

Note on the calculation of the consumption indicator for the territorial distribution of the Value Added Tax (VAT) for the year 2023.

Consumption as taxation object in the Value Added Tax can be defined as the amount of a Theoretical Base comprised by the delivery and performance of all services subject to a non-deductible VAT. In aggregate terms, it is comprised by:

1. Household final consumption expenditure (HFCE)
2. Intermediate consumption, social transfers in kind purchased on the market and gross fixed capital formation of General Government
3. The intermediate consumption and gross fixed capital formation of exempt market branches
4. Gross capital formation in newly constructed dwellings

To obtain of the consumption indicator a partial indicator corresponding to each of the aforementioned operations is elaborated. These partial indicators are weighted by using the information provided by the last available Supply and Use Table (SUT) of the Spanish National Accounts (SNA), compiled according to Benchmark Revision 2024, which is detailed hereunder:

Weightings based on the Use Table 2021. 2024 Benchmark Revision	
	%
Household final consumption expenditure	66,66%
Intermediate consumption and gross fixed capital formation of General Government	12,54%
Social transfers in kind of General Government	1,22%
Intermediate consumption and gross-fixed capital formation of exempt branches	15,59%
Gross capital formation in dwellings	3,99%
Total	100,00%

The partial indicators used for developing the consumption indicator of the reference year 2023 are presented hereunder.

1) Regional VAT distribution indicator corresponding to household final consumption expenditure.

This partial indicator is obtained taking into account both the variable domestic final household consumption expenditure published by the Spanish Regional Accounts (SRA) ¹ and the tax rate associated to each good and service².

Based on these data, a theoretical collection of VAT within the territory of each Autonomous Community is obtained. The percentages (Spain=100), that are obtained by averaging the last three years available in the consumption estimates of the Regional Accounts according to 2024

Benchmark Revision, used in said calculation are as follows:

Expenditure indicator for final household consumption. 2024 Benchmark Revision (Common Tax Territory)

Autonomous Community	Average 2019-2021 %
Andalucía	18,56%
Aragón	3,15%
Asturias, Principado de	2,38%
Balears, Illes	3,84%
Canarias	
Cantabria	1,41%
Castilla y León	5,64%
Castilla-La Mancha	4,11%
Cataluña	19,16%
Comunitat Valenciana	12,27%
Extremadura	2,06%
Galicia	6,12%
Madrid, Comunidad de	17,33%
Murcia, Región de	3,23%
Navarra, Comunidad Foral de	
País Vasco	
Rioja, La	0,74%
Ceuta y Melilla	
España	100,00%

¹ See

http://www.ine.es/dyngs/INEbase/en/operacion.htm?c=Estadistica_C&cid=1254736167628&menu=res ultados&secc=1254736195584&idp=1254735576581

² Information included in the weighted average rate simulation in accordance with European Commission recommendations in the framework of the determination of the taxable amount for VAT.

2) Regional VAT distribution indicator corresponding to intermediate consumption (IC), social transfers in kind (STIK) and gross-fixed capital formation (GFCF) of General Government.

These partial indicators (IC and GFCF indicator; STIK indicator) are obtained mainly taking into account the information provided by the Audit Office on *General Government Accounts* according to 2024 Benchmark Revision.

Thus, the indicators obtained by averaging data from the reference years 2021 and 2022 are as follows:

**IC and GFCF indicator of General Government. 2024 Benchmark Revision.
(Common Tax Territory)**

Autonomous Community	Average 2021-2022 (%)
Andalucía	16,42%
Aragón	4,11%
Asturias, Principado de	2,17%
Balears, Illes	2,59%
Canarias	
Cantabria	1,44%
Castilla y León	6,21%
Castilla-La Mancha	4,17%
Cataluña	20,92%
Comunitat Valenciana	10,78%
Extremadura	2,42%
Galicia	6,87%
Madrid, Comunidad de	17,74%
Murcia, Región de	3,36%
Navarra, Comunidad Foral de	
País Vasco	
Rioja, La	0,80%
Ceuta y Melilla	
Total	100,00%

