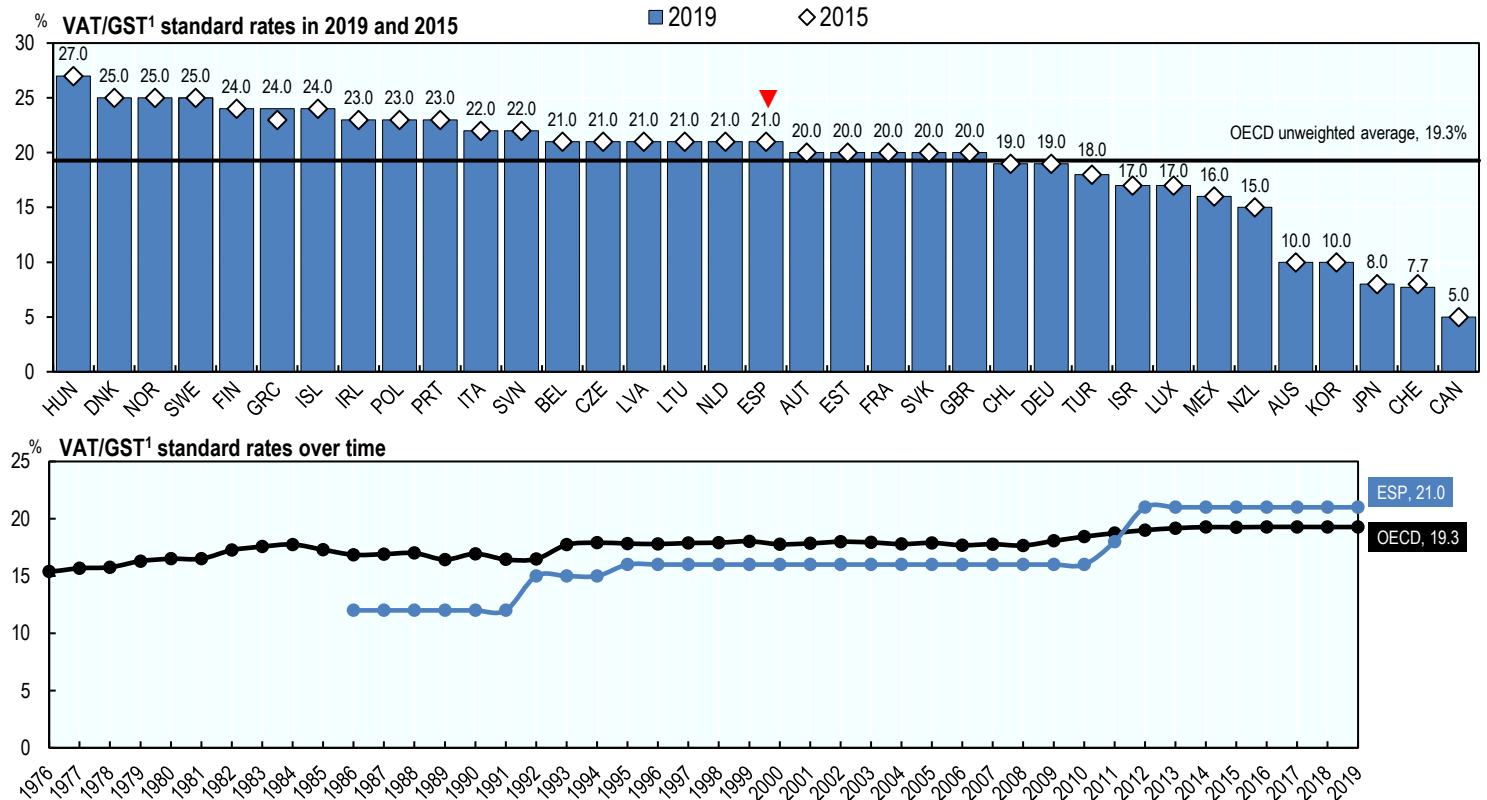


Consumption Tax Trends* - Spain

VAT rate 2019

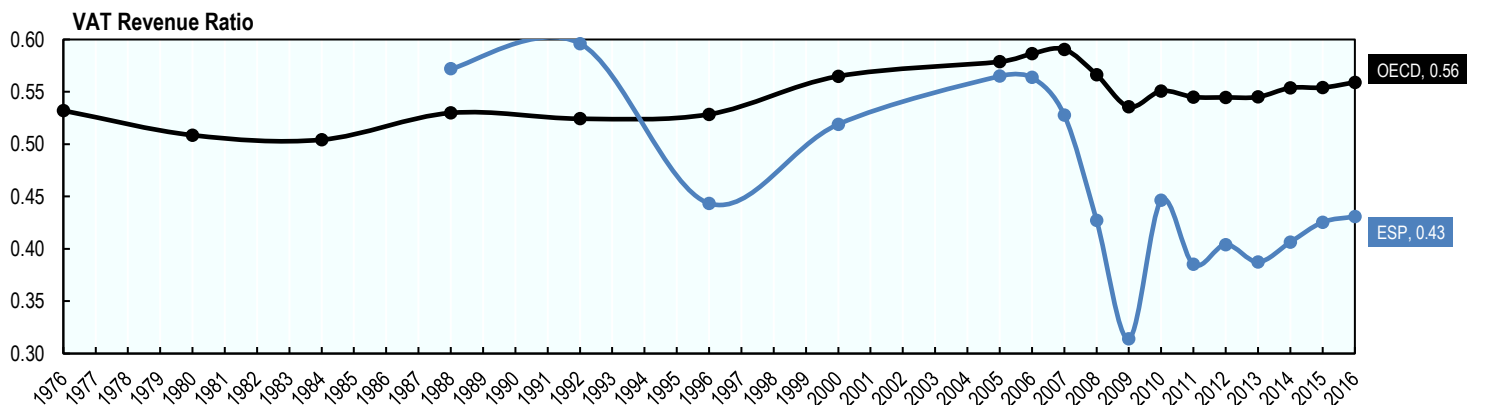
The Spanish standard VAT rate is 21.0%, which is above the OECD average. The average VAT/GST¹ standard rate in the OECD was 19.3% as of 1 January 2019. The previous standard VAT rate in Spain was 18% in 2011. It changed to the current level in 2012. Spain applies reduced VAT rates of 4% and 10% to a number of goods and services as well as specific regional rates. VAT was introduced in Spain in 1986 at a standard rate of 12.0%. Since then the minimum and maximum standard rates have been at 12.0% and 21.0% respectively.



1. VAT/GST refers to value added tax/goods and services tax
 Source: OECD Tax Database 1st January 2019

VAT Revenue Ratio

The VAT Revenue Ratio (VRR) for Spain was 0.43 in 2016, below the OECD average of 0.56. The VRR is a measure of the revenue raising performance of a VAT system. A ratio of 1 would reflect a VAT system that applies a single VAT rate to a comprehensive base of all expenditure on goods and services consumed in an economy - with perfect enforcement of the tax. Relative to the pre-crisis level of 2007 (0.53), the Spanish VRR position has decreased by 0.10 percentage points. The Spanish VRR increased from 0.41 in 2014 to 0.43 in 2016. The lowest VRR was recorded in the year 2009 at 0.31 and the highest level in 1992 at 0.60.



The figures may not present the difference to the second decimal point accurately due to rounding

