



GOBIERNO  
DE ESPAÑA

MINISTERIO  
DE HACIENDA  
Y ADMINISTRACIONES PÚBLICAS



# General Government deficit 2013

March 31th 2014



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## General Government balance 2013

### Net lending/borrowing ( % of GDP)

	2011*	2012	2013 (A)	2013 Target
<b>Central Government. Excluding Financial Sector assistance:</b>	-5.27	-5.20	-5.49	-5.20
<i>Central Government + Autonomous bodies</i>	-5.20	-4,21	-4.33	-3.80
<i>Social Security</i>	-0.07	-0.99	-1.16	-1.40
<i>Social Security system</i>	-0.22	-0.87	-1.19	
<i>State Public Employment Service</i>	0.23	-0.03	0.11	
<i>Wages Guarantee Fund</i>	-0.09	-0.09	-0.08	
<b>Regional Governments</b>	-3.41	-1.86	-1.54	-1.30
<b>Local governments</b>	-0.39	0.22	0.41	0.00
<b>General Government. Excluding Financial Sector assistance</b>	<b>-9.07</b>	<b>-6.84</b>	<b>-6.62</b>	<b>-6.50</b>
<b>Financial Sector assistance</b>	0.49	3.80	0.46	
<b>General Government including Financial Sector assistance</b>	<b>-9.56</b>	<b>-10.63</b>	<b>-7.08</b>	

\*Data Excl. Settlements of the funding System in favor of the Central Government and Financial Sector One-Offs 2011 ( Including both data , deficit will be: -3.48 Central Government, -5.23 Regional Governments, -0.79 Local Governments).

(A) Advance

Source: IGAE



## Net lending / borrowing EDP ( Million €)

	Target (June 2013)	Result (March 2014)	Difference
<b>Deficit/GDP</b>	<b>-6.50</b>	<b>-6.62</b>	
Deficit (M€)	-68,340	-67,755	585
Nominal GDP (M€)	1,051,387	1,022,988	-28,399

\* Consolidated General Government Budget Balance excluding financial sector One-Offs: 454 billion €

