

EUROMOD

COUNTRY REPORT



SPAIN (ES)

2010-2013

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EUROMOD is a tax-benefit microsimulation model for the European Union (EU) that enables researchers and policy analysts to calculate, in a comparable manner, the effects of taxes and benefits on household incomes and work incentives for the population of each country and for the EU as a whole.

EUROMOD has been enlarged to cover 27 Member States and is updated to recent policy systems using data from the European Union Statistics on Income and Living Conditions (EU-SILC) as the input database, supported by DG-EMPL of the European Commission.

This report documents the work done in one annual update for Spain. This work was carried out by the EUROMOD core developer team, based mainly in ISER at the University of Essex, in collaboration with a national team.

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The results presented in this report are derived using EUROMOD version G2.0. EUROMOD is continually being improved and the results presented here may not match those that would be obtained with later versions of EUROMOD

For more information, see: <http://www.iser.essex.ac.uk/research/euromod>

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The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.

PROGRESS mission is to strengthen the EU contribution in support of Member States' commitment. PROGRESS is instrumental in providing analysis and policy advice on PROGRESS policy areas; monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas; promoting policy transfer, learning and support among Member States on EU objectives and priorities; and relaying the views of the stakeholders and society at large

For more information see: <http://ec.europa.eu/progress>

The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.

CONTENTS

1.	BASIC INFORMATION	5
1.1	Basic information about the tax-benefit system	5
1.2	Social Benefits	7
1.2.1	Contributory Benefits (C):	7
1.2.2	Non-contributory Benefits (NC):	8
1.2.3	Reforms in social benefits in 2010-2013	10
1.3	Social contributions	11
1.4	Taxes	12
2.	SIMULATION OF TAXES AND BENEFITS IN EUROMOD	15
2.1	Scope of simulation	15
2.2	Order of simulation and interdependencies	18
2.3	Policy switches	19
2.4	Social benefits	19
2.4.1	Unemployment benefits.	19
2.4.2	Pension benefits	24
2.4.3	Child and family benefits: National level	30
2.4.4	Child and family benefits: Regional level	34
2.4.5	Minimum Income Guarantee (Ingreso mínimo de inserción o Renta mínima):	51
2.5	Social contributions	69
2.5.1	Employee social contributions	69
2.5.2	Employer social contributions	72
2.5.1	Health insurance contributions	75
2.5.2	Other social contributions	75
2.6	PERSONAL INCOME TAX	75
2.6.1	Tax unit	75
2.6.2	Exemptions	75
2.6.3	Tax allowances	76
2.6.4	Tax base	77
2.6.5	Tax schedule	78
2.6.6	Tax credits	87
3.	DATA	109
3.1	General description	109
3.2	Data adjustment	110
3.3	Imputations and assumptions	112
3.3.1	Time period	112
3.3.2	Gross incomes	112
3.3.3	Disaggregation of harmonized variables	112
	Unemployment benefits:	112

Old age benefits:	112
Survivor benefits:	113
Family benefits:	113
Other imputed variables	113
3.4 Updating	113
4. VALIDATION	114
4.1 Aggregate Validation	114
4.1.1 Components of disposable income	114
4.1.2 Validation of incomes imputed into the simulation	114
4.1.3 Validation of outputted (simulated) incomes	115
4.2 Income Distribution	117
4.2.1 Income distribution	117
4.2.2 Income inequality	117
4.2.3 Poverty rates	119
4.3 Summary of “health warnings”	120
5. REFERENCES	121
ANNEX 1	122
ANNEX 2	124

1. BASIC INFORMATION

1.1 Basic information about the tax-benefit system

- The tax-benefit system is evolving towards a decentralized system. Most taxes are partly claimed by regions (Comunidades Autónomas) and partly claimed by the national government (Estado). The main exception is corporate tax (Impuesto de Sociedades) which is still a national government tax. No separate capital gains tax exists, capital gains are included in taxable income¹. The regions may levy a net wealth tax. Companies are subject to corporate income tax, local business tax and other taxes related to the municipality. Spain comprises mainland Spain, the Balearic Islands and the Canary Islands, as well as the cities of Ceuta and Melilla in Northern Africa. The Basque Country and Navarra have their own tax systems. Benefits are more centralized than taxes and are generally claimed by national authorities. The main exception to this rule is the Guarantee Minimum Income Benefit or Rentas Mínimas de Inserción (the last link to welfare) which is handled by regional governments. Benefit eligibility conditions, benefit amount and benefit duration differ among regions.
- The taxable period for personal income tax in Spain is the calendar year (1st of January to the 31st of December). Regarding companies, as a general rule, the tax year coincides with the calendar year (usually from 25th of July to the next 25th of July), but companies may file their returns with reference to their financial year. The tax year may not exceed 12 months. Corporate income tax must be computed and paid by the taxpayers under the self-assessment method. Main benefit changes may be implemented at any moment of the year.
- Spain has a minimum wage. Daily and monthly rates (in euro) for 2009 to 2013 are in the table below.

	2009	2010	2011	2012	2013
Minimum Wage					
- Daily	20.80	21.11	21.38	21.38	21.51
- Monthly	624	633.3	641.4	641.4	645.3

- There is also an index used for the calculation of most social benefit: IPREM. Daily, monthly and annual rates (in euro) for 2009 to 2013 are in the table below.

	2009	2010	2011	2012	2013
IPREM					
- Daily	17.57	17.75	17.75	17.75	17.75
- Monthly	527.24	532.51	532.51	532.51	532.51
- Annual (12 payments)	6,326.86	6,390.13	6,390.13	6,390.13	6,390.13
- Annual (14 payments)	7,381.33	7,455.14	7,455.14	7,455.14	7,455.14

- State retirement age all along the 2009-2012 was 65 for both women and men. Since 2013² the state retirement age is 67 or 65 if 38 years and 6 months of Social Security contributions. The minimum number of years of contributions to be eligible for a state pension is 15 of which at least 2 years must have been during the 15 years immediately preceding the date of retirement. The maximum pension is reached after 35 years of Social Security contributions in period 2009- 2012.

¹ Although a special treatment is applied

² Ley 27/2011, de 1 agosto, sobre actualización, adecuación y modernización del sistema de Seguridad Social. This Ley took effect in 1 January of 2013.

