



GOBIERNO
DE ESPAÑA

MINISTERIO
DE HACIENDA
Y ADMINISTRACIONES PÚBLICAS



General Government deficit 2013

1st Notification 2014 (23th april Eurostat)



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General Government balance 2013

Net lending/borrowing (% of GDP)

	2011*	2012	2013 (A)	2013 Target
Central Government. Excluding Financial Sector assistance:	-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	
Regional Governments	-3.41	-1.86	-1.54	-1.30
Local governments	-0.39	0.22	0.41	0.00
General Government. Excluding Financial Sector assistance	-9.07	-6.84	-6.62	-6.50
Financial Sector assistance	0.49	3.80	0.47	
General Government including Financial Sector assistance	-9.56	-10.63	-7.09	

*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



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General Government balance 2013

Net lending / borrowing EDP (Million €)

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

Promemoria: Consolidated General Government Budget Expenditure excluding financial sector One-Offs: 454 billion €

Source: IGAE

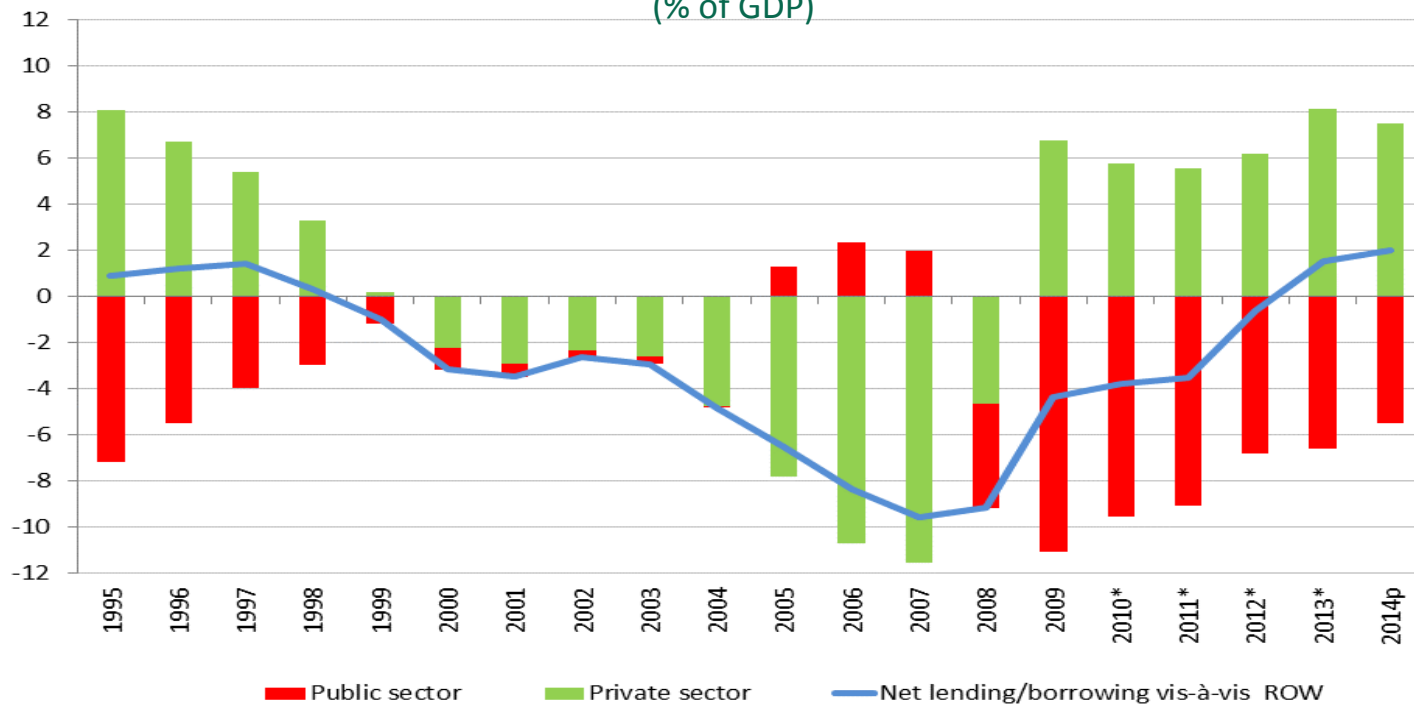


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Net lending/borrowing by institutional sector