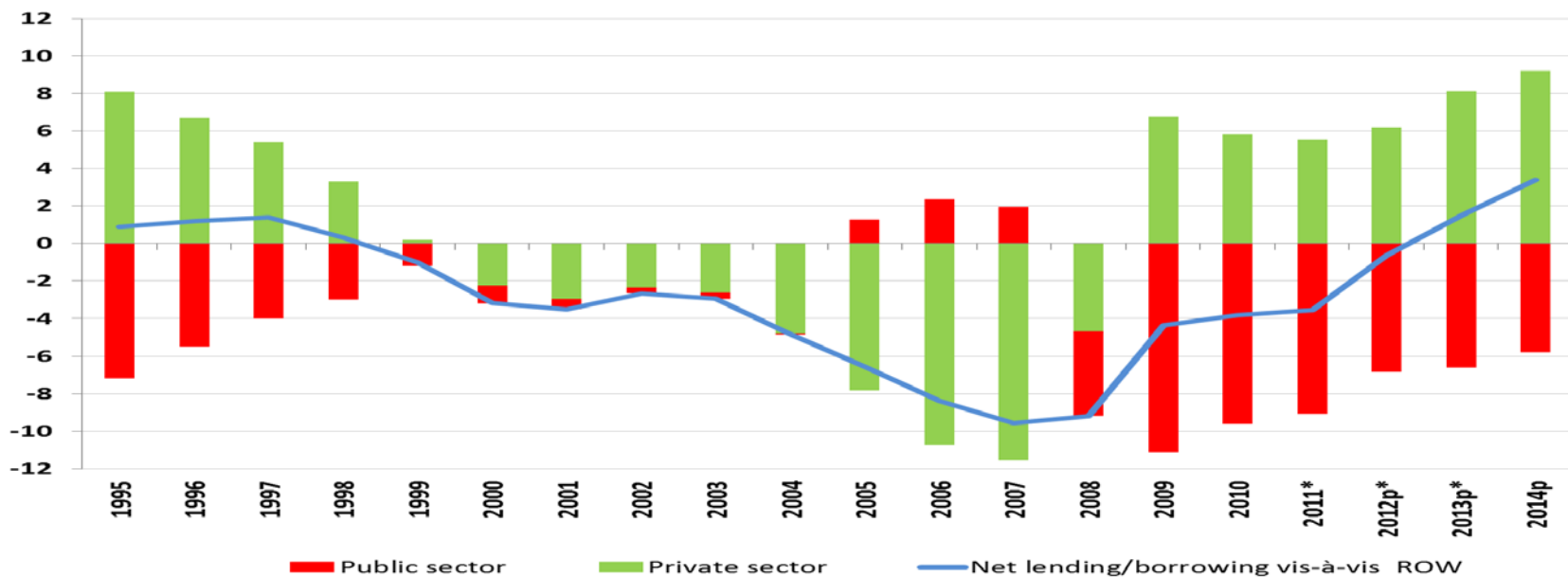
Source: IGAE



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## Net lending/borrowing by institutional sector (% of GDP)



\*2011, 2012 and 2013 Net of financial sector One-Offs  
Source: INE; Ministry of Finance and Public Administration

	2012 average	2013 average
Net lending(+) vis -à vis ROW	-0.6	1.5

### Quarterly data (% of QGDP)

	1Q2012	2Q2012	3Q2012	4Q2012	1Q2013	2Q2013	3Q2013	4Q2013
Net lending(+) vis -à vis ROW	-5.2	-1.0	1.1	2.5	-1.2	2.0	2.3	3.0

