



Appearance by the Minister in Congress

Montoro said the tax regularisation has revealed at least €40,000 million

- No person or entity can benefit from the presentation of the special tax return if they have previously started a tax adjustment procedure via the administrative or legal system
- The minister stressed that, unlike other processes, regularisation "is not opaque", as it requires the identification of the owner of the property and rights.

23 January 2013.- The Minister of Finance and Public Administrations, Cristóbal Montoro said today in the lower house of the Spanish parliament that the special tax regularisation plan has brought to the surface at least €40,000 million, which represents a very significant broadening of the tax base which will increase revenue every year from now on.

The minister noted that no individual or legal entity may benefit by filing the special tax return (DTE), in the event of having initiated a tax adjustment procedure via administrative or legal proceedings prior to the introduction of the DTE; i.e. anyone under investigation in criminal proceedings will not prevent the continuation of the process and possible sentencing as a result of having filed this return.

CRIMINAL LIABILITY

On the other hand, he stressed that no-one can doubt that the institutions work. Both the Courts, and the Public Prosecution and Tax Agency are

EMAIL ADDRESS

secretaria.prensa@minhap.es

This information may be used wholly or in part without the need to cite sources

constantly working to establish legal responsibilities arising from potential tax fraud and the crimes that could be committed.

He also indicated that the presentation of the DTE, as is the case with other tax returns, is fully compatible with the Money Laundering Prevention Act. Therefore, it cannot be held that the DTE is legalising illicit conduct that has generated economic resources. Hence, those who have committed money laundering or embezzlement will remain liable for such offences.

ASSET REVELATIONS

The minister also stressed that the special tax return encourages the voluntary compliance of those who had assets and rights concealed from the Treasury. Unlike other special tax adjustment processes carried out in the past which concealed the identity of the people who used them, this has required the identification of the owner of the property and rights, and therefore "is not opaque".

With this, the minister noted that this not only encourages the repatriation of assets and rights but also effective taxation in future years.

31,500 RETURNS

In relation to the cited special tax regularisation plan, which ended on 30 November, the measure has led to the collection of €1,192,000 million. The Tax Agency has received 31,529 declarations, with an average amount of €37,800. The bulk of the statements were submitted in November when 29,242 returns were filed, implying collection of taxes totalling €1,050 million.

As for the distribution of the returns filed, 98% correspond to private individuals. That is, from the total of 31,529 returns (29,683 taxpayers), 30,871 refer to natural persons (29,065 taxpayers). The rest, 658 returns (618 taxpayers), correspond to legal persons.

COMBATING TAX FRAUD

The minister recalled the latest approved regulatory changes that will boost the fight against tax fraud. He noted, first the new fraud law, which is the most ambitious in the history of democratic Spain.

EMAIL ADDRESS

secretaria.prensa@minhap.es

This information may be used wholly or in part without the need to cite sources

Among its innovations is the limitation of the cash payment to €2,500 in transactions where at least one businessman or professional is involved, and an obligation to report new accounts and assets located abroad. It has also empowered the actions for the recovery of tax debts and liens.

In turn, a reform of the Penal Code has come into force for determining a new aggravated type of tax offence. For the same, it rises the maximum sentence to six years in prison and doubles the maximum statute of limitations for this type of crime to 10 years. The Government is also stepping up agreements to avoid double taxation and promote the exchange of information with other countries. The latest has been signed just a week ago, with the United States.

EMAIL ADDRESS

secretaria.prensa@minhap.es

This information may be used wholly or in part without the need to cite sources