(% of GDP)



*2010, 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
-5.2	-1.0	1.1	2.5	-1.2	2.0	2.3	3.0

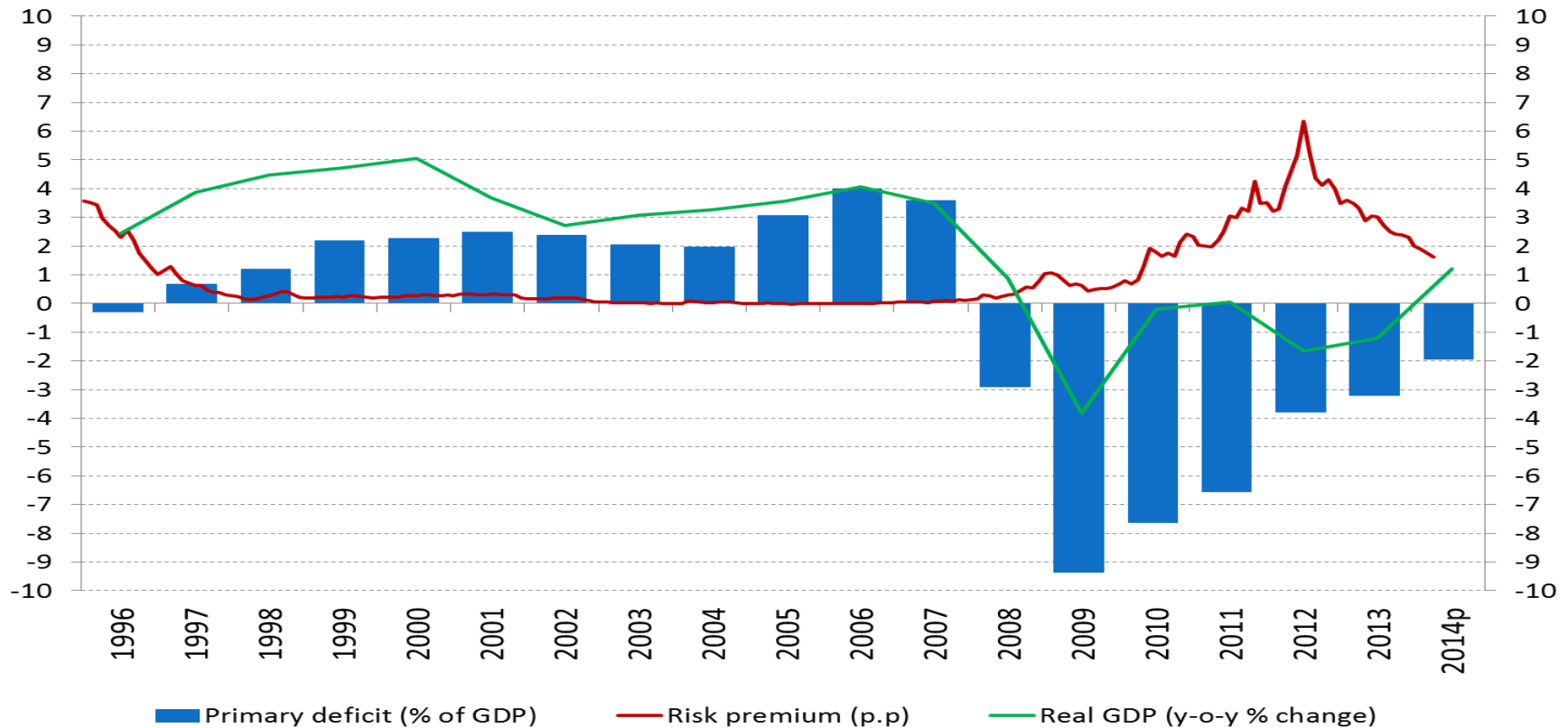


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Positive effects of fiscal consolidation

