252	-0,9
TOTAL AMOUNT	29.470	27.421	7,5



Personal Income Tax enlarged by 10.4% until February. Part of this increase has to do with the great deal of refunds paid in the beginning of 2013 and with the higher receipts from public withholdings deferments. Subtracting these impacts, **homogeneous revenue grew by 6.5%**. The good performance of payroll withholdings (8.2%) and instalments (10.1%, 6.2% accumulated) was the highlight in February. Payroll withholdings boosted up because of three underlying issues: February includes part of January's small businesses receipts, public withholdings accrued in previous months grew significantly and so did the receipts affected by changes in deferments requests management. Concerning to withholdings performance main factors, the available information shows that large corporations employees number remains the same, and reveals that wage bill kept on contracting (once surpassed 2012 Christmas Bonus suppression effect) and pensions bill growth pace was weaker than in previous quarters.

CIT receipts were not remarkable yet in February. CIT yield is still negative, since there were few receipts in and a great deal of refunds paid (12.5%, according to the increment of 2012 annual return refunds requested).

VAT revenue climbed by 12.5%, rate which comes down to 5.7% using homogeneous figures. January and February revenue includes December and January accrued receipts from monthly self-assessments (large companies, groups and other taxpayers entitled to obtain refunds monthly) as well as 2013 last quarter receipts (small companies). Monthly assessments receipts grew by 5.4% accumulated, nearly two percentage points over December's rate (accrued VAT of November) and over the average rate of the months not affected by rates rise effect. Small companies receipts went up by 6%, rate much higher than 0.3% scored in October, month whose assessments were still influenced by September 2012 rates rise. These evolutions are connected to spending subject to VAT recovery, which was widely commented in previous reports (it grew by 4.4% in the last quarter of 2013).

Excise taxes revenue increased by 11.9% until February. Fuel excise still grew at a high pace (13.1%) driven by new laws and management changes impact in January (20.0%) and by the comparison with low natural gas receipts in 2013: it scored a 4.1% increment in February solely due to that reason, since fuels receipts remained steady. Tobacco excise went up by 44.6% in February as a result of the comparison with the same month of 2013, which scored a downturn after the stock up episode of December 2012. Tobacco grew by 7.7% accumulated in January-February. Electricity excise tax contracted by 1.3% (-2.0% in February affected by the new 85% release for high consumption industries). Without this effect, it would have fallen by 0.3%, consistent with the lessening of drop pace in the last months.



1. Technical notes

- Tax revenue data refer to taxes collected by the AEAT (Spanish National Tax Agency). They amount to above 90% of non-financial Government revenue (including *Comunidades Autónomas* –Autonomous Communities- and Municipalities share).
- Tax revenue is measured in cash flow and in net terms (gross revenue less refunds).
- *Comunidades Autónomas* (Autonomous Communities) and Municipalities share in Tax revenue may vary as a consequence of changes in the territorial financing system. This share is made effective through: 1) twelve equal monthly prepayments, 2) a final settlement corresponding to year t-2 made effective between July and October in year t.

2. Monthly Tax Calendar. February

Personal Income Tax:

Monthly PIT withholdings (large companies and public sector) and 2013 fourth quarter payments for small and medium size businesses.

VAT:

December and January self-assessments for large companies, groups and other taxpayers entitled to receive refunds monthly. 2013 fourth quarter for small companies.

Manufacturing Excise Taxes:

Alcohol, Beer and Intermediate Products: November payments for large companies and 2013 fourth quarter for the rest.

Fuels and Tobacco: January payments.

Electricity: January payments (large companies).

3. TRMR Publication Calendar for 2014

	Jan	Feb	March	March	March	April	May	June	Jul	Aug	Sep	Oct	Nov	Dec
Reference Date	--	--	Day 31	Day 31	Day 31	Day 29	Day 27	Day 24	Day 29	Day 29	Day 30	Day 28	Day 25	Day 23
Reference Month	--	--	Dec 13	Jan 14	Feb 14	March 14	April 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14

4. More information at the AEAT's web, *Statistics*:

- *Recaudación tributaria* (Tax revenue reports, with English summary)
- *Estadísticas por impuesto* (Tax statistics: PIT, Property Tax, CIT, VAT, tax data on Labour and Pensions, motor vehicle tax, excise taxes)
- *Ventas, Empleo y Salarios en las Grandes Empresas* (Large Companies Sales, Employment, and Wages monthly reports)
- *Comercio exterior* (Foreign trade statistics).