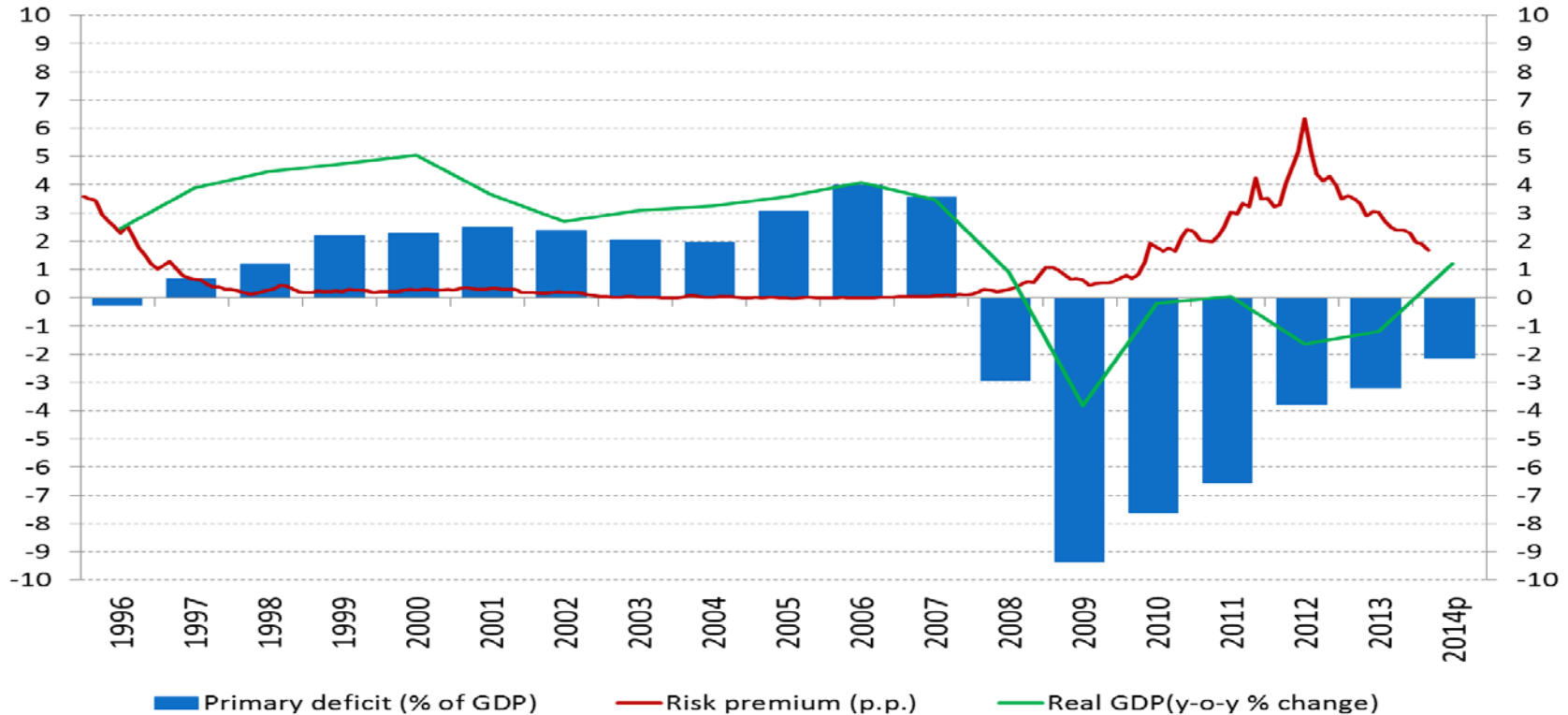


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# Positive effects of fiscal consolidation

Primary deficit \*(% of GDP), risk premium and GDP



\*Net of financial sector One-offs.

Source: IGAE

	2009	2010	2011	2012	2013
Structural Primary Balance	-6.6	-4.9	-3.3	-0.8	1.1
Structural Primary Adjustment	-3.2	1.7	1.6	2.5	<b>1.9</b>
Structural Adjustment					<b>1.56</b>
Structural Adjustment required by the EC					1.1



# Central Government balance 2013

## Central Government and Social Security Budget Balance

Net lending (+) / Borrowing (-) EDP % of GDP	2011	2012	2013 (A)
Central Government . Excl. Financial sector assistance	-5.27	-5.20	-5.49
Central Government + Autonomous Bodies	-5.20	-4.21	-4.33
Social Security	-0.07	-0.99	-1.16

SAVING ON INTERESTS (Million €)
<b>+8,800</b>

CENTRAL GOVERNMENT TRANSFERS (Million €)	
State Public Employment Service	-5,893
Environmental Investment, R&D	-373
Budget consolidation of the Ministry of infrastructure development*	-1,617
Amended Budget of the European Union	-837
Loan to Greece	- 324
<b>TOTAL</b>	<b>-9,044</b>

STATE TRANSFERS	SOCIAL SECURITY (million €)
<b>STATE PUBLIC EMPLOYMENT SERVICE</b>	<b>SOCIAL SECURITY SYSTEM</b> (Non-contributive and minimum pensions, etc.)
16,396	13,401 (supplements to minimum pensions 7,895)
<b>TOTAL 29,797</b>	

\*Budget consolidation of the M.of infrastructure development includes 1,617M€ of 2013 accrued expenses with no budget coverage. In addition, General Government Budget2013 attended 2,800M€ expenses from previous exercises, and charged to 2011 and 2012 budget exercises.