- Minimum school leaving age is 16; dependent children in general are defined as aged under 18 or disabled regardless of age. In the case of legally separated spouses or *de facto* unions, dependent children belong to the family unit of the parent they live with. Dependent children for tax purposes are defined as individuals aged below 25 years (if disabled there is no age limit), single and with yearly income below the limit.
- For benefit purposes “Large Families” (*Familias numerosas*) are defined as a one or two-parent cohabiting family with three or more dependent children (or two if a parent or one of the children is disabled). A further distinction is made within them, those with 5 or more dependent children are identified as “special large families” (*Familias numerosas de categoría especial*). Dependent children in this case are individuals who economically depend on adults’ incomes (their income is below the IPREM indicator) are under 21 years of age (or under 26 if in full-time education). There is no age limit for disabled children. (*Ley 40/2003*).
- For income tax purposes “lone Parents” (*Familias monoparentales*) are families of one adult with children under the age of 18 (or over that age if disabled).
- The Spanish income tax is an individual system. However, taxpayers may choose to file either a single or a joint tax return. The family unit is the nuclear family: the married couple or single person plus any dependent children. Joint tax returns do not allow for income splitting. The rules and amounts of most elements of the Spanish income tax are the same under individual and joint taxation.
- Income tax withholdings are collected on a cumulative basis, i.e., the system tries to ensure withholding the exact amount due in the financial year. Income from employment, self-employment, investment and capital gains derived by resident individuals in the Spanish territory may be subject to withholding of income tax. The tax withheld is generally treated as an advance payment and credited against the taxpayer’s final tax liability. As a general rule, self-assessment of the tax is mandatory by the end of the financial year. In 2013 individuals who are only taxed on income from work and who earn less than limit³ and do not have more than one employer do not need to fill in a tax return. If individual earnings come from more than one employer this limit drops. For those tax payers who need to file a tax return the tax period is between the 1st of May and 30th of June of the following year. If the sum of the amounts withheld and any prepayments exceed the taxpayer’s final liability for the current year, the excess is refunded.
- There is no statutory indexing regime for taxes. Since 2004 most benefits are indexed using the IPREM and not the *minimum wage* as it was usual in previous years.
- In the Catalonia region there is another indexing indicator: the IRSC (Indicador de Renda de Suficiencia de Catalunya).
- The means-tested benefit system assesses entitlement according to family income unit. The family unit is, in general, the nuclear family. However, note that some non-contributory benefits, such as non-contributory old-age pensions, consider other cohabiting individuals within the family unit.
- Social contributions, benefits and pensions are usually assessed and delivered on a monthly basis. Income tax liability is based on annual income and allowances and thresholds are generally referred to in annual terms.
- Different levels of disability are defined as in Law. (*Ley General de la Seguridad Social, aprobado por el Real Decreto Legislativo 1/1994, de 20 de junio, artículo 148*).

³ When income comes from other sources but work, income threshold is reduced. For further information see “Manual de renta 2009 - AEAT”

1.2 Social Benefits

Social benefits can be divided into two main groups: (1) Contributory Benefits (CB) for which eligibility depends on having met certain conditions regarding social insurance contributions and certain contingencies such as old-age, widowhood, disability or unemployment. The amounts received depend on contributions and, in some cases, on a range of personal circumstances. (2) Non-contributory benefits (NCB) for which eligibility depends on certain contingencies such as old-age, widowhood, disability or unemployment and, generally, on an income test. Eligibility in this case does not require a minimum amount of contributions and most non-contributory benefits are income-tested. The test on incomes is usually related to a range of personal and family circumstances and to total individual or family incomes.

Some contributory benefits may depend on the social security regime the individual is contributing to. However, significantly more than half of total benefits are paid within the social security General Regime.

1.2.1 Contributory Benefits (C):

Sickness cash benefit (*Incapacidad temporal*): Compulsory social insurance scheme payable through employers that covers workers who are temporarily unable to work due to common or professional illnesses or accidents. Incapacity for work must be certified by a doctor and the worker must have paid the required contributions.

Maternity/Paternity leave benefit (*Prestación por maternidad*): Compulsory social insurance scheme payable through employers that covers the following situations: maternity, adoption and permanent or simple fosterage (according to the Civil Code or to the Autonomous Communities that regulates it), provided that in this last case, the duration is not below a year. The benefits amount to 100% of the worker's contributory base for maternity leave.

Risk during pregnancy benefit (*Prestación por riesgo durante el embarazo*): paid to expectant working mothers who are unable to continue with their normal task during their pregnancy. The benefit is payable through employers. In order to be entitled to receive the benefit the worker must have a minimum period of paid contributions. Benefits are subject to taxation and while receiving it social security contributions must be paid.

Disability pension (*Pensión contributiva por incapacidad permanente*): Compulsory social insurance scheme for employees with contribution-related benefits in case of permanent incapacity (*incapacidad permanente*). The degrees of disability are the following: Permanent and partial disability for the usual profession (*incapacidad permanente parcial para la profesión habitual*), permanent and complete disability for the usual profession (*incapacidad permanente total para la profesión habitual*), permanent and total disability for any type of working activity (*incapacidad permanente absoluta*) and severe disability (*gran invalidez*). In order to be entitled to receive the benefits the worker must have paid the required contributions. The amount of the benefit depends both on the degree of disability and on the contributory base. Benefits from permanent disability (either partial or total) for the usual occupation are taxable. Absolute permanent incapacity and severe incapacity benefits are not taxable.

Old-age pension (*Pensión contributiva por jubilación total o por jubilación parcial*): Compulsory social insurance scheme for employees that have either completely stopped working and are entitled to receive old-age benefits or workers that have decided to reduce their working hours and to combine partial old-age benefits with salaries from work. In order to be entitled to receive the benefits the worker must have paid the required contributions. The retirement pension benefit

amount is determined by the amount and number of social contributions with a minimum of 15. Taxable.

Survivor's pension (*Pensión de viudedad u orfandad a favor de familiares*): Compulsory social insurance scheme for employees. Benefits are paid in case of death of the contributing worker to widows or widowers (*pensión de viudedad*), orphans (*pensión de orfandad*) or relatives (*pensión en favor de familiares*) depending on the total contributions of the deceased person. The deceased person should be affiliated to social security scheme, must be an active contributor or have equivalent status or must have complied with the required period of paid contributions. Widows, widowers, orphans and relatives must fulfill some further requirements in order to receive the benefits. The amount of the benefit depends on the contributions paid by the deceased person and on personal circumstances of the beneficiaries (for example, it may depend on number of dependants in family unit and on the fact that orphanhood is complete).

Unemployment insurance (*Prestación por desempleo contributiva*): Compulsory social insurance scheme for employees able and available for work who have lost their job. In order to be entitled to the benefits workers must have contributed to social insurance covering unemployment and must have paid the required period of contributions. A new “Special protection system for the self-employed” appeared taking effect in November 6th 2010. Unemployment insurance scheme is available to self-employed people who reach a minimum time of contribution to the Social Security system and who have stopped the activity and finished their activities due to economic reasons.

