



Agencia Tributaria

**TAX REVENUE
MONTHLY REPORT**

SEPTEMBER 2016



TAX REVENUE PERFORMANCE

Total tax revenue added €9.6 billion in September, €0.56 billion higher than in the same month of 2015 (6.2%).

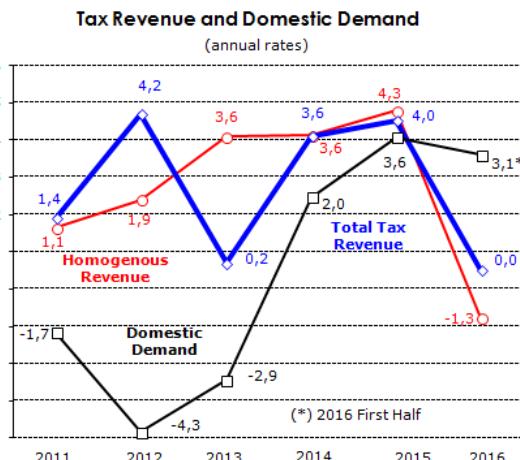
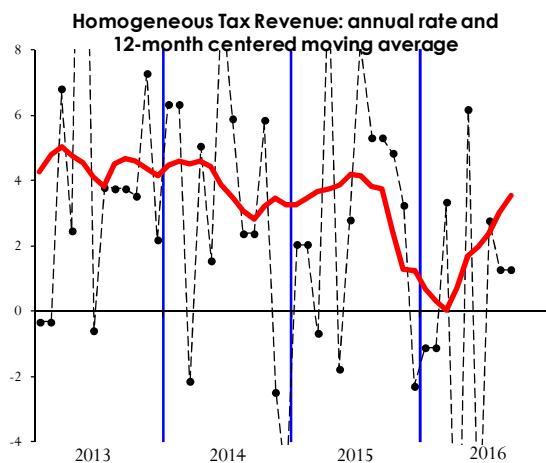
Gross receipts increase (5.6%) was behind this increment of revenue.

All together, total tax collection in the first nine months of the year remained roughly the same than in the same period of 2015. Gross receipts fall (-1.1%) was balanced by the lower amount of refunds paid. **Total homogeneous revenue** (amending the effects of the different refunds schedules in 2015-2016, public withholdings deferments and health extra charge refunds) **dropped by 1.3%**.

Income and spending enhancing trend continued in September. The intense growth of revenue in September can be explained by two main features. On one hand, the negative impact of tax reform in payroll withholdings was nearly over in this month. September was the first month in 2015 whose withholdings were completely affected by additional rates lowering included in RDL 9/2015. On the other hand was the powerful growth of revenue linked to spending. This is the key concerning VAT gross receipts and Excise taxes revenue, which recovered the pace previous to the negative rate of August connected with the different calendar and the warmer weather in August 2015. Together with these causes, there were two more temporary reasons: the unusual revenue related to public withholdings closed fiscal years debts and the high receipts from CIT compliance control.

Table 1. Tax Revenue (€ million)

SEPTEMBER	2016	2015	% 16/15
DIRECT TAXES			
Personal Income Tax	53.587	54.180	-1,1
Corporate Income Tax	5.667	7.955	-28,8
Non-Residents Income Tax	1.586	1.190	33,3
Environmental taxes	1.044	1.184	-11,8
Other	137	220	-37,9
DIRECT TAXES TOTAL	62.021	64.728	-4,2
INDIRECT TAXES			
Value Added Tax	47.181	45.007	4,8
Excise taxes	14.835	14.266	4,0
+ Alcohol	553	564	-1,8
+ Beer	213	210	1,4
+ Fuels	7.923	7.300	8,5
+ Tobacco	4.998	4.903	1,9
+ Electricity	967	1.055	-8,3
+ Coal	158	218	-27,4
+ Other	22	15	42,6
Insurance primes tax	1.041	1.026	1,5
Custom duties	1.367	1.280	6,8
Other	163	160	1,7
INDIRECT TAXES TOTAL	64.586	61.739	4,6
FEES AND OTHER REVENUE	1.903	2.016	-5,6
TOTAL AMOUNT	128.510	128.483	0,0



Accumulated Personal Income Tax decreased by 1.1% until September, a little worse (1.5%) in homogeneous figures (adjusting different refunds paces in 2014-2015 and public withholdings deferments). Quarterly evolution clearly shows an enhancing trend in the last months explained by the comparison with periods of 2015 affected by RDL 9/2015 additional rates lowering. This fact was already evident in August and it will make scale PIT revenue monthly and accumulated rates along the rest of the year. The best example of this effect was founded in large corporations' payroll withholdings, which grew by 4.4% in September, compared to 2.6% in August and 0.7% fall in the seven previous months. The enlargement was based upon a 0.5% average rate rise (it dropped by 4.5% before August), a pace alike in average salary and a 3% increment in employments. Public Administrations payroll withholdings boosted by 11.7% mainly because of closed fiscal years receipts. Average rate in public withholdings grew by a similar pace to large corporation's withholdings average rate, and pensions' rate on its side grew by the pace scored before tax reform (4.3%). Finally capital withholdings improved because of the softer fall of average capital income rate (-2.6%).

Homogeneous CIT revenue dropped by 22.5% until September, one percentage point better than in August, though September receipts are not significant enough. CIT evolution is driven by the negative impact of the first instalment and the rise of the annual return collection, linked to profit improvement and in spite of tax reform and the effect of the rules passed for 2015 instalments. The most remarkable feature of revenue in September was the strong growth of receipts from compliance control. Finally, it is worth mentioning the RDL 2/2016 legal changes which will take shape in an instalments rates rise for corporations with net turnover higher than €10 million. The changes will drive an upturn in CIT revenue from October on.

Total VAT revenue grew by 4.8% (3.2% homogeneous). Nevertheless, September rate was negative because of the higher amount of refunds paid (12.3%, balancing the poor figure of August). Gross receipts increased by 3.1% and monthly VAT receipts, more linked to economic climate, grew by 4.5%, though as it was explained in previous reports this kind of receipts are showing an odd evolution along the year, combining negative and positive rates. The most accurate way of following its evolution is to consider receipts together with refunds claimed by taxpayers, and the full amount of refunds demanded by businesses grew in September.

In September, Accumulated Total Excise Taxes homogeneous revenue (1%) recovered the enhancing rates scored before August (in August, the different calendar and the warmer weather in August 2015 affected the negative rate of revenue). Fuel excise tax returned to score the previous rates (5.7% homogeneous), while Electricity excise tax fell by a softer pace (8.1%) and Tobacco excise tax climbed by a strong rate counterbalancing August fall (12.3%).



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. September.

Personal Income Tax:

August monthly withholdings (large companies and public sector).

VAT:

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

August import VAT self-assessments.

Manufacturing Excise Taxes:

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

Fuels and Tobacco: August payments.

Electricity: August payments for 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 30	Day 30	Day 30	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).