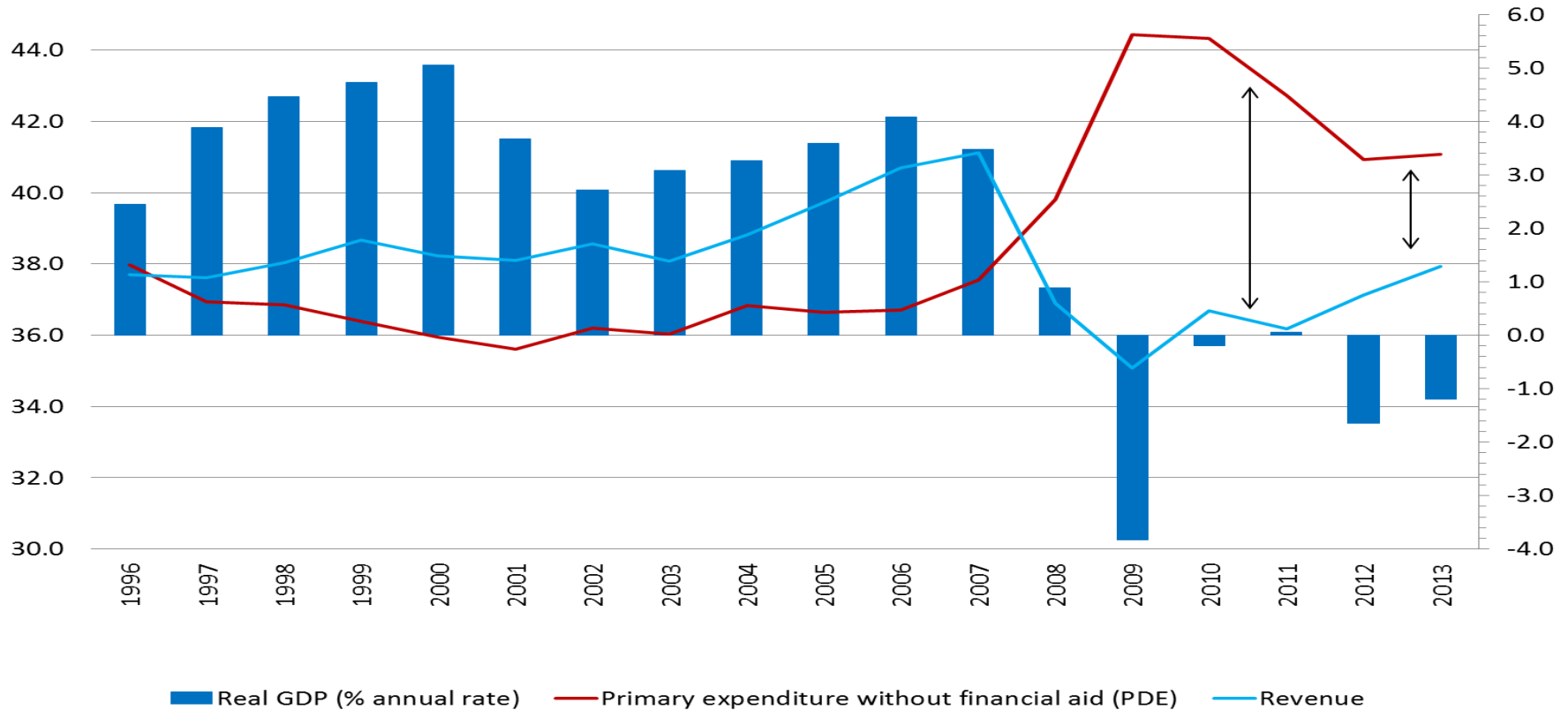


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## Fiscal Consolidation

Primary expenditure and revenue,  
(% of GDP)



Source: IGAE, Ministry of Finance and Public Administration.