Statutory Insurance for Old age and Disability (*Pensión del seguro obligatorio de vejez e Invalidez, SOVI*): This a particularly old social scheme that covers workers that have covered 1800 days of contributions to the SOVI between 1940 and 1966 or were registered prior to 1940. These benefits are to disappear soon.

Contributory paternity leave benefit (*Permiso por paternidad*): Since 2007 the compulsory social insurance scheme payable through employers that covers paternity, adoption and permanent or simple fosterage, increased its duration (available for fathers and compatible with that of mothers) up to 15 days (2 of the previously existing *permiso retribuido* and 13 of the new paternity leave benefit) (2 more for each extra child if multiple birth). In case of large families the duration enlarges up to 20 days. The benefits amount to 100% of the worker's contributory base for maternity leave. Minimum period of Social Security contributions: 180 days in last 7 years or 360 days in all working life (with a few exceptions).

1.2.2 Non-contributory Benefits (NC):

Unemployment assistance (*Subsidio por desempleo*): If the worker is not entitled to receive contributory benefits a non-contributory benefit is available. This is a means-tested benefit.

Income guarantee benefit (*Renta activa de inserción*): If the worker is neither entitled to contributory unemployment benefit nor to unemployment assistance the worker may claim this benefit. The benefit is income-tested, family unit income must be below 75% minimum salary (*salario mínimo interprofesional, SMI*). Other requirements are being over 45 and long term unemployed (over 12 months). The duration of the benefit is 11 months maximum and the amount of benefit is 80% of the IPREM indicator.

Non contributory old-age pension (*Prestación no contributiva por jubilación*): Social insurance scheme for people over 65 years of age, who find themselves in a state of need and lack the necessary means for subsistence. This is a family unit income-tested benefit. The amount of the benefit depends on the number of beneficiaries within the family unit. The family unit here consists of any cohabiting individuals who can be married to the beneficiary or are his/her parent, son or daughter or brother or sister. (see http://www.mtas.es/es/Guia/texto/guia_13_38_1.htm). Taxable. There are some complementary benefits to these pensions for individuals living in rented housing

and who do not have a house of their own elsewhere. Further, there are some regional complementary benefits to non-contributory pensions since 1998.

Non contributory disability pension (*Prestación no contributiva por invalidez*): Social insurance scheme for people who suffer from physical or mental deficiencies, likely to be of a permanent nature, either physical or mental, whether or not they may be congenital, which nullify or modify their capacity and lack sufficient income. This is a family unit income-tested benefit. The amount of the benefit is fixed but increases by 50 per cent, when the degree of disability is equal to or higher than 75 per cent and the assistance of another person is required to carry out the most essential life actions. Taxable.

LISMI: Disability benefit from an old system that is applied to some people (residual)

Pensiones Asistenciales: Assistance benefit from another old system that is applied to some people (residual)

Non contributory complements to survivors pensions: There are state non contributory complements to survivors pensions that do not reach (following contributory rules) the quantity that is considered a minimum by law.

Pension complement benefit (*Complemento de mínimos*): Pensions are automatically updated every year, generally at a rate equal to the Consumer Price Index, CPI, (*IPC, Índice de Precios al Consumo*). However pension benefits, cannot exceed a maximum, neither can they be below a minimum. Subject to an income test, pensions that are below the official minimum pension are increased up to the minimum by this non-contributory benefit. Taxable.

Non-contributory Child benefit (*Prestación por hijo a cargo no contributiva*): Tax financed scheme for families with children under 18 years of age or any age if disabled. It is a non-contributory, income-tested benefit (no income test in the case of disability). The amount depends on the degree of the disability and the age of the children. Not taxable. In Catalonia there is a supplementary universal child benefit since 2003. The benefit is taxable in this case.

Birth and adoption benefit: a lump-sum payment at birth or adoption of third, fourth or higher order child. Not taxable.

Other child benefits: Multiple birth benefit (twins or three children born at once). Not taxable.

Non contributory maternity leave benefit (*Prestación por maternidad no contributiva*): This benefit is aimed at covering the maternity of those females who do not reach minimum contributions to Social Security to receive a contributory maternity leave benefit. The benefit amount is the value of the daily IPREM for that year during 42 days. Benefit duration will be 14 days more if baby is born in a large family or lone-parent family, multiple birth or either mother or child largely disabled. Not means-tested.

Newborn lump-sum benefit (or maternity tax credit) (*Prestación por nacimiento o adopción*): Since 1st July 2007 all mothers that give birth or adopt a child receive a lump-sum benefit of [2,500 euro](#). The benefit may be obtained also as a tax credit when filing a tax return. This is applicable to the whole Spanish territories, including Basque Country and Navarre.

Complementary benefit to non-contributory pensions (*Complemento por alquiler*): for pensioners living in rented housing who do not own other housing elsewhere and are not family related to the house owner.

Paternity leave benefit (*Permiso por paternidad*): Since 2007 the compulsory social insurance scheme payable through employers that covers paternity, adoption and permanent or simple fosterage, increased its duration (available for fathers and compatible with that of mothers) up to 13 days (2 of the previously existing *permiso retribuido* and 13 of the new paternity leave benefit) (2 more for each extra child if multiple birth). The benefits amount to 100% of the worker's

contributory base for maternity leave. Minimum period of Social Security contributions: 180 days in last 7 years or 360 days in all working life (with a few exceptions).

Long Term Care Protection System (*Sistema para la Autonomía y Atención a la Dependencia, SAAD*): Since 2007 a new system for the protection of disabilities was created in Spain. The system will provide in-kind and monetary benefits for handicapped individuals. Benefits are paid in order to cover the cost of services, for providing care within the family and towards the cost of external personal assistance help. The implementation of the benefits will take 7 years (until 2014). The evaluation of the person in need is undertaken by regional governments using the limits imposed by the central government.

A relevant benefit that all Autonomous Communities in Spain provide is the:

Guarantee Minimum Income Benefit (*Ingreso mínimo de inserción o Rentas mínimas de inserción*): this is a non-contributory benefit to combat poverty by means of cash benefits. The benefit is income-tested.

Means-tested lump-sum Child benefits for large families, lone parents and disabled mothers (*Prestaciones por nacimiento o adopción de hijos en los supuestos de familia numerosa, monoparentales o madres discapacitadas*). New benefit in 2008, substitutes the previous benefit when it disappeared (**Means-tested lump-sum Child benefits payable at birth of third or further children** (Prestación económica por nacimiento o adopción del tercer hijo o sucesivos)).