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	-3.4	-0.6	1.4
Structural Primary Adjustment	-3.4	1.7	1.5	2.8	2.0
Structural Adjustment					1.6
Structural Adjustment required by the EC					1.1



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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 €)
+8,800

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
TOTAL	-9,044

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

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

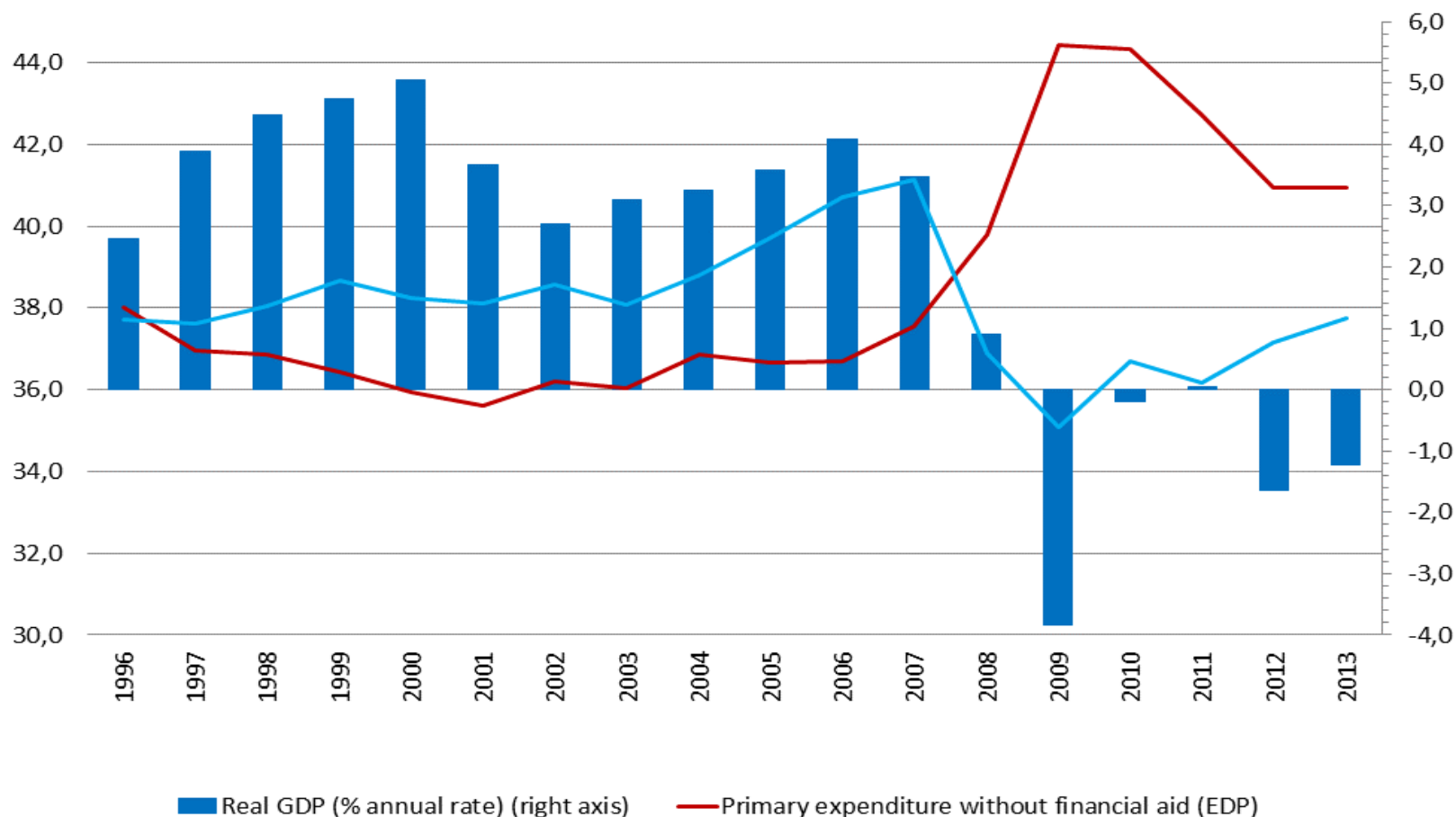


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Fiscal Consolidation

Primary expenditure and revenue,
(% of GDP)



Source: IGAE, Ministry of Finance and Public Administration.