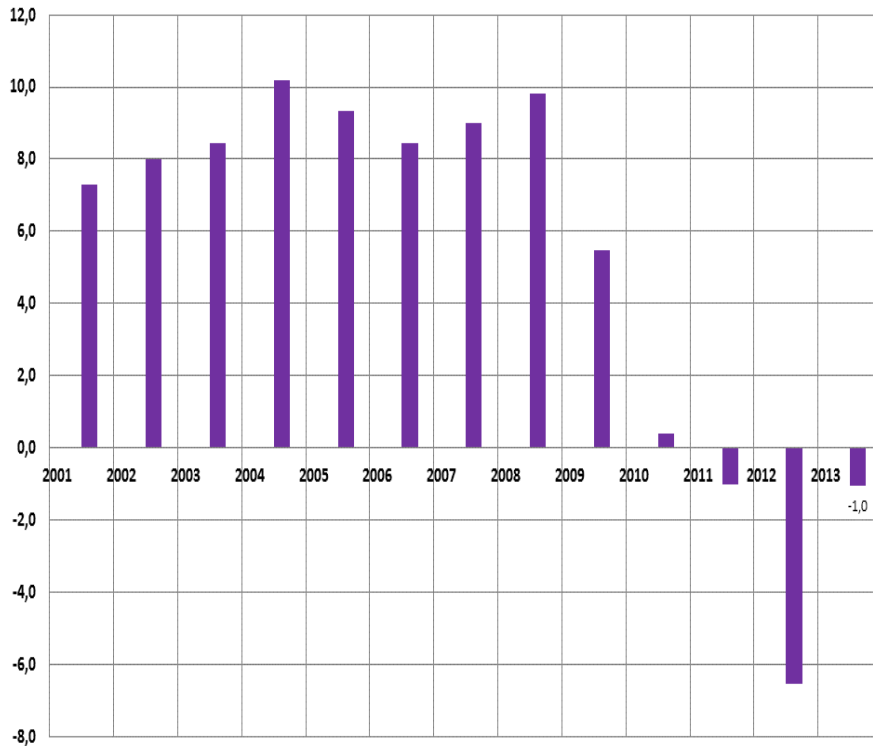


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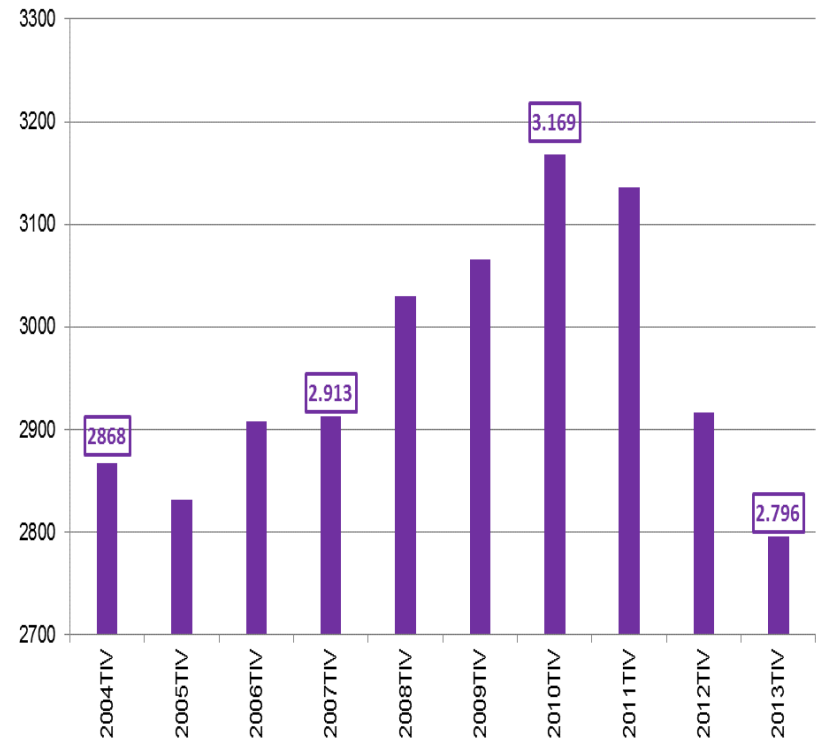
# A more austere government: public consumption, public sector employees

### Public Consumption (y-o-y % change)



Source: INE, CN IVTR

### Public sector employees (millions)



Source: INE, EPA IVTR





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# General Government balance 2014

## Net lending/borrowing EDP ( % of GDP)

	January 2013	January 2014
Central Government*	-0.44	-0.33
<i>Central Government + Autonomous Bodies</i>	-0.69	-0.56
<i>Social Security</i>	0.25	0.23
Regional Governments	-0.09	-0.14
Local Governments	-	-
<b>TOTAL GENERAL GOVERNMENT</b>	<b>-0.53</b>	<b>-0.47</b>

\*No Financial Aid was granted in 2014. Homogeneous data, excluding advance payments to territorial Governments.

