



Agencia Tributaria

TAX REVENUE MONTHLY REPORT

APRIL 2015



TAX REVENUE PERFORMANCE

Before evaluating April data, it needs to be reminded that a significant part of 2014 April yield (€5 billion) was moved to May, as some local holidays drove to change self assessments monthly deadline in some communities and town halls. Table 1 includes the part of 2014 April yield reassigned to May.

Total tax revenue grew by 6.7% in April. Gross receipts increased by 6.7% too, while refunds enlarged by 4.5%.

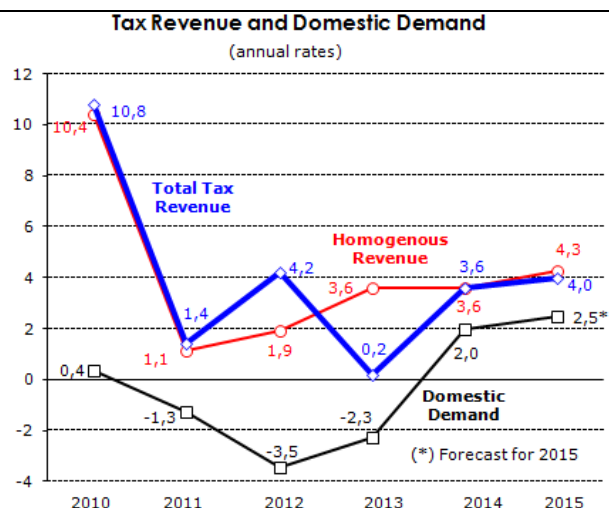
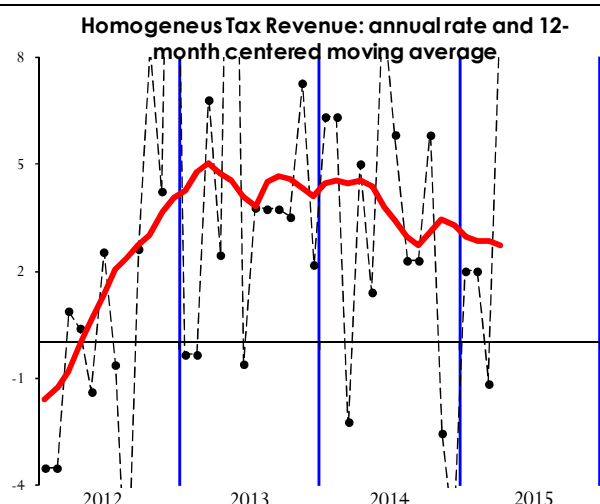
Accumulated Total tax revenue scaled by 4.0% until April (3.7% the gross receipts), rate which is slightly lower than the **homogeneous revenue growth (4.3%**, after subtracting the effects of different refunds paces in 2014-2015, "health extra charge" refunds and public withholdings deferments).

The evolution gathers strength in one of the "peaks" of receipts along the fiscal year (in April quarter self assessments and first CIT instalment are added to monthly self assessments), and this result stems from three features: the strong growth of CIT instalment, in spite of legal rates lowering; the enhancing pace of VAT and instalments from small businesses; and the return of Tobacco to standard evolution, after the odd rate of March. Besides, there were other favourable issues as the return of large corporations' payroll withholdings to a positive pace, the rise of investment funds withholdings and the better performance of capital withholdings.

Table 1. Tax Revenue (€ million)*

APRIL	2015	2014	% 15/14
DIRECT TAXES			
Personal Income Tax	28.206	28.474	-0,9
Corporate Income Tax	1.610	813	98,0
Non-Residents Income Tax	305	370	-17,6
Environmental taxes	381	409	-6,8
Other	43	39	10,7
DIRECT TAXES TOTAL	30.545	30.104	1,5
INDIRECT TAXES			
Value Added Tax	24.975	22.859	9,3
Excise taxes	6.169	6.400	-3,6
+ Alcohol	229	227	1,0
+ Beer	80	81	-1,9
+ Fuels	3.141	3.378	-7,0
+ Tobacco	2.076	2.083	-0,3
+ Electricity	485	488	-0,6
+ Coal	151	138	10,1
+ Other	6	5	22,3
Insurance primes tax	455	448	1,4
Custom duties	548	463	18,3
Other	62	28	119,8
INDIRECT TAXES TOTAL	32.210	30.199	6,7
FEES AND OTHER REVENUE	828	825	0,4
TOTAL AMOUNT	63.583	61.128	4,0

* 2014 comprises actual yield and, in addition, April revenue transferred to May yield.



