Statistic on Declarants of the Personal Income Tax

Methodology

Presentation

The Spanish Tax Agency (STA) presents 'Statistic on Declarants of the Personal Income Tax' based on tax returns from the Personal Income Tax referring to the statistical reference fiscal year.

This publication includes detailed information on all relevant data from the corresponding tax model (D-100). Data appear classified according to different criteria. Breakdown by nationality of tax payers has been added in 2007 both in the detailed statistics and the summary.

Personal Income Tax (PIT) is a direct income taxing for an individual or a family so the main breakdown criterion of the statistics is the tax return type that can be individual or joint.

On the other hand, as the PIT is a significant information source for regional financing; data are also completely presented for every region, including the autonomous cities of Ceuta and Melilla always respecting statistical confidentiality. Regional deductions applied to the PIT by the autonomous entities in the use of their competencies are detailed at the regional level.

Methodology

1. Introduction

Statistic on declarants of the Personal Income Tax is based on tax returns from the corresponding tax model (D-100) filled yearly by tax payers in the Common Fiscal Territory.

PIT provides one of the main non financial revenue sources of the government, being very significant from a tax collecting perspective and from a regional financing one.

It includes an additional group of tables presenting information by both gender and gender and tax form related to family status.

2. Objectives and Contents

Objectives

Statistic on declarants of the Personal Income Tax includes a complete set of items from the tax model (D-100).

This publication updates information already available. Information is presented in a more friendly and functional form and expanded to include gender and nationality perspectives. These perspectives are also included at a regional level.

Contents

The publication consists of *Methodology* and *Statistical Tables.*

Methodology sets the population and geographical scope and defines study and breakdown variables.

S*tatistical tables* provide information at a NATIONAL LEVEL in three main blocks:

Block I: General Tables

Block II: Statistics by *item*

Block III: PIT Summary

Block I: General Tables display general information in a set of summary tables and charts, offering aggregated data on tax returns broken down by autonomous community and province and by economic activity.

Block II: Statistics by item present all the items classified in 23 groups, following the tax model structure. Data for every item are classified into 10 income segments. Information is available for the total and broke down by type of tax return (individual or joint) for each item.

Block III: Summary of the Personal Income Tax. It presents information on all the variables classified by gender of the main income recipient. Besides, under the 'family status´ key appears a set of statistical tables offering an overview of particularly relevant variable averages under the family perspective.

Given the significant role that the PIT plays in financing the Spanish autonomous communities and autonomous cities of Ceuta and Melilla, both blocks II and III are replicated for each one of these territories. Finally, take into account that all the Autonomous tax deductions which regions are entitled to define are also included in this section.

The icon 'ayuda a la navegación´ gives some summary instructions to help surfing the tables.

Statistical confidentiality (S. C.)

Data are available only when a given minimum of observations in any cross classification. The minimum is established in order to guarantee statistical confidentiality of taxpayers.

The statistical confidentiality parameter is S.E.

3. Reference Scope

Population scope

The statistical population comprises all taxpayers obliged to fill the Personal Income Tax, according to the provisions established in:

Article 96 of the PIT Law 35/2006 of November 28th

Article 61 of the PIT Regulation: Royal Decree 439/2007 of March 30th.

These legal norms set the limits and the conditions to which the taxpayers and consequently the statistical population are subject.

Declarants that were not obliged to fill the Personal Income Tax are also included in the population scope.

Geographical scope

Basque Country and Navarra following their own fiscal system limits the geographical scope of the statistics to the Common Fiscal Territory that excludes these regions and includes Ceuta and Melilla.

Temporal scope

This statistical operation comprises all the annual tax returns (D-100) from the corresponding tax fiscal year.

4. Detail and Classification Variables

Detail Variables

Variables included in Block II *Statistics by Item* and Block III *PIT Summary* are:

STATISTICS by Item (Block II)

Detail variables are presented twice in the same table, differentiating between general data and data on the item both of them classified in ten levels of returns and imputed incomes.

General Data

- **Total Tax returns**: It is the total number of tax returns
- **Distribution: Total tax returns distribution, it is** the ratio between the number of tax returns for the N-th level and the Total Tax returns.