Source: IGAE



## Evolution of Tax revenues

### Total Tax revenues

(millions € and y-o-y % change)

	2011	2012	Change 12-11	% 12/11	2013	Change 13-12	% 13/12
PERSONAL INCOME TAX	69,803	70,619	816	1.2%	69,951	-668	-0.9%
CORPORATE TAX	16,611	21,435	4,824	29.0%	19,945	-1,490	-7.0%
<i>Payments on account</i>							
<i>Big corporations and groups</i>	7,626	11,636		52.6%	14,692		26.3%
<i>SMEs</i>	1,872	1,758		-6.1%	1,485		-15.5%
<i>Other</i>	136	215			121		
<i>Total</i>	9,634	13,609		41.3%	16,298		19.8%
OTHER	2,158	3,027	869	40.3%	3,154	127	4.2%
<b>CHAPTER I.- DIRECT TAXES</b>	<b>88,572</b>	<b>95,081</b>	<b>6,509</b>	<b>7.3%</b>	<b>93,050</b>	<b>-2,031</b>	<b>-2.1%</b>
VAT TAX	49,302	50,464	1,162	2.4%	51,931	1,467	2.9%
EXCISE TAXES	18,983	18,210	-773	-4.1%	19,073	863	4.7%
OTHER	2,965	2,920	-45	-1.5%	2,721	-199	-6.8%
<b>CHAPTER II.- INDIRECT TAXES</b>	<b>71,250</b>	<b>71,594</b>	<b>344</b>	<b>0.5%</b>	<b>73,725</b>	<b>2,131</b>	<b>3.0%</b>
<b>CHAPTER III.- OTHER TAX REVENUES</b>	<b>1,938</b>	<b>1,892</b>	<b>-46</b>	<b>-2.4%</b>	<b>2,072</b>	<b>180</b>	<b>9.5%</b>
<b>TOTAL TAX REVENUES</b>	<b>161,760</b>	<b>168,567</b>	<b>6,807</b>	<b>4.2%</b>	<b>168,847</b>	<b>281</b>	<b>0.2%</b>



## TAX BASES OF THE MAIN TAXES IN ACCRUAL TERMS

y-o-y % change

	2011	2012	2013	III.12	IV.12	I.13	II.13	III.13	IV.13
<b>Tax bases</b>	<b>-2.7</b>	<b>-2.8</b>	<b>-1.9</b>	<b>-0.5</b>	<b>-4.2</b>	<b>-5.0</b>	<b>-4.9</b>	<b>-2.4</b>	<b>4.4</b>
On Income	-1.5	-2.3	0.5	0.1	-4.1	-0.7	-3.2	-0.1	5.5
On expenditure	-4.3	-3.4	-5.1	-1.4	-4.5	-10.2	-6.9	-5.7	2.8
· Gross Household Income	0.4	-4.2	-1.7	-3.8	-7.5	-3.7	-3.2	-2.1	2.2
· Tax Base of Corporate Tax	-15.0	14.2	15.9	15.1	32.3	22.1	-	6.3	30.1
· Final expenses subject to VAT	-5.8	-4.5	-5.0	-2.3	-5.8	-10.8	-7.6	-5.5	4.4
· Expenses subject to Excise duties	4.0	1.6	-5.3	2.3	2.1	-7.3	-3.3	-6.5	-4.2

Source: Tax collection monthly report. February 2014. Tax Agency



## Evolution of Tax revenues at the beginning of 2014

### Total Tax Revenues

(million € and y-o-y % change)