STIK indicator of General Government. 2024 Benchmark Revision.
(Common Tax Territory)

Autonomous Community	Average 2021-2022 (%)
Andalucía	15,56%
Aragón	2,64%
Asturias, Principado de	1,99%
Balears, Illes	3,43%
Canarias	
Cantabria	1,41%
Castilla y León	5,38%
Castilla-La Mancha	4,18%
Cataluña	24,38%
Comunitat Valenciana	12,39%
Extremadura	2,29%
Galicia	5,48%
Madrid, Comunidad de	16,79%
Murcia, Región de	3,36%
Navarra, Comunidad Foral de	
País Vasco	
Rioja, La	0,72%
Ceuta y Melilla	
Total	100,00%

3) Regional VAT distribution indicator corresponding to intermediate consumption (IC) and gross-fixed capital formation (GFCF) of exempt branches (except General Government and Non-Profit Institutions Serving Households).

The calculation of this partial indicator tries to quantify current or investment acquisitions on which the VAT is levied and, in compliance with regulation specifications, the tax is not deductible as a consequence of carrying out exempt operations. To estimate the non-deducted input VAT payments, the information used is tax information on the characteristics of the activities of each person presenting VAT statements, which implies an Intermediate VAT Type levied on Current Acquisitions and an Intermediate VAT Type levied on Investment Acquisitions.

From the aforementioned data, the following indicator is obtained:

IC and GFCF indicator of exempt branches (*) (Common Tax Territory)

Autonomous Community	Average 2021-2023 (%)
Andalucía	11,98%
Aragón	2,40%
Asturias, Principado de	1,58%
Balears, Illes	2,35%
Canarias	
Cantabria	0,89%
Castilla y León	3,71%
Castilla-La Mancha	2,92%
Cataluña	21,10%
Comunitat Valenciana	8,47%
Extremadura	1,17%
Galicia	4,14%
Madrid, Comunidad de	36,73%
Murcia, Región de	2,08%
Navarra, Comunidad Foral de	
País Vasco	
Rioja, La	0,48%
Ceuta y Melilla	
Total	100,00%

(*) Except General Government and Non-Profit Institutions Serving Households (NPISH)

4) Regional VAT distribution indicator corresponding to gross capital formation in newly constructed dwellings.

This partial indicator is mainly obtained from the housing and urban projects statistics released by the Ministry for Transport and Sustainable Mobility.

From these data, the following indicator is obtained:

Indicator relating to gross capital formation in dwellings	
Autonomous Community	Average 2019-2021% (*)
Andalucía	17,07%
Aragón	2,06%
Asturias, Principado de	1,52%
Balears, Illes	6,61%
Canarias	
Cantabria	1,00%
Castilla y León	3,55%
Castilla-La Mancha	2,98%
Cataluña	17,49%
Comunitat Valenciana	8,62%
Extremadura	1,23%
Galicia	2,36%
Madrid, Comunidad de	33,53%
Murcia, Región de	1,35%
Navarra, Comunidad Foral de	
País Vasco	
Rioja, La	0,63%
Ceuta y Melilla	
Total	100,00%

(*) Each year is calculated as a fifth order moving average

Consumption indicator corresponding to the year 2023

Weighting each of the previous indicators by using the weights obtained from the information of the SUT 2021 from the SNA, compiled according to 2024 Benchmark Revision, the following final consumption indicator for the year 2023 is obtained.

Final consumption indicator. Year 2023 (Common Tax Territory)

Autonomous Community	%
Andalucía	17,172226%
Aragón	3,100866%
Asturias, Principado de	2,185976%
Balears, Illes	3,558904%
Canarias	
Cantabria	1,316296%
Castilla y León	5,323673%
Castilla-La Mancha	3,886216%
Cataluña	19,681294%
Comunitat Valenciana	11,347538%
Extremadura	1,937571%
Galicia	5,746602%
Madrid, Comunidad de	21,048486%
Murcia, Región de	2,993041%
Navarra, Comunidad Foral de	
País Vasco	
Rioja, La	0,701311%
Ceuta	
Melilla	
Total	100,000000%