Item Information

- Item Tax returns
  - **Number**: total number of tax forms with the item filled.
  - **Distribution**: Item distribution, it is the ratio between the number of tax returns with the item filled for the N-th and the total of tax returns.
- Item Amount
  - **Amount**: amount filled for the item in the form.
  - **Distribution:** Item amount distribution, it is the ratio between the amount of the item for the N-th level and the total item amount.
  - **Average:** the arithmetic mean between the total item amount and the number of tax forms with the item filled.

PIT SUMMARY. Block III.

Number, Amount and Average are the variables displayed for the following concepts:

Tax Summary, Economic Data and Deductions, self-assessment resulting tax liability and PIT amount assigned to every autonomous region

In the section on tax assessment, within the Amount and Average variables, breakdown for the regional and the national level is also provided.

- **Number**: total number of tax forms with the item or group of items filled
- **Amount:** amount filled for the item or sum of items in the form.
- **Average**: the arithmetic mean between the total item amount and the number of tax returns with the item filled.

Under the title Family Situation, the variables computed are:

- **Total number of tax returns**
- **Total number of tax returns with children declared**
- Total number of children declared: Total number of children by tax payer (in the case of individual tax returns) and by tax return (in the case of joint tax returns).
- **Average number of children by tax return**: ratio between total number of children and total number of tax returns with children declared
- **Number of tax payers in tax return:** Number of tax payers in the same tax return.
- **Labour Income Returns Average**: ratio between net **Labour Income Returns** and number of tax returns with the item filled.
- **Savings and shares Average**: ratio between net **Savings and shares** and the number of tax returns with the item filled.
- **economic activities return Average**: ratio between the net **economic activities return** and the number of tax returns with the item filled.
- **returns and imputed income Average:** ratio between the net **returns and imputed income** and the number of tax returns with the item filled.
- **Personal Minimum Average**: ratio between the personal minimum and the total number of tax returns.
- **minimum by descendent Average**: ratio between the **minimum by descendent** and the total number of tax returns declaring descendents.
- **Average reductions in the general tax base**: ratio between the reductions of the general tax base and the number of tax payers declaring reductions.
- **Average deduction for home acquisition**: ratio between total deductions and number of tax returns declaring deductions.
- **Average contribution to pension schemes**: ratio between total contributions to pension schemes and the number of tax forms declaring such contributions.

Breakdown Variables

Levels OF RETURNS and IMPUTED RETURNS

The variable *Segments of* RETURNS and IMPUTED RETURNS is defined as:

[430] + [445]

Where both tax incomes (430 & 445) have a 0 floor.

- [430] General tax base
- [445] Savings tax base

RETURNS and IMPUTED RETURNS Levels (in €)

Zero or negative
(0 - 1502,53]
(1502,53 - 6010,12]
(6010,12 - 12020,24]
(12020,24 - 21035,42]
(21035,42 - 30050,61]
(30050,61 - 60101,21]
(60101,21 - 150253,03]
(150253,03 - 601012,10]
Greater than 601012,10

Levels in tables are in thousands of euros

Zero or negative
(0 - 1,5]
(1,5 - 6]
(6 - 12]
(12 - 21]
(21 - 30]
(30 - 60]
(60 - 150]
(150 - 601]
Greater than 601

RETURNS and IMPUTED RETURNS Variable is the result of the following additions:

In 2015 = [380 + 395]

In 2014 = [430 + 445]

In 2013 = [366 + 374]

From 2007 to 2013 = [455 + 465]

In 2006 = [472 – (490 + 491 + 492 + 498)]

TYPES OF TAX RETURNS

Natural persons in a family unit may opt, in any given tax period, for filing a joint tax form in the PIT or they may choose, every one of them, to file an individual tax form. The two different models of tax forms are:

- Joint
- Individual

TYPES OF TAX RETURNS and MARITAL STATUS

This is a new breakdown variable to show the types of joint tax forms filed, taking into account the marital status of the tax payers. Consequently, this variable takes one of this three options:

- Individual
- Joint not married. A single parent files a joint tax return and marital status is not married with children.
- Joint married. Joint tax return with marital status married.

This breakdown variable appears only in Part 4 of the Tax Summary, in 'family situation'

GENDER

Due to different types of tax returns and the possibility of two taxpayers (the main declarant and the spouse) filing the same tax form determine the variable 'gender' to be derived from both the type of tax form and sex.