	January – February period			
	2013	2014	change 14-13	% 14/13
PERSONAL INCOME TAX	14,029	15,489	1,460	10.4%
VAT	11,610	13,058	1,448	12.5%
EXCISE DUTIES	2,990	3,347	357	11.9%
<b>TOTAL TAX INCOME</b>	<b>27,395</b>	<b>29,452</b>	<b>2,057</b>	<b>7.5%</b>

### Tax revenues SMEs and self-employed

(y-o-y % change)

Quarterly period	1Q13	2Q13	3Q13	4Q13	1Q14
<b>Wage withholding Tax</b>	-3.9	-2.1	-1.7	-1.5	4.6
<b>Gross VAT</b>	-4.6	-0.2	4.4	0.1	6.0
<b>Installment payments</b>					
<i>PERSONAL INCOME TAX</i>	-11.8	-10.9	-7.7	-3.6	6.0
<i>CORPORATE TAX</i>		-11.0		-17.5	
<i>Total</i>	-11.8	-11.0	-7.7	-13.5	6.0

Source: AEAT

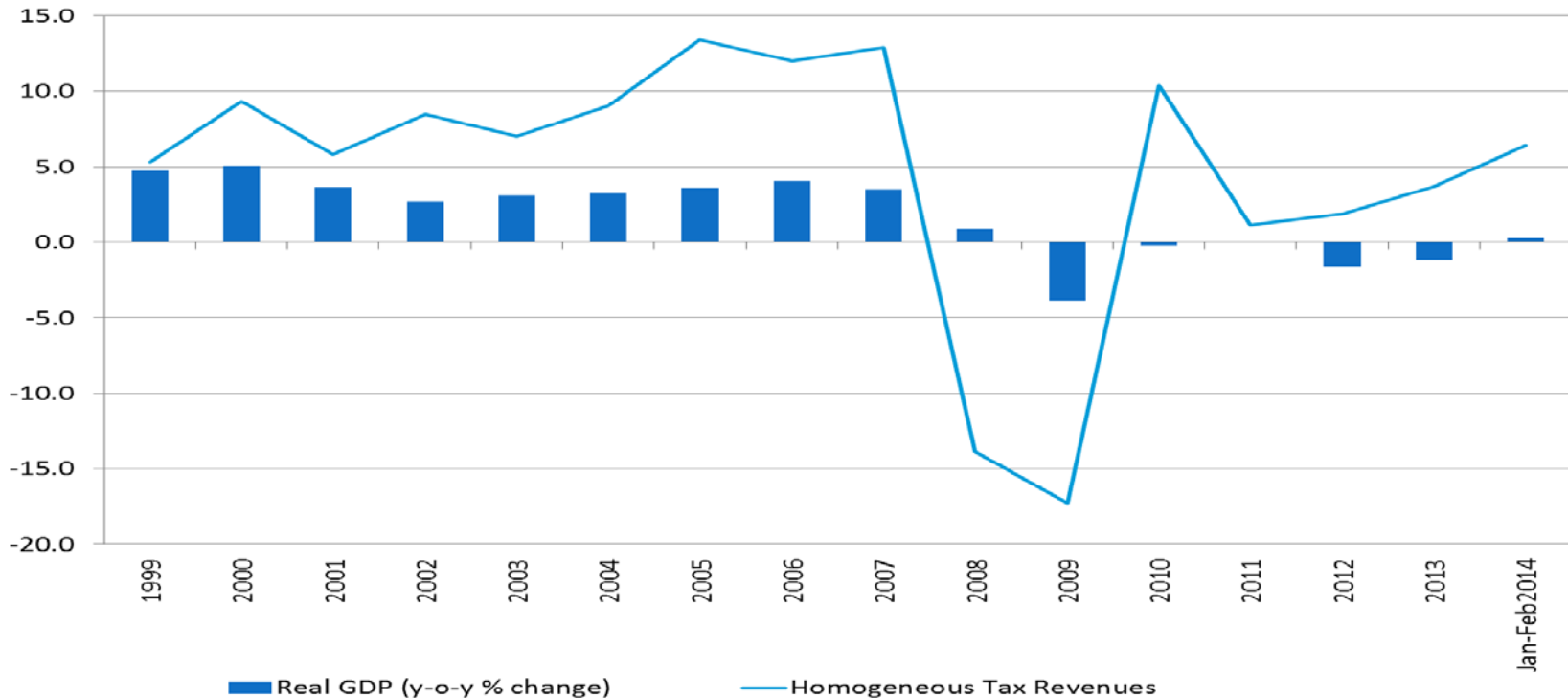


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## Recovery in Tax revenues

Real GDP growth and Tax revenues  
(y-o-y % change)



