



Agencia Tributaria

**TAX REVENUE
MONTHLY REPORT**

DECEMBER 2015



TAX REVENUE PERFORMANCE

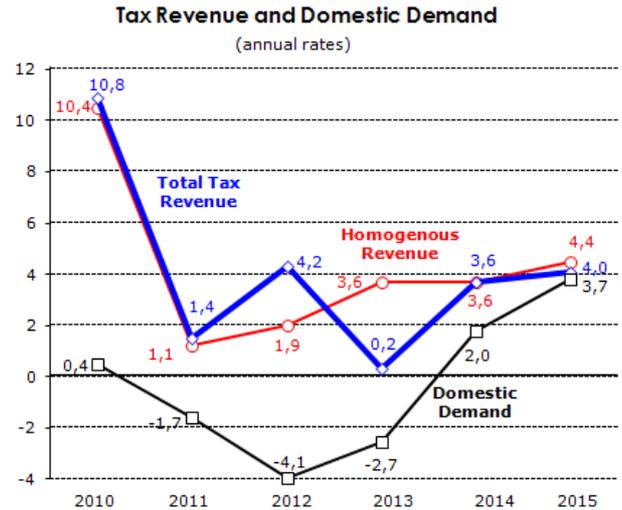
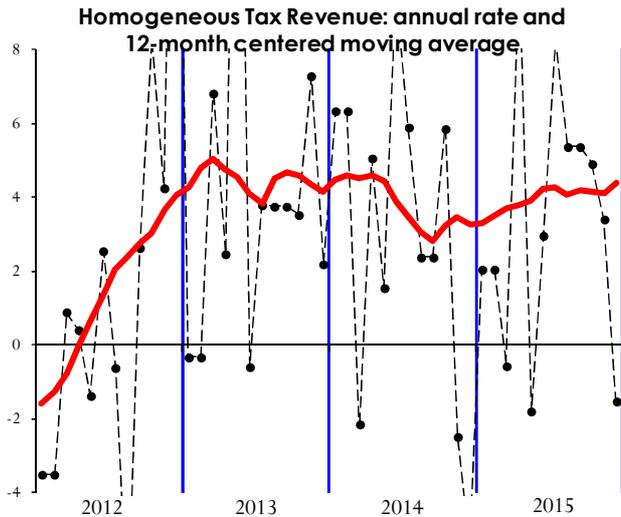
Total tax revenue rose to €182 billion in 2015, 4% higher than 2014 level (7 billion more, in spite of 6 billion tax reform negative effect). **Accumulated Total Homogeneous revenue** (after amending the effect of different refunds schedules in 2014-2015, public withholdings deferrals and “health extra charge” refunds) grew by **4.4%**.

Amid tax reform and their related negative effects, revenue enlargement stems from tax bases boost: 3.6% compared to 2.5% in 2014, which was the first positive rate in six years in a row. The best performances were focused in households' income, pushed by employment and average salary increases, and small businesses profit, standing on the dynamic evolution of domestic demand. Moreover, corporations profit grew again by 20% in the year. As regards to spending, bases expansion was lower because of energy prices fall, especially in oil products prices, and this was the main reason for their value stability despite the higher pace of consumptions. Meanwhile, VAT base grew at a similar pace than in 2014.

Major taxes improved in 2015, except PIT (-0.4%), hindered by tax reform. CIT expanded by 10.3% because of 2014 annual return enhance. CIT instalments, more closely linked to 2015 profit, advanced too, although they did at a lesser pace because of the tax reform. PIT 2014 annual return and PIT instalments showed also a good performance, but withholdings decreased affected by new rates. VAT revenue increased by 7.4% mainly because the lower amount of refunds paid, being remarkable the small businesses growing trend (11.5%). Finally, Excise Taxes ascended by 1.8%, scoring positive rates in every item, except Tobacco.