New Temporary Unemployment Protection Program (*Programa Temporal de Protección por Desempleo e Inserción, PRODI*). This benefit was introduced on 2009. In order to protect vulnerable households from the economic crisis that largely increased Spanish Unemployment rates, the Spanish government set up a new non-contributory unemployment protection for workers that have exhausted their contributory benefit and are not eligible for the unemployment non-contributory benefit.

Education allowances: There is system of education allowances. These benefits are distributed within a group of students that comply with the requisites of income and academic performances. This system is nationally managed in general, only País Vasco its own completely independent system, but there are similar conditions to receive the benefit, income and academic performance.

Housing benefits: Some regions have their housing benefit system and help households with the cost of the rent of the house.

1.2.3 Reforms in social benefits in 2010-2013

1. **Sickness cash benefit** (*Incapacidad temporal*). Since 2012 the system changed and the first 3 days only 50% of salary is paid, 75% from the fourth day to 20th and 100% since 21th onwards.
2. **Newborn lump-sum benefit (or maternity tax credit)** (*Prestación por nacimiento o adopción*): This benefit disappeared since 1st of February 2011.
3. **Eligibility reform of Temporary Unemployment Protection Program** (*Programa Temporal de Protección por Desempleo e Inserción, PRODI*). The benefit structure was maintained until 16/2/2010 (*Real Decreto 133/2010*). The quantity of the benefit is maintained then until 15/8/2010 (*Real Decreto-ley 12/2010, de 20 de agosto*) but with more eligibility conditions: for unemployed below 30 years of age or over 45 years of age and those between 30 and 45 with dependants (wife, husband or children with no income).
4. **New self-employed unemployment insurance benefit** (*Prestación económica cese de actividad de trabajadores autónomos*): Unemployment insurance scheme is available to self-employed people who reach a minimum time of contribution to the Social Security

system and who have stopped the activity and finished their activities due to economic reasons. This “Special protection system for the self-employed” for business interruption took effect in November 6th 2010.

5. **Reform of the Regional Child Benefit in Extremadura** (*Ayudas económicas a las familias residentes en Extremadura como medida de conciliación de la vida familiar y laboral*). The existing universal benefit is converted into a means-tested benefit.
6. **Reform of the Regional Means-tested child benefit for children under 3 years of age or 6 years of age if in large families in Cantabria** (*Subvención para las madres con hijos/as menores de 3 años o menores de 6 si en familia numerosa*). The existing means-tested benefit is changed and income limits are strongly reduced in order to be eligible for the benefit.

1.3 Social contributions

Social insurance contributions (*cotizaciones a la Seguridad Social*) finance pensions and other contributory benefits in Spain. Conditions regarding contributions made in the past determine eligibility and amount of contributory benefits. There are different types of contributions for employees in the private sector, self-employed and civil servants.

The main social insurance contributions system in Spain is the so-called General Regime. In 2011⁴, around 67% of total contributions in Spain were made by workers under this regime. Another 16 percent of contributions were made under the self-employed regime, 4% for the agrarian regime, 2% for housemaid regime, 7% for unemployed workers and a further 5 percent of contributions were made by civil servants.

General Regime (*Régimen General*): most Spanish employees make their social insurance contributions under this regime. There are special rules for particular groups such as part-time workers, trainees, artists, football players, etc.

Self-employed Regime (*Régimen Especial de los Trabajadores Autónomos*): The social insurance contribution for self-employed workers has some degree of flexibility. The worker can choose between two different contributory rates (either including or not including temporary sickness or invalidity benefits). The contributory base is also flexible. The worker can choose his/her particular amount of contribution within a limited range, never below a certain minimum and never over a certain maximum.

Agrarian Regime (*Régimen Especial Agrario*): for employees and self-employed who work in the agricultural sector. This Regime is divided into different groups of contribution, according to the workers' occupation. Each occupation has a fixed contributory base. The contribution rate for employers and for employees is the same for all groups. The agricultural self-employed social insurance contribution, in practice, works as a lump-sum contribution, since the rate is flat and the base is fixed. In 2008 the agrarian self-employed are integrated into the self-employed regime.

Unemployed workers (*Desempleados*): Those unemployed receiving unemployment insurance must pay a social security contribution. The contributory base is the individual's previous earnings just before the unemployment spell. The rate of contribution is flat. The social security system complements the individual's contribution to the social insurance system during the period of unemployment insurance payments.

Civil servants Regime: Civil Servants have a particular contributory regime divided into three, a main civil servants regime (MUFACE) and some special regimes for military forces and judges. However we should note that public sector employees holding private contracts and many regional civil servants contribute to the General Regime.

⁴ Coal mining regime included

Other regimes:

Coal-mining Regime (*Régimen Especial para la Minería del Carbón*): All employees working in coal mining activities must contribute to this regime.

Sea workers Regime (*Régimen Especial de los Trabajadores del Mar*): All employees and self-employed working in sea activities must contribute to this regime.

Housemaids Regime⁵ (*Régimen Especial de los Empleados de Hogar*): All domestic employees and self-employed must contribute to this regime. There are two different ways of contributing to this regime depending on the number of hours of work for the same employer:

- Permanent Domestic Employees, working more than 20 hours a week for the same employer: the contribution is divided in two, a contribution made by the employer (responsibility of the head of the household) and a contribution made by the employee.
- Intermittent Domestic Employees, working less than 20 hours a week for the same employer: the contribution is only made by the employee.

Student's Regime (*Régimen Especial de los estudiantes*). Students must contribute to this regime.

1.4 Taxes

The Spanish tax system is divided into similar shares between direct and indirect taxes.

Personal Income Tax (*Impuesto sobre la renta de las personas físicas, IRPF*): progressive tax levied on the worldwide income of resident individuals. The base of the income tax is relatively broad. The main exceptions are social security pensions for disabled individuals (*gran incapacidad, incapacidad permanente and incapacidad absoluta*), child benefit and child support (the parent who pays the support must pay income tax for it). It is levied on behalf of the State and the autonomous regions. It is generally charged at the individual level, but *family units* (single-parent or couples and children under 18) can choose to be taxed jointly.

Personal Income Tax for Non-Residents (*Impuesto sobre la renta de las personas físicas de no residentes, IRPNR*): progressive tax levied on the income gained in Spanish territories by non-resident individuals.