Source: AEAT

Homogenous Tax Revenues  
y-o-y % change

2009	2010	2011	2012	2013	Feb. 2014
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-17.3	-10.4	1.1	1.9	3.7	6.4
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# Regional Governments Budget Balance 2013

## Net lending/borrowing (% of regional GDP)

CCAA	2011	2012	2013	Target 2013
Andalucia	-3.48	-2.07	-1.55	-1.58
Aragon	-2.67	-1.46	-2.06	-1.30
Asturias	-3.62	-1.01	-1.06	-1.06
Balearics Islands	-4.30	-1.84	-1.28	-1.47
Canary Islands	-1.54	-1.11	-1.00	-1.20
Cantabria	-3.70	-1.52	-1.00	-1.13
Castille-La Mancha*	-7.99	-1.54	-2.13	-1.30
Castille and Leon	-2.58	-1.39	-1.10	-1.27
Catalonia	-4.15	-2.23	-1.96	-1.58
Extremadura	-4.77	-1.03	-0.99	-1.00
Galicia	-2.21	-1.28	-1.10	-1.20
Madrid	-1.93	-1.06	-1.01	-1.07
Murcia**	-4.72	-3.18	-3.17	-1.59
Navarra***	-2.58	-1.73	-1.55	-1.20
La Rioja	-1.45	-1.16	-1.04	-1.06
Valencia	-5.15	-3.94	-2.33	-1.60
Basque Country	-2.73	-1.46	-1.08	-1.20
<b>Total Regional Governments</b>	<b>-3.41</b>	<b>-1.86</b>	<b>-1.54</b>	<b>-1.30</b>

\*This regional government has had significant Non-recurrent expenses in 2013.

\*\*Murcia shall deduct extraordinary expenditure due to the earthquake in Lorca amounting to 21M€, 18M€ and 26M€ respectively in 2011,2012 and 2013 so the resulting deficits will be -4.46%, -3.11% and -3.07% respectively in 2011,2012 and 2013, for stability target. Besides this Regional government has had significant Non-recurrent expenses which are included in the deficit non deductible.

\*\*\*This Regional Government has had an adjustment in the public accrued revenue in 2013.

Source: IGAE, Ministry of Finance and Public Administration



## Local Governments Budget Balance 2013

<i>Net lending (+) / borrowing (-) EDP, % of GDP</i>	<b>2011</b>	<b>2012</b>	<b>2013 (A)</b>	<b>Difference 2013-2012</b>
<b>Local Entities</b>	-0.39	0.22	0.41	0.19

Source: IGAE

(thousand €)	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Difference 2013-2012</b>
	<b>NON FINANCIAL BUDGET BALANCE</b>	<b>NON FINANCIAL BUDGET BALANCE</b>	<b>NON FINANCIAL BUDGET BALANCE</b>	<b>NON FINANCIAL BUDGET BALANCE</b>
<b>Barcelona</b>	69,905	120,103	284,516	164,413
<b>Madrid</b>	195,169	859,832	1,163,575	303,743
<b>Málaga</b>	-1,536	39,995	73,289	33,294
<b>Sevilla</b>	-32,630	66,561	104,989	38,428
<b>Valencia</b>	-25,186	7,541	116,684	109,143
<b>Zaragoza</b>	-2,669	-45,766	81,751	127,517
<b>Total</b>	203,051	1.048,266	1,824,804	776,538