



Agencia Tributaria

**TAX REVENUE
MONTHLY REPORT**

AUGUST 2015



TAX REVENUE PERFORMANCE

Total tax revenue rose 10.9% in August (€1.5 billion), in a year-over-year basis, mostly as a result of gross receipts evolution (8.1%, €1.4 billion).

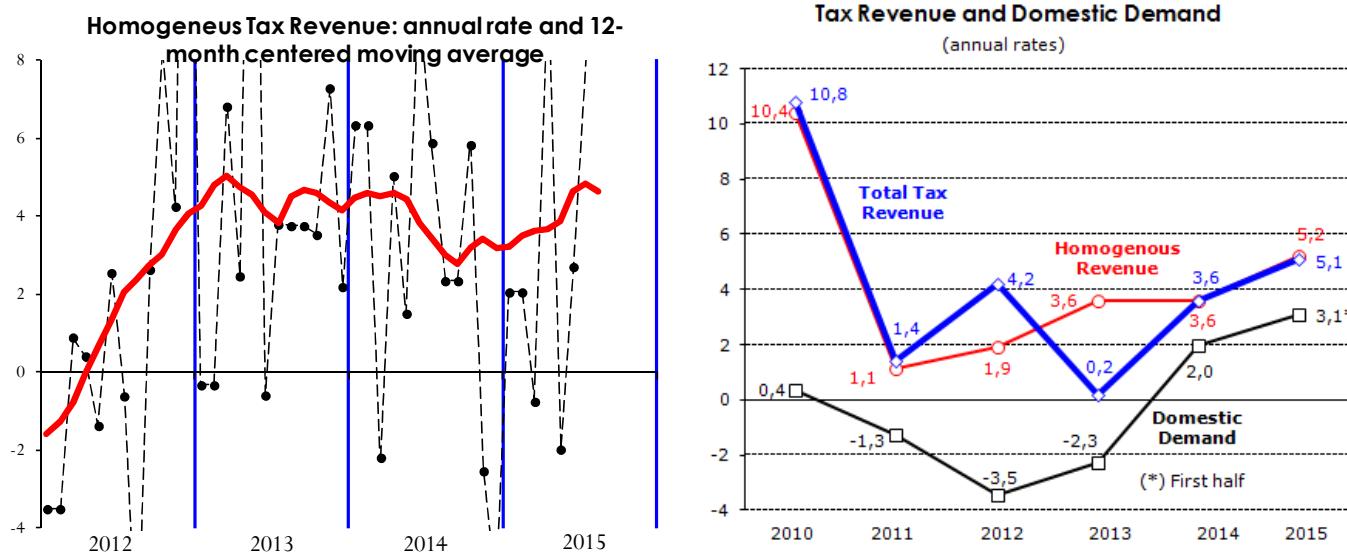
Year-to-date total tax revenue increased by 5.1% (3.9% the gross receipts and -0.3% the refunds paid). Accumulated **homogeneous revenue** (after subtracting the effects of different refunds paces in 2014-2015, “health extra charge” refunds and public withholdings deferments) went up by **5.2%**.

Gross receipts strong expansion in August stems from 2014 CIT annual return enhancing performance. 2014 profit first estimate on available data shows a 16% growth, just like the pace showed by self-assessments positive outcomes aggregate. At the same time, refunds requests fell by 6% (they are to be paid from October on). It has to be recalled that 2014 CIT annual return self-assessments entered in July, are not affected by the recent law change.

For the rest of the items, it is remarkable the small drop of large corporations’ payroll withholdings and it was due to the initial impact of new legal rates. Although more slightly than in July, monthly VAT gross receipts rose again in August (before July, they were falling). Main Excise taxes enhancing performance in August (11.3%) balanced the sharp drop in July and once again it can be explained by the erratic path followed by Tobacco excise.