Corporate Income Tax (*Impuesto de Sociedades, IS*): fixed rate tax levied on the worldwide benefits of corporations whose main business is obtained in Spanish territories or whose headquarters are located in Spain.

Net Wealth Tax (*Impuesto sobre el patrimonio, IP*): this tax is levied on the worldwide assets of resident individuals and charged through a progressive tax schedule. The taxable base (net wealth) is calculated by aggregating all his/her assets and deducting the appropriate liabilities. The aggregate burden of income tax and net wealth tax due by a resident taxpayer cannot exceed 60% of his/her total taxable income for income tax purposes. Net wealth below a certain limit is exempt; this limit is larger if asset is main residence.

Inheritance tax (*Impuesto sobre sucesiones y donaciones, ISD*): this tax is levied on behalf of the 17 autonomous regions on property passing to individuals by way of gift or on death. It is charged using a progressive tax schedule. There are many exemptions and tax-credits related to the type of relationship the individual has/had with the previous owner and the nature of the donation or bequest.

⁵ At the beginning of 2012 the housemaid regime has been removed and its workers are considered under the General Regime.

Value Added Tax (*Impuesto sobre el valor añadido, IVA*): Spanish value added tax (IVA) taxes supplies of goods and services in mainland Spain and the Balears Islands, thus excluding the Canary Islands and the Spanish cities in Northern Africa: Ceuta and Melilla, as well as the importation of goods into that any of these territories. There are basically, three different rates: 4% for basic necessities; 7% (8% since 1-Jul-2010 and 10% since 1-Sept-2012) for food, dwellings, transport, tourism, etc; and the 16% standard rate (18% since 1-Jul-2010 and 21% since 1-Sept-2012) for other goods and services⁶. The Canary Islands levy a type of value added tax (IGIC) on taxable supplies of goods and services within the Canary Islands.

Excise duties (*Impuestos especiales, IE*): These are charged on alcohol, tobacco, fuel and gasoleos and electrical energy. Excise duties are detailed in Law 38/1992 of 28 December 1992 and comprise: (common) excises on manufacture (*Impuestos Especiales de Fabricación, IEF*) and an excise on certain means of transport (*Impuesto Especial sobre determinados Medios de Transporte, IEMT*).

-**IEFs** are levied at lump-sum rates. In general on a single stage with respect to the manufacture in, and importation to, Spain of alcoholic drinks and products; hydrocarbons and manufactured tobacco products (combined for cigarettes with ad valorem rates).

-**IEMT** is levied at ad valorem rates (in addition to 16% VAT (or 18% since 2010 and 21% since 2012) in mainland Spain and 13% IGIC in the Canary Islands) on a single stage with respect to the first final registration in Spain of (new or used) means of transport, domestically manufactured or imported. The rates are: 7% or 12% in mainland Spain and the Balearic Islands; and 6% or 11% in the Canary Islands. The first rate applies to means of transport of less than 1,600 cc (2,000 cc for diesel engines) and the second rate otherwise.

Other Direct Taxes:

Real Estate Tax (*Impuesto sobre bienes inmuebles, IBI*): this tax is levied on an annual basis by local authorities on the possession of property in the local territory. The taxable base is the cadastral value, which is usually well below properties' market price even if its value is usually adjusted every 8 years. The general tax rates are 0.4% for urban property and 0.3% for rural property.

Urban Real Estate Value Tax (*Impuesto sobre el incremento del valor de los terrenos de naturaleza urbana, IVTNU*): this tax is levied by local authorities on the increase in the value of urban properties in the local territory when the property is transacted between individuals or firms.

Local Business Tax (*Impuesto sobre actividades económicas, IAE*): this tax is levied on a quarterly basis by local authorities on all individuals that have a business activity in the local territory.

Vehicles Tax (*Impuesto sobre vehiculos de tracción mecánica, IVTM*): this tax is levied on an annual basis by local authorities on the possession of vehicles.

Other Indirect Taxes:

Property Transaction Tax (*Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados, ITPAJD*): this tax is levied by regional authorities (Comunidades Autónomas) on the transaction of properties between individuals or firms and also on any juridical act.

⁶ However some particular goods and services have been replaced without the mainstream, e.g. movie tickets have experienced an increase of 13 points (from 8% to 21%)

Constructions, Instalments and Reforms Tax (*Impuesto sobre Construcciones, Instalaciones y Obras, ICIO*): this tax is levied by local authorities on any construction, reform or work undertaken within the local territory.

Custom duties (*Rentas de Aduanas*): this tax is levied upon goods and merchandise imported or exported to and from the Spanish territories.

2. SIMULATION OF TAXES AND BENEFITS IN EUROMOD

2.1 Scope of simulation

The table 2.1 shows the treatment of the benefit variables in the simulation. Complete simulation is possible in the case of benefits for children without disability, birth and adoption benefits, other child benefits, and complements to non-contributory old age pensions and widow's pension. Unemployment insurance, unemployment assistance, Income guarantee benefit, NC old age pensions, complements to pensions, child benefits for children with disabilities and the Minimum Income Guarantee are partially simulated. The Minimum Income Guarantee is switched off in the baseline.

Table 2.1 Simulation of benefits in EUROMOD

	Variable name(s)	Treatment in EUROMOD					Why not fully simulated (EU_SILC variable)?
		2009	2010	2011	2012	2013	
Sickness benefits	bhl	I	I	I	I	I	Due to lack of data on contribution history and sickness. EU-SILC variable PY120
Maternity benefit	bma	I	I	I	I	I	Due to lack of data on contribution history and maternity. Taken as part of EU-SILC variable HY050
Paternity Benefit	bma	I	I	I	I	I	Due to lack of data on contribution history and maternity. Taken as part of EU-SILC variable HY050
Risk during pregnancy Benefits	bma	I	I	I	I	I	Due to lack of data on contribution history and maternity. Taken as part EU-SILC variable HY050
Long Term Care Protection System	pdi, bhot	I	I	I	I	I	Due to lack of data about degree of SAAD disability and other circumstances of the household. Taken as part EU-SILC variable HY050 or PY130
Disability pension	pdi	I	I	I	I	I	Due to lack of data on contribution history. EU-SILC variable PY130
Old-age pension	poa00	I	I	I	I	I	Due to lack of data on contribution history. EU-SILC variable PY100
Survivor's pensions							
Widow's pension	Psuwd00	I	I	I	I	I	Due to lack of data on contribution history. Taken as part EU-SILC variable PY110
Orphan's pension	psuot	I	I	I	I	I	Due to lack of data on contribution history. Taken as part EU-SILC variable PY110
Relative's pension	psuot	I	I	I	I	I	Due to lack of data on contribution history. Taken as part EU-SILC variable PY110
Unemployment insurance	bunct_s	PS	PS	PS	PS	PS	Eligibility taken from data due to lack of data on contribution history and unemployment spell
Statutory Insurance for Old age and Disability	pdi, poaot	I	I	I	I	I	Due to lack of data on contribution history. EU-SILC variable included in old age and disability benefits
Unemployment assistance	bunnc_s	PS	PS	PS	PS	PS	Eligibility taken from data due to lack of data on contribution history and unemployment spell