Table 1. Tax Revenue (€ million)

DECEMBER	2015	2014	% 15/14
DIRECT TAXES			
Personal Income Tax	72.346	72.662	-0,4
Corporate Income Tax	20.649	18.713	10,3
Non-Residents Income Tax	1.639	1.420	15,5
Environmental taxes	1.864	1.625	14,7
Other	256	195	31,3
DIRECT TAXES TOTAL	96.753	94.614	2,3
INDIRECT TAXES			
Value Added Tax	60.305	56.174	7,4
Excise taxes	19.147	19.104	0,2
+ Alcohol	774	761	1,7
+ Beer	297	293	1,3
+ Fuels	9.783	9.724	0,6
+ Tobacco	6.580	6.661	-1,2
+ Electricity	1.385	1.383	0,2
+ Coal	309	265	16,8
+ Other	20	18	7,2
Insurance primes tax	1.355	1.317	2,9
Custom duties	1.757	1.526	15,1
Other	164	113	44,4
INDIRECT TAXES TOTAL	82.726	78.233	5,7
FEES AND OTHER REVENUE	2.529	2.140	18,2
TOTAL AMOUNT	182.009	174.987	4,0



Accumulated Personal Income Tax dipped by 0.4% in 2015. Homogeneous revenue fell some more markedly, by 0.9%, after adjusting different refunds paces in 2014-2015 and public withholdings deferments. Tax reform impact (€4.8 billion) explains the gap between revenue negative performance and households' income improvement (2.8%). The same reason can be held for payroll withholdings which fell by 1.2%, while income mass subject to withholdings climbed about 3.2% thanks to salary mass enhance (4.3%), pushed itself by employment gain and average salary increment. Average rate on payroll dropped by 6%, more sharply in small businesses (8.8%) than in large corporations (5.5%). Professionals rate sunk over 18%, (21% initial legal rate changed to 19% and finally to 15%). Regarding capital withholdings, rates lowering (-6%) were added to an income fall (-16%) for the fourth year in a row. On the other hand, 2014 annual return and instalments, not affected by reform, grew by a dynamic pace (12.7%), based upon economy strength.

CIT accumulated revenue grew by 10.3%, 15.9% the homogeneous receipts. The features that explain this performance are three: the small businesses annual return and instalments boost, supported by 2014 profit improvement; the compliance control receipts increase; and the lower growth of large corporations instalments, affected by tax reform. CIT 2014 annual return enlarged by 25.8%, since 2014 profit scaled over 20%. In the same way, small corporations instalments gained a 15.1%, because they are worked out on previous year return. Yet, large corporations instalments, which are estimated on 2015 profit, advanced only by 3.3% affected by tax reform: profit grew alike to 2014, but the base lessened its pace to 8.3%, while average rate plunged by 5%.

Accumulated VAT revenue augmented by 7.4%, 6.8% homogeneous after amending the effect of different refunds schedules, just slightly over 2014's 6.5%. VAT base grew at the same pace than in 2014: spending subject to VAT advanced by 4.9%, with positive growth in every item for the first time since 2006 (households spending, public purchases and spending on housing). The most remarkable features of receipts were the strength of small businesses (11.5%, compared to 7.4% overall); the redeployment to 2016 of part of monthly receipts and refunds because of changes in Import VAT self assessments; and the lesser amount of refunds claimed by taxpayers and paid in fact.

Accumulated Excise Taxes homogeneous revenue grew by 1.8%. The most outstanding trends were as follows: Fuel Tax homogeneous revenue, after amending the effect of extra charge refunds, increased by 4.1%, according to consumptions growth (3.6%). Coal Tax 16.8% rise had to do with the growth of coal use in electricity production. Finally, Electricity Excise Tax advanced by 0.2%, which is certainly a small growth, but it was scored in spite of prices lowering and tax exemptions, thanks to the better performance of consumptions.



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. December.

Personal Income Tax: Monthly PIT withholdings (large companies and public sector).

CIT: Third instalment.

VAT: November self-assessments.

Manufacturing Excise Taxes:

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

Fuels and Tobacco: November payments.

Electricity: November payments (large companies).

3. TRMR Publication Calendar for 2016

	Jan	Feb	March	March	March	April	May	June	Jul	Aug	Sep	Oct	Nov	Dec
Reference Date	--	--	Day 31	Day 31	Day 31	Day 26	Day 31	Day 28	Day 26	Day 31	Day 27	Day 25	Day 29	Day 20
Reference Month	--	--	Dec 15	Jan 16	Feb 16	March 16	April 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16

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).