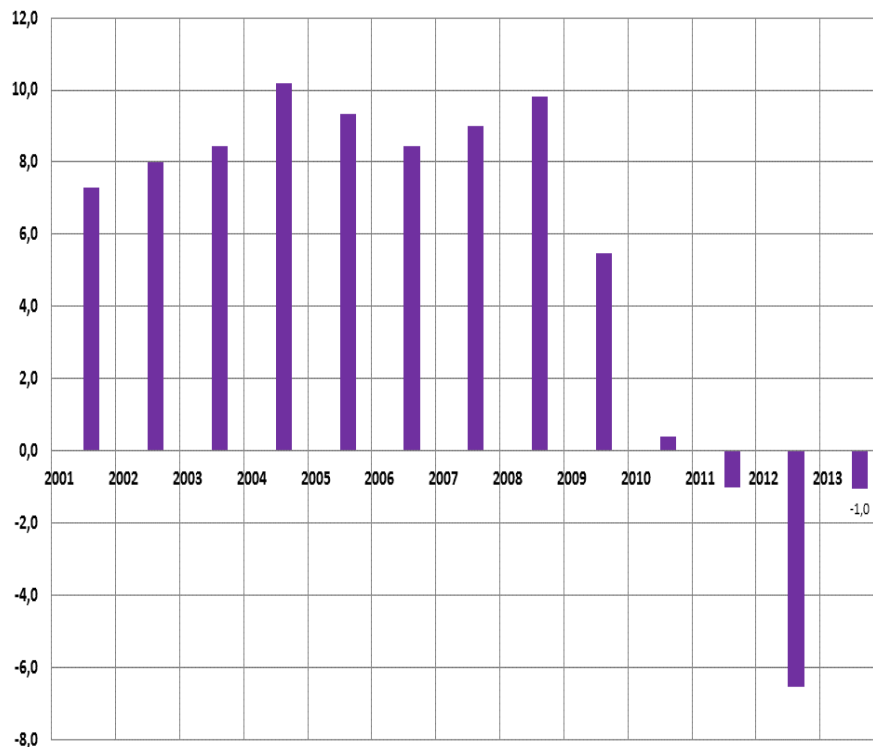


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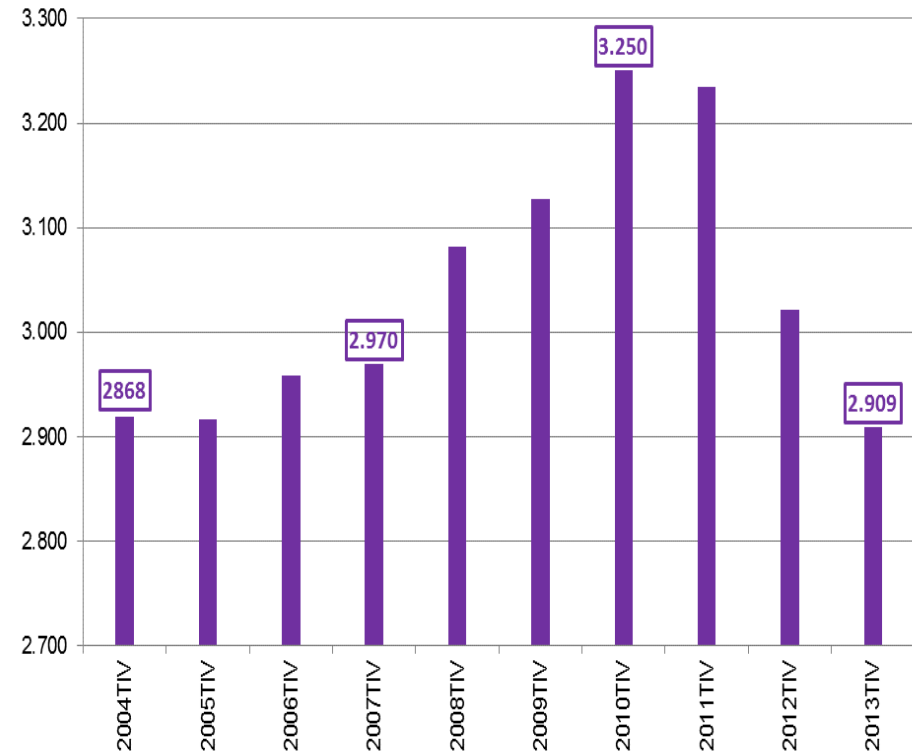
A more austere government: public consumption, public sector employees