* Information presented on this page is only a summary of more detailed information available in the Tax Database and Consumption Tax Trends publication

Source: OECD Consumption Tax Trends 2018 oe.cd/consumption-tax-2018; OECD Tax Database oe.cd/tax-database



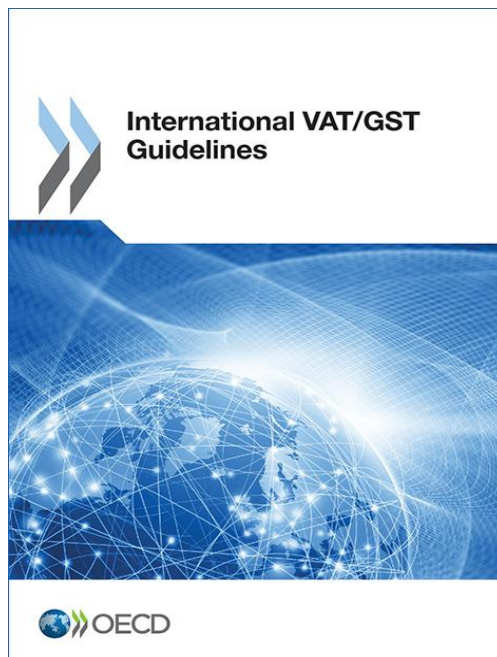
Consumption Tax Trends 2018

VAT/GST and Excise Rates, Trends and Policy Issues

oe.cd/consumption-tax-2018

Consumption Tax Trends provides information on Value Added Tax/Goods and Services Tax (VAT/GST) and excise duty rates in OECD member countries.

It also contains information about international aspects of VAT/GST developments and the efficiency of this tax. It describes a range of other consumption taxation provisions on tobacco, alcoholic beverages and motor vehicles.



International VAT/GST Guidelines

oe.cd/international-vat-gst-guidelines

The International VAT/GST Guidelines now present a set of internationally agreed standards and recommended approaches to address the issues that arise from the uncoordinated application of national VAT systems in the context of international trade.

They focus in particular on trade in services and intangibles, which poses increasingly important challenges for the design and operation of VAT systems worldwide.

They notably include the recommended principles and mechanisms to address the challenges for the collection of VAT on cross-border sales of digital products that had been identified in the context of the OECD/G20 Project on Base and Erosion and Profit Shifting (the BEPS Project).

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