EUROMOD Country Report – SPAIN

Income guarantee benefit	bunnc_s	PS	PS	PS	PS	PS	Due to lack of data on contribution history and unemployment spell. EU-SILC data doesn't distinguish this benefit from other unemployment benefits. Since the benefit amount is the same, the simulation assumes that recipients receive unemployment assistance instead
New temporary unemployment protection program	bunnc_s	PS	PS	PS	PS	PS	Due to lack of data on contribution history and unemployment spell. EU-SILC data doesn't distinguish this benefit from other unemployment benefits. Since the benefit amount is similar, the simulation assumes that recipients receive unemployment assistance instead
NC Old-age pension	poanc_s	PS	PS	PS	PS	PS	Eligibility taken from data due to (apparently) non take up
NC Disability benefit	pdi	I	I	I	I	I	EU-SILC data doesn't allow us to distinguish between contributory and non contributory disability benefits. EU-SILC variable PY130
NC complement to pensions	poacm_s	PS	PS	PS	PS	PS	
NC survivor's pension							
NC Widow's pension	psuwcm_s	S	S	S	S	S	
NC Orphan's pension	psuot	I	I	I	I	I	EU-SILC variable PY110
NC Relative's pension	psuot	I	I	I	I	I	EU-SILC variable PY110
Child benefit							
Without disability	bch00_s	S	S	S	S	S	
With disability	bchdi_s	PS	PS	PS	PS	PS	There is no information on disability for individuals below 16 years of age in the data
Means-tested birth/adoption benefit (Prestación por nacimiento o adopción de hijo)	bchbamtna_s	S	S	S	S	S	
Universal birth/adoption benefit	bchbaucna_s	S	S	S	S	S	
Other child benefits	bchbarg_s	S	S	S	S	S	
Minimum Income Guarantee	bsarg_s	PS	PS	PS	PS	PS	Policies are implemented but "switched OFF" as the simulated number of recipients is much higher (almost 7 times as high the number effectively reported in official statistics). Some specific conditions can not be simulated ^o
Phasing out benefits							
Pensiones asistenciales	pdi, poaot	I	I	I	I	I	Included as part of old-age or disability pensions
LISMI	pdi, poaot	I	I	I	I	I	Included as part of old-age or disability pensions

Notes: "-": policy did not exist in that year; "E": *excluded* from the model as it is neither included in the micro-data nor simulated; "I": *included* in the micro-data but not simulated; "PS" *partially simulated* as some of its relevant rules are not simulated; "S" *simulated* although some minor or very specific rules may not be simulated.

Table 2.2 shows the treatment of taxes and social contributions variables. Complete simulation, with some little exemptions is possible in the case of the social contributions for employees included in the general system. It is possible to simulate partially the social contributions of employees of other systems. The simulations of the personal income tax is almost done completely, but we do not simulate small differences of the BASque Country and Navarra tax systems. We do not have data neither information to simulate the other taxes.

Table 2.2 Simulation of taxes and social contributions in EUROMOD

	Variable name(s)	Treatment in EUROMOD					Why not fully simulated (EU_SILC variable)?
		2009	2010	2011	2012	2013	
Social Contributions							
General Regime (employee)	tscee_s	S	S	S	S	S	Part-time specific contributions are taken into account
General Regime (employer)	tscer_s	S	S	S	S	S	Part-time specific contributions are taken into account
Coal-miner regime, sea worker regime, housemaid regime (employee)	tscee_s	PS	PS	PS	PS	PS	Due to lack of data this regime is taken as part of the general regime
Coal-miner regime, sea worker regime, housemaid regime (employer)	tscer_s	PS	PS	PS	PS	PS	Due to lack of data this regime is taken as part of the general regime
Agrarian Regime (employee)	tscee_s	S	S	S	S	S	
Self-employed	tscse_s	S	S	S	S	S	
Unemployed workers	tscunee_s	S	S	S	S	S	
Student's regime (seguro escolar)		E	E	E	E	E	No information available
Civil servants' regime, military forces regime and Judges' regime	tscee_s	PS	PS	PS	PS	PS	Civil servants may have a contract contributing to the General Regime. Due to lack of data this regime is taken as part of the regime
Direct Taxes							
Personal Income Tax	tinit_s/tinjt_s	S	S	S	S	S	Some exemptions, small allowances and special treatment of some capital and self-employment incomes are ignored. Incom rules of Basque country and Navarra are assumed to be the same as the other regions
Corporate Income Tax		E	E	E	E	E	No information available
Net Wealth Tax		E	E	E	E	E	No information available
Inheritance Tax		E	E	E	E	E	No information available
Other direct taxes		E	E	E	E	E	No information available
Indirect Taxes							
Value Added Tax		E	E	E	E	E	No information available
Excise Duties		E	E	E	E	E	No information available
Other Indirect Taxes		E	E	E	E	E	No information available

Notes: “-” policy did not exist in that year; “E” policy is *excluded* from the model’s scope as it is neither included in the microdata nor simulated by EUROMOD; “PS” policy is *partially simulated* as some of its relevant rules are not simulated; “S” policy is *simulated* although some minor or very specific rules may not be simulated.

2.2 Order of simulation and interdependencies

The following table shows the order in which the main elements of the Spanish system in 2009-2013 are simulated. There were no changes in the order of simulation in this period, however some policies were abolished (e.g. bchbaucna_es, universal birth/adoption benefit) and therefore are no longer simulated in the later years.

We first simulate employee, self-employed and employer social contributions. Then we simulate the unemployment benefits and social insurance contributions on these benefits. After that we simulate non-contributory old-age pensions, pension complements, and child benefits (except the regional child benefit,). Finally we simulate the income tax. Individual and joint taxation are simulated, and the more favourable for the individual is chosen. In the simulation we include many regional differences in tax credits. Basque Country and Navarra are simulated as the rest of the State. The last two policies are the regional child benefit and the last social safety net, the Autonomous Communities Minimum Income Guarantee. The latter policy is switched off in the baseline.