Public Consumption
(y-o-y % change)



Source: INE, CN IVTR

Public sector employees
(millions)



Source: INE, EPA IVTR (new population)



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Evolution of Tax revenues 2013

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%
CHAPTER I.- DIRECT TAXES	88,572	95,081	6,509	7.3%	93,050	-2,031	-2.1%
VAT	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%
CHAPTER II.- INDIRECT TAXES	71,250	71,594	344	0.5%	73,725	2,131	3.0%
CHAPTER III.- OTHER TAX REVENUES	1,938	1,892	-46	-2.4%	2,072	180	9.5%
TOTAL TAX REVENUES	161,760	168,567	6,807	4.2%	168,847	281	0.2%



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Evolution of Tax Bases 2013

TAX BASES IN ACCRUAL TERMS

y-o-y % change

	2011	2012	2013	III.12	IV.12	I.13	II.13	III.13	IV.13	I.14
Tax bases	-2.7	-2.8	-1.8	-0.6	-4.6	-4.9	-4.6	-2.2	4.5	2.1
On Income	-1.5	-2.4	0.8	0.0	-4.7	-0.5	-2.7	0.3	5.7	0.7
On expenditure	-4.3	-3.4	-5.1	-1.4	-4.4	-10.3	-7.0	-5.8	2.8	4.1
· Gross Household Income	0.4	-4.3	-1.3	-3.9	-8.2	-3.4	-2.7	-1.6	2.3	-0.8
· Tax Base of Corporate Tax	-15.0	14.2	15.9	15.1	32.3	22.1	-	6.3	30.1	10.1
· Final expenses subject to VAT	-5.8	-4.5	-5.0	-2.3	-5.8	-10.8	-7.6	-5.5	4.4	5.6
· Expenses subject to Excise duties	4.0	1.7	-5.7	2.4	2.2	-7.7	-3.8	-7.0	-4.3	-3.0

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



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Evolution of Tax revenues at the beginning of 2014

Tax revenues SMEs and self-employed (y-o-y % change)

Quarterly period	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
Wage withholding Tax	-3.9	-2.1	-1.7	-1.5	4.6	5.3
Gross VAT	-4.6	-0.2	4.4	0.1	6.1	6.8
Installment payments						
<i>PERSONAL INCOME TAX</i>	-11.8	-10.9	-7.7	-3.6	6.3	11.6
<i>CORPORATE TAX</i>		-11.0		-17.4		-3.3
<i>Total</i>	-11.8	-11.0	-7.7	-13.4	6.3	3.7