Personal Income Tax dropped by 0.9% until April. Adjusting the distortion of different refunds schedules in 2014-2015 and receipts from closed fiscal years public withholdings, **homogeneous revenue grew by 0.3%**. Households Income first estimate increased by 2.9% in the first quarter, so PIT steady pace is the result of tax reform, which drove withholdings to a lesser growth. This is the case of payroll withholdings: they remained stable in the first four months of the year though their base grew by 3.2% (4%, wage bill and pensions). Large corporations payroll withholdings rose by 1.9% because of the better performance of employment and the slight growth of average salary, that were strong enough to counterbalance the 3% average rate drop. Small businesses payroll withholdings went up by 2.6%, but the rate encloses two opposite trends: 6.6% January growth (receipts accrued in 2014 last quarter) and 2015 first quarter fall (-2.2%), as it was the first period affected by legal rates lowering (average rate drop for small businesses was -6.5%, even sharper than -5.1% for pensions). April confirms the good moment of small businesses: instalments ascended by 10.9% (11.2% accumulated).

CIT homogeneous receipts hastened by 26.6% until April, after the first instalment yielded in this month, which boosted by 26.4% (23.1% the large corporations, 8.3% the small ones as they work out the instalment on the basis of the last annual return and its legal rate remains the same). This evolution is the outcome of three factors: profits growth (20.7% the large corporations); the increase of the base due to the gains in a large public corporation privatisation; and, reducing the receipts, the lessening of bases and rates (from 30% to 28%) as well as other previous legal changes. Without these reforms, the large corporations instalment would have grown by 31.6%, as much as the base have grown.

VAT revenue rose by 9.3% in January-April. Adjusting the different refunds schedules in 2014-2015, **homogeneous revenue extended by 5.8%**. VAT enhances due to the strong growth of small businesses receipts (11.4% in April, beating the 9.8% achieved in the first quarter). Import VAT and monthly receipts are affected by the change in the way of accounting Import VAT for some tax-payers with monthly self-assessments. Once amended the effect, they grew by 3.4% altogether, improving the pace they hold before the change. VAT base lessened its pace compared with the intense growth observed in 2014.

Accumulated Excise Taxes homogeneous revenue grew by 1.3% (once substracted fuel extra-charge refunds). Fuel Tax stands out with a 3.4% increase, according to fuel consumptions improvement (4.6%) and a slighth fall of subsidised diesel fuels average rate. Tobacco returns to standard evolution, after March odd rate, and it nearly repeats the figures of the same period of 2014. This is also the main feature of Electricity performance, with a consumption increase (1.2%), counterbalanced by average price drop.



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. April.

Personal Income Tax:

Monthly PIT withholdings (large companies and public sector) and 2015 first quarter payments for small and medium size businesses.

CIT:

First Instalment.

VAT:

Monthly self assessments and 2015 first quarter of small businesses.

Manufacturing Excise Taxes:

Alcohol, Beer and Intermediate Products: January payments for large companies.

Fuels and Tobacco: March payments.

Electricity: March payments for large companies and first quarter for the rest.

3. TRMR Publication Calendar for 2015

	Jan	Feb	March	March	March	April	May	June	Jul	Aug	Sep	Oct	Nov	Dec
Reference Date	--	--	Day 31	Day 31	Day 31	Day 28	Day 26	Day 30	Day 28	Day 31	Day 29	Day 27	Day 24	Day 22
Reference Month	--	--	Dec 14	Jan 15	Feb 15	March 15	April 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15

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).