The following table shows the order in which the main elements the Spanish system are simulated

Table 2.3 Order of simulation

Policy	ES_2009	ES_2010	ES_2011	ES_2012	ES_2013	Comment
uprate_es	on	on	on	on	on	DEF: UPGRATING FACTORS
ildef_es	on	on	on	on	on	DEF: INCOME CONCEPTS
tundef_es	on	on	on	on	on	DEF: ASSESSMENT UNITS
ConstDef_es	on	on	on	on	on	DEF: CONSTANTS
yem_es	off	off	off	off	off	INC: Minimum wage (Salario mínimo interprofesional)
neg_es	on	on	on	on	on	DEF: recode negative self-employment income to zero
prelim_es	on	on	on	on	on	DEF: Preliminary definitions
cft_es	on	on	on	on	on	SIC: General regime: full-time workers
cpt_es	on	on	on	on	on	SIC: General regime: part-time workers
cag_es	on	on	on	on	on	SIC: Agrarian regime
cse_es	on	on	on	on	on	SIC: Self-employment social insurance contributions
cseag_es	on	on	on	on	on	SIC: Agrarian self-employment social insurance contributions
bunct_es	on	on	on	on	on	BEN: Unemployment insurance
bunnc_es	on	on	on	on	on	BEN: Unemployment assistant benefit
bunmt_es*	on	On	on	on	on	BEN: Temporary unemployment Protection Program
cun_es	on	On	on	on	on	SIC: Unemployed persons social insurance contributions

poanc_es	on	On	on	on	on	BEN: Non contributory contributory old-age pensions benefits
poacm_es	on	On	on	on	on	BEN: Old-age pension complement
psuwdc_m_es	on	On	on	on	on	BEN: Widow-widower's pension complement
bch00_es	on	On	on	on	on	BEN: Child benefit
bchbamtna_es	on	On	on	on	on	BEN: Means-tested birth/adoption benefit
bchbaucna_es	on	On	n/a	n/a	n/a	BEN: Universal birth/adoption benefit
tin_cons_es	on	On	on	on	on	TAX: Income Tax - constants
tinit_es	on	On	on	on	on	TAX: Income Tax - Individual taxation
tintcrgit_es	on	On	on	on	on	TAX: Regional Income Tax Credits, individual taxation
tinjt_es	on	On	on	on	on	TAX: Income Tax - joint taxation
tintcrgit_es	on	On	on	on	on	TAX: Regional Income Tax Credits, joint taxation
tinopt_es	on	On	on	on	on	TAX: Income Tax - optimisation
tinoptrg_es	on	On	on	on	on	TAX: Regional Income Tax - optimisation
tintrch_es	on	On	on	on	on	TAX: Working mother refundable tax credit
bchrg_es	on	On	on	on	on	BEN: Regional Child Benefits
bsarg_es	off	Off	off	off	off	BEN: Regional Minimum Income
output_std_es	on	On	on	on	on	Def: Standard Output Individual Level
output_hh_es	off	Off	off	off	off	Def: Standard Output Household Level

Notes: * Policy bunmt_s is not active if run with the input data based on SILC 2010. Temporary unemployment Protection Program is simulated as part of Unemployment assistant benefit (bunnc_es).

2.3 Policy switches

The Spanish model does not have any switchable policies.

2.4 Social benefits

2.4.1 Unemployment benefits.

2.4.1.1 Unemployment insurance benefit (Prestación por desempleo):

Unemployment insurance scheme is available to all employees who have lost their job and reach a minimum time of contribution to the Social Security system.

- **Definitions**

Dependent children: children (living together with their parents) below 26 years of age (or older if disabled) whose taxable incomes are below the minimum wage (*Salario Mínimo Interprofesional, SMI*) considering 12 monthly payments. In 2013: (12 x 645.30 euro per month) = 7,743.6 euro a year.

Eligibility conditions

In order to be entitled to receive the benefits the individuals must be over 16 years of age and registered at the employment office as actively seeking employment. The minimum period of contributions to be eligible for the benefit is 360 working days during the 6 years immediately before unemployment.

- **Income assessment**

There is no income assessment.

- **Benefit amount**

The benefit amount will depend on the average daily contributory base (*base reguladora, contingencias comunes*), strongly related to the individual wage level. The average is calculated on contributions made during the 180 days that precede the legal situation of unemployment. All payments for overtime work are excluded. The amount to be received will be:

During the first 180 days, 70 per cent of the average daily contributory base.

As from the 181st day onwards, 60 per cent of the average daily contributory base, until 2012. From 2013 onwards the percentage from 181st day is 50%.

The benefit cannot be below a minimum:

- If the worker has no dependent children, the minimum benefit is 80% of the monthly IPREM, increased by 1/6. In 2013: $(1+1/6) \times (0.8 \times 532.51 \text{ euro}) = 497.01 \text{ euro}$ per month.
- If the worker has at least one dependent child, the minimum benefit is 107% of monthly IPREM, increased by 1/6. In 2013: $(1+1/6) \times (1.07 \times 532.51 \text{ euro}) = 664.75 \text{ euro}$ per month.

The benefit cannot be over a maximum:

- If the worker has no dependent children, the maximum benefit is 175% of the monthly IPREM, increased by 1/6. In 2013: $(1+1/6) \times (1.75 \times 532.51 \text{ euro}) = 1,087.21 \text{ euro}$ per month
- If the worker has dependent children:
 - One child, the maximum benefit is 200% of monthly IPREM, increased by 1/6. In 2013: $(1+1/6) \times (2 \times 532.51 \text{ euro}) = 1,242.52 \text{ euro}$ per month.
 - Two or more children, the maximum benefit is 225% of the monthly IPREM, increased by 1/6. In 2013: $(1+1/6) \times (2.25 \times 532.51 \text{ euro}) = 1,397.84 \text{ euro}$ per month. See table below for all years:

In the case of becoming unemployed while at a part time job, the maximum and minimum limits of the benefit will be calculated as a proportion of the full-time working day.

Benefit duration depends on the total contribution period over the preceding 6 years:

Period of work for which contributions have been made during the last 6 years	Duration of the benefit being paid
Between 360 days and 539 days (1-1.5 years)	120 days (4 months)
Between 540 days and 719 days (1.5-2 years)	180 days (6 months)
Between 720 days and 899 days (2-2.5 years)	240 days (8 months)
Between 900 days and 1,079 days (2.5-3 years)	300 days (10 months)
Between 1,080 days and 1,259 days (3-3.5 years)	360 days (12 months)
Between 1,260 days and 1,439 days (3.5-4 years)	420 days (14 months)
Between 1,440 days and 1,619 days (4-4.5 years)	480 days (16 months)
Between 1,620 days and 1,799 days (4.5-5 years)	540 days (18 months)
Between 1,800 days and 1,979 days (5-5.5 years)	600 days (20 months)
Between 1,980 days and 2,159 days (5.5-6 years)	660 days (22 months)
2,160 days or more (6 years or more)	720 days (24 months)

- **Compatibilities**

Benefits are not compatible with any full-time employment except some particular cases. However, they are compatible with carrying out a part-time activity as employee.