Source: AEAT

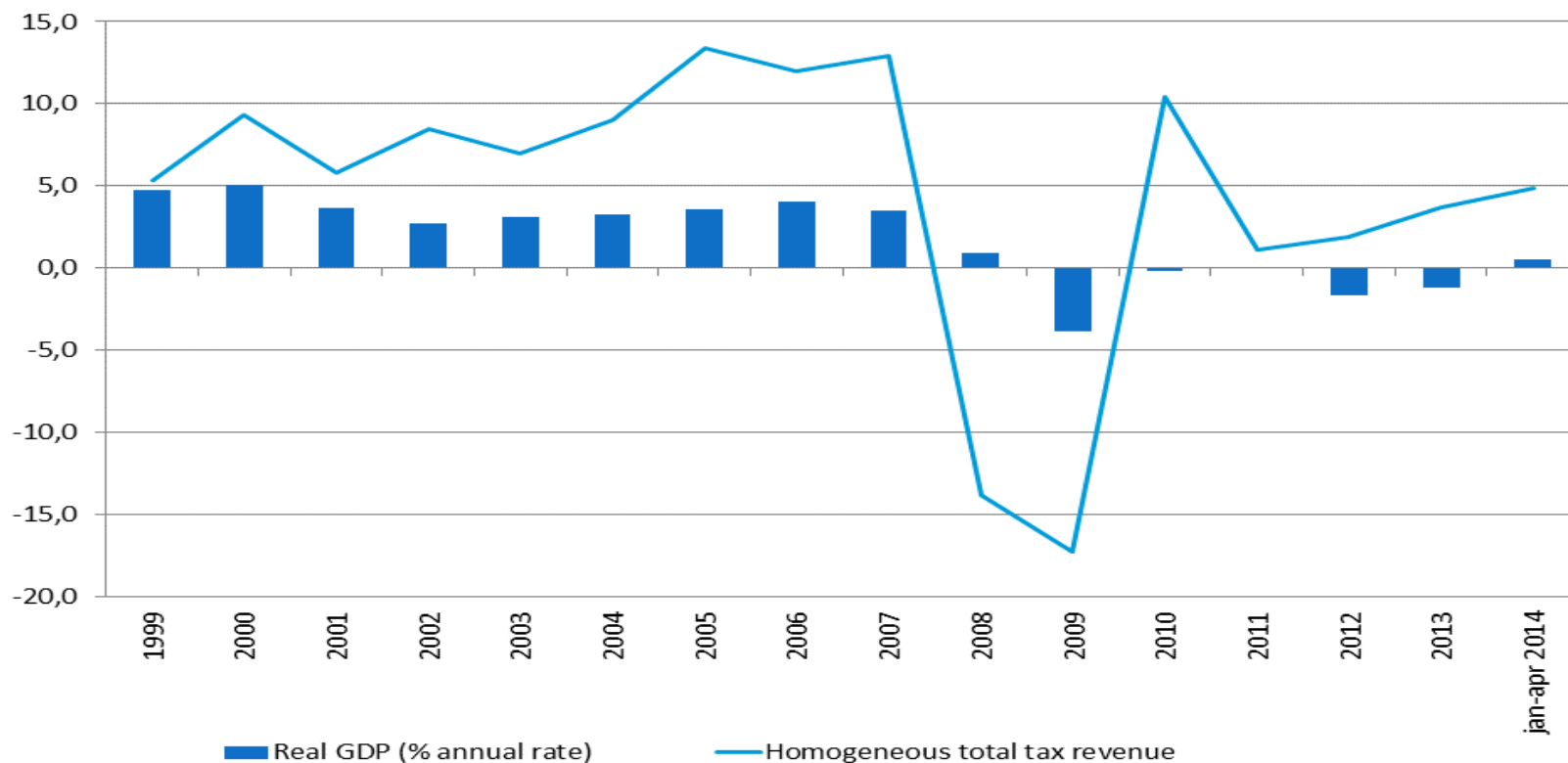


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Recovery in Tax revenues

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



Homogenous Tax Revenues
y-o-y % change

2009	2010	2011	2012	2013	jan-apr. 2014
-17.3	10.4	1.1	1.9	3.7	4.9



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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
Total Regional Governments	-3.41	-1.86	-1.54		-1.30

* Castille La Mancha 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 other Non-recurrent expenses which are included in the deficit.

***Navarra has had an adjustment in the public accrued revenue in 2013.

Source: IGAE, Ministry of Finance and Public Administration



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Local Governments Budget Balance 2013

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

Source: IGAE

(thousand €)	2011	2012	2013	Difference 2013-2012
	NON FINANCIAL BUDGET BALANCE	NON FINANCIAL BUDGET BALANCE	NON FINANCIAL BUDGET BALANCE	NON FINANCIAL BUDGET BALANCE
Barcelona	69,905	120,103	284,516	164,413
Madrid	195,169	859,832	1,163,575	303,743
Málaga	-1,536	39,995	73,289	33,294
Sevilla	-32,630	66,561	104,989	38,428
Valencia	-25,186	7,541	116,684	109,143
Zaragoza	-2,669	-45,766	81,751	127,517
Total	203,051	1,048,266	1,824,804	776,538

Source: Ministry of Finance and Public Administration