Table 1. Tax Revenue (€ million)

AUGUST	2015	2014	% 15/14
DIRECT TAXES			
Personal Income Tax	50.855	50.267	1,2
Corporate Income Tax	7.783	6.068	28,3
Non-Residents Income Tax	1.095	1.092	0,2
Environmental taxes	850	733	15,9
Other	214	121	76,5
DIRECT TAXES TOTAL	60.798	58.283	4,3
INDIRECT TAXES			
Value Added Tax	42.081	39.087	7,7
Excise taxes	12.600	12.924	-2,5
+ Alcohol	481	471	2,2
+ Beer	180	181	-0,6
+ Fuels	6.452	6.723	-4,0
+ Tobacco	4.324	4.429	-2,4
+ Electricity	929	921	0,9
+ Coal	218	187	17,0
+ Other	14	13	8,2
Insurance primes tax	822	809	1,6
Custom duties	1.109	943	17,5
Other	105	71	48,0
INDIRECT TAXES TOTAL	56.716	53.834	5,4
FEES AND OTHER REVENUE	1.930	1.547	24,8
TOTAL AMOUNT	119.444	113.664	5,1



Accumulated Personal Income Tax expanded by 1.2% until August, 1% if refunds and public withholdings deferrals are adjusted. It needs to be reminded that gross households' income grew in the first part of the year close to 3%, but this pace is not visible in receipts because of tax reform effects, which were even more evident in this month after the new legal rates drop. This was particularly clear in large businesses payroll withholdings, as they changed their 1.5-1.6% growth in the last months into a 0.1% drop. This contraction can be entirely explained by rates fall, since earned income as well as its constituent factors remained unchanged: better performance of employment and half a point of wage bill increase. A noteworthy rate sinking is also noticed in public salaries and pensions withholdings. Large corporations withholdings additional rate fall is about one point and a half (it was descending by 4% and it falls currently by 5.5%) as it is observed in public salaries withholdings too, while in pension's the rate drops about half additional point (from 5% to 5.5%). Besides, the legal rates drop is not complete yet.

Accumulated CIT homogeneous receipts increased by 21.6%, until August. The main part of 2014 annual return was yielded in this month and the good pace showed in July can now be considered definite (23.1% accumulated). The highest rate was scored by large corporate groups (they grew by 46%), while large corporations not included in groups ascended by 8%. This evolution reflects 2014 profit performance: first estimate on available data shows a 16% profit growth, with no outstanding differences between large corporations and the rest of businesses. The divergence stems from the new tax deductions limitations for groups, which expand their self assessments positive results.

VAT revenue enlarged by 7.7% until August, 6.2% homogeneous, pace which is consistent with spending subject to VAT growth through the first half of the year (over 5%). The most mentionable feature until now is the enhancing pace of small businesses VAT: 11.4% year-to-date, long over the steady pace of monthly VAT. However, it has to be noticed the slight growth of monthly VAT over the last two months (3.6% in July, pushed up by a favourable calendar, 0.4% in August). On the other hand, in spite of exports boost, monthly VAT refunds decreased by 6.5% until August.

Accumulated Excise Taxes homogeneous revenue grew by 1.5%, after the recovery of the pace scored prior to the disappointing July Tobacco excise record (-24.4%). It went just to the opposite place in August (+25.4%), nearly balancing the previous loss (-2.4% year-to-date). Fuel Tax confirms its rising trend and increases by 7.6% homogeneous in August, though the main consumptions (gasoline and diesel oil) lessened their pace in this month. Electricity tax advanced supported by consumption shot in July due to the high temperatures: 9.9% in August, 0.9% accumulated because of prices 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. August.

Personal Income Tax:

July monthly withholdings (large companies and public sector).

Corporation Income Tax:

2013 CIT Annual return

VAT:

July self-assessments for large companies, groups and other companies in Monthly Refund System.

July import VAT self-assessments.

Manufacturing Excise Taxes:

Alcohol, Beer and Intermediate Products: May payments for large companies. Second quarter payments for small and medium-sized taxpayers.

Fuels and Tobacco: July payments.

Electricity: July payments for large companies;

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).