In tax returns filed by a single tax declarant i.e. 'individual´ or a 'joint not married' tax returns, 'gender' value is the declarant gender. However, in the case of joint tax forms, the gender is the one declared by the main income recipient. This means that the complete tax return is assigned to that main recipient.

GEOGRAPHICAL DISTRIBUTION

Data can be broken down geographically by autonomous regions. The assigned autonomous region or town corresponds to the residence of the tax payer during the fiscal year, filed in by the tax payer in its item.

NATIONALITY

Nationality is defined as the legal bond existing between a person and a country. The tax forms filed in Spain make it possible to distinguish between two groups: Spaniards and foreigners. The letter attached to the fiscal identifier gives the key to distinguish Spanish nationals from foreigners. Letters X, M and Y designate a foreigner.

5. Data Tabulation

Results for the TOTAL NATIONAL are presented in three different blocks.

1. BLOCK I. General tables: a first set presents summary tables of: general statistical concepts, distribution of tax returns by autonomous regions and provinces, and data on economic activities. The latter only appears at the Total National level.

2. BLOCK II. Statistics by Item.
    Breakdown by return level.
    Data are offered for each item and presented in 21 classificatory groups according to the structure of the tax return used. Disaggregated information is available for the main two tax returns: individual and joint. The 21 groups are:
    1. Labour income returns
    2. Savings and shares
    3. Land and buildings returns
    4. Land and buildings returns not supporting an economic activity
    5. Economic activities returns
    6. Special regimes
    7. General and Savings Tax Base
    8. Reductions of Tax Base
    9. Reductions applied to the General Tax Base
    10. Reductions applied to the Savings Tax Base
    11. General and Savings Net Tax Bases
    12. Personal and Familiar situation: personal and familiar minimum
    13. Additional data
    14. Gross tax liabilities
    15. General Tax deductions
    16. Regional Tax deductions
    17. Net Tax liability
    18. Incremented Net Tax liabilities
    19. Deductions on the Incremented Net Tax liability
    20. self-assessment resulting tax liability
    21. Withholdings and other pre-payments
    22. Final Tax liability

    Breakdown by nationality

    Data are offered for each item and presented in 11 classificatory groups. Disaggregated information is available by type of nationality. The 11 groups are:
    1. Labour income returns
    2. Savings and shares
    3. Land and buildings returns
    4. Economic activities returns
    5. General and Savings Tax Base
    6. General and Savings Net Tax Bases
    7. Personal and Familiar situation: personal and familiar minimum
    8. Gross tax liabilities
    9. Net Tax liability
    10. Self-assessment resulting tax liability
    11. Final Tax liability

3. BLOCK III. Summary of the Personal Income Tax
   It gives aggregated information on all variables.
   It comprises the following group of tables.

   1. Tax Summary: general information on the most relevant fiscal and economic concepts

   Economic concepts presented are net returns of Labour income, Savings and shares, Economic Activities and Special Regimes Together with the Total General and Savings Returns of the fiscal year.

   Fiscal concepts are General and Savings Tax bases, Reductions in the Tax Bases,contributions to Pension Plans, General and Savings Net Tax Bases and Additional Data (sum of two items relevant to determine the tax rate). It also gives Information on the tax balance itself such as: tax liabilities, gross tax liabilities

   general deductions, main dwelling deductions, autonomous deductions, net tax liabilities, incremented net tax liabilities, deductions on the total incremented net tax liabilities, Self-assessment resulting tax liabilities, withholdings and

   other pre-payments and the final tax liability or differential tax liability.

   2. Economic Data: gives the most important aggregated economic information obtainable from the tax returns (labour income, savings and shares, land and buildings, imputed income and special regimes) to the GENERAL AND SAVINGS NET TAX BASE, together with additional data needed to determine the tax rate.
   3. Tax Liability: the main components of this variable are shown in the table. This includes the tax liability and the net tax liability, differentiating what corresponds to the national and to the autonomous governments.
   4. Deductions, withholdings and other pre-payments and the resulting tax liability. The table offers aggregated variables, from the incremented net tax liability to the tax liability resulting from tax self assessment.
   5. Amount of PIT going to each autonomous region: quantities that correspond to the regions as granted by the Law 22/2009 on the financial regulation of the autonomous regions.
   6. Family situation: summary offering relevant information on
      - average number of children
      - average returns of labour
      - savings and shares
      - land and buildings
      - economic activities
      - special regimes
      - personal and familiar minimum
      - minimum by descendent
      - family minimum
      - average reduction for working, personal and family conditions
      - average deduction for home acquisition
      - average contribution to pension plans
      - total number of tax forms
      - total number of tax payers with children

   These tables can be further disaggregated by the variable 'Type of tax form and marital status' as defined in section 3.2 on Classificatory Variables.

   Data for every autonomous region appear only for blocks II and III. Besides, given the significance of these data for the regions, since the PIT is one of their main revenue

sources, the general structure of the tables is repeated at this level. This is the level where the deductions introduced by the autonomous governments can be consulted.

Due to statistical confidentiality, blocks II and III cannot be offered for the autonomous towns of Ceuta and Melilla.

6. FREQUENTLY ASKED QUESTIONS

What are they?

The statistics of the *Personal Income Tax* (PIT) has its source in the tax form D-100 filed yearly by the taxpayers subject to that Tax. All residents in the Common Fiscal Territory are subject to the PIT.

The PIT is the most relevant tax from the point of view of tax collecting capacity and the main non-financial source of revenue for the Spanish government.

What can be learned in these statistics?

There are three blocks of data in the statistics. The first contains the General Tables with overall data by autonomous regions and provinces.

The second block is called Statistics by Item/Detailed Statistics and gives information for the different variables in the D-100 tax form. The information is broken down into 10 levels of 'actual and imputed income'. For every variable there is information on the total and on the type of tax form used.

There is an additional block of tables including a summary of the PIT which shows the main variables from a gender and a nationality perspective. It also offers relevant information by gender and family situation of tax payers.

Where does information come from?

The statistical exploitation encompasses all annual tax forms, D-100, filed during the corresponding fiscal year.

What is the statistical population?

The statistics provides data on all tax payers obliged to the PIT, according to:

> Art 96 of Law 35/2006 of November 28, on Personal Income Tax
> Art 61 of the Tax Regulation, approved by Royal Decree 439/2007 of May 30
> Other tax norms

The information is subject to the limits and restrictions established in the above mentioned legal corpus.

In the statistical population are also included all those who have filed a tax form without being obliged to do it.

The special tax regimes of the Basque Country and Navarra puts a geographical limit to the statistical population who is confined to the residents in the Common Fiscal territory.

Can relevant data of every autonomous region be consulted?

The statistics is built as a set of sub-statistics. Every one of them refers to an autonomous region. The corresponding territorial selection should be made when first beginning the consultation (surfing of the tables)

How gender is assigned in joint tax forms?

Given the fact that tax payers in a family can opt for a joint tax return the gender variable is constructed as follows: it takes into account the type of tax form used and in the case of married couples the gender assigned to the joint tax statement is the one corresponding to the bigger earner.

The different cases are:

- Male: when filing an 'individual' or 'joint not married' tax form and the gender stated is male
- Female: when filing an 'individual' or 'joint not married' tax form and the gender stated is female
- Joint - married - male: joint tax returns of couples where the main earner is male
- Joint - married - female: joint tax returns of couples where the main earner is female.

What shows the Summary by family situation?

The table expands the data by gender of the main tax payer and gives information on the personal and family situation, such as number of children, number of tax payers in the tax form and average of main net earnings by tax form. It also shows the personal and familiar minimum and the average deductions made in case of home acquisition or contributions to pension plans.

A specific classification has been devised to suit this information. It combines the married status and the type of tax form as follows:

- Individual
- Joint single parent, when a joint tax form is filed but the marital status is other than 'married with children'
- Joint married, when a joint tax form is filed by a married couple

How is nationality determined?

Nationality is the legal bond between an individual and a country. The distinction is made between Spanish nationals and others. This classification is ascertained from the letter in the National Identification Number (NIN). A NIN having the letters X, M or Y corresponds to a foreigner. The rest of letters correspond to Spanish nationals. In the case of a joint tax form of a married couple, it is the NIN of the first person appearing in the form that is retained.