Accumulation with social security pensions or cash benefits is not possible unless these had been compatible with the professional activity from which the unemployment benefit derived. Accumulation is possible with pensions which are compatible with work.

- **Taxation and income testing**

Taxable. Benefits are included in the income test of other social benefits.

2.4.1.2 New self-employed unemployment insurance benefit (Prestación económica cese de actividad de trabajadores autónomos):

Unemployment insurance scheme is available to self-employed people who reach a minimum time of contribution to the Social Security system and who have stopped the activity and finished their activities due to economic reasons.

Special protection system for the self-employed for business interruption took effect in November 6th 2010.

- **Eligibility conditions**

In order to be entitled to receive the benefits the individuals must be over 16 years of age and registered at the employment office as actively seeking employment. The minimum period of contributions to be eligible for the benefit is 12 months during the 2 years immediately before unemployment.

- **Income assessment**

There is no income assessment.

- **Benefit amount**

The benefit amount will depend on the average contributory base (*base reguladora, contingencias comunes*). The average is calculated on contributions made during the 12 months that precede the legal situation of unemployment.

The amount to be received will be 70 per cent of the average contributory base.

The different benefits are the same as for employees

Benefit duration depends on the total contribution period over the preceding 6 years:

Period of work for which contributions have been made during the last 4 years	Duration of the benefit being paid (< 60 years old)	Duration of the benefit being paid (> 60 years old)
Between 12 and 17 months (1-1.5 years)	2 months	2 months
Between 18 and 23 months (1.5-2 years)	3 months	4 months
Between 24 and 29 months (2-2.5 years)	4 months	6 months
Between 30 and 35 months (2.5-3 years)	5 months	8 months
Between 36 and 42 months (3-3.5 years)	6 months	10 months
Between 43 and 47 months (3.5-4 years)	8 months	12 months
48 months (4 years or more)	12 months	12 months

2.4.1.3 Unemployment assistance benefit (*Subsidio por desempleo*):

This is a means-tested benefit which is generally available to employees whose unemployment insurance has expired.

- **Definitions**

Dependent individual: spouse any age or child under twenty-six years of age (older if disabled) whose personal taxable income does not exceed 75 per cent of the minimum wage considering 12 monthly payments. In 2013: $0.75 \times (12 \times 645.3 \text{ euro per month}) = 5,807.7 \text{ euro a year}$ (see table below for following years):

- **Eligibility conditions**

An unemployed individual is eligible if he or she has exhausted the contributory unemployment benefit, family unit's income is below the income test and the individual is over 45 years old or has dependants. Workers with dependants who were not entitled to contributory unemployment benefit due to shortage of contributions but have, at least, 3 months of contributions to the Social Security system are also eligible. Further, workers without dependants who were not entitled to contributory unemployment benefit due to shortage of contributions but have, at least, 6 months of contributions are also eligible.

- **Income assessment**

Individual level: individual taxable income must be below 75% of the minimum wage (*Salario Mínimo Interprofesional, SMI*) considering 12 monthly payments.

In 2013: $0.75 \times (12 \times 645.3 \text{ euro per month}) = 5,807.7 \text{ euro per capita a year}$

Family level: Per capita household income from all sources⁷ must be below 75% of the minimum wage (*Salario Mínimo Interprofesional, SMI*) considering 12 monthly payments. In 2013: $0.75 \times (12 \times 645.3 \text{ euro per month}) = 5,807.7 \text{ euro per capita a year}$.

- **Benefit amount**

The benefit is to 80% of the IPREM. In 2013: $(0.8 \times 532.51 \text{ euro}) = 426.01 \text{ euro per month}$

Long-term unemployed over 45 years of age, who have exhausted a contributory benefit received for 720 days, have a special 6-months allowance according to the number of dependant family members.

⁷ There are a few exemptions, including child benefit and refundable working mother tax credit (*deducción por maternidad*).

- With no dependants or just one: 80% IPREM, in 2013: 426.01 euro.
- With two dependants: 107% IPREM, 569.79 euro.
- With three or more dependants: 133% IPREM, 708.2 euro.

The duration of the benefit is normally 6 months with the possibility of extension up to a maximum of 18 months, for individuals with dependent couple or child and less than 55 years old, that have finished their contributive benefit.

The benefit may be extended until retirement age for workers over 52 years of age under certain conditions.

- **Compatibilities**

Benefits are not compatible with any full-time employment except some particular cases.

- **Taxation and income testing**

Taxable. Benefits included in the income test of other social benefits.

2.4.1.4 Income Guarantee benefit (*Renta Activa de Inserción*)

This means-tested benefit aims to cover unemployed individuals with dependants and particularly large difficulties to find a job. The worker must follow a “back to work” scheme aimed at improving his/her possibilities of finding a job.

- **Definitions**

Dependent individual: Same definition as in previous benefits (unemployment insurance and unemployment assistance).

Eligibility conditions

Unemployed individuals over 45 years of age with dependants who are not eligible or have exhausted contributory and non contributory unemployment benefit while family unit income is below the income test.

- **Income assessment**

Per capita household income from all sources⁸ must be below 75% of the minimum wage (Salario Mínimo Interprofesional, SMI) considering 12 monthly payments. SMI was 645.3 euro per month in 2013, so the actual limit is 483.98 euro per capita a month (5,807.7 euro a year) in 2013 (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	5,616.0	5,669.7	5,772.6	5,772.6	5,807.7

- **Benefit amount**

Benefits amount to 80% of the IPREM (0.8 x 532.5 euro = 426.01 euro per month. The duration of the benefit is 11 months.

Year:	2009	2010	2011	2012	2013
Benefit amount	421.79	426.01	426.01	426.01	426.01
(euro per month):					

- **Compatibilities**

⁸ There are a few exemptions, including child benefit and refundable working mother tax credit (*deducción por maternidad*).

Benefits are compatible with full-time employment if individuals qualify for the program. In this case the benefit will only be 1/4 of that which would be obtained if not in full-time work. Duration in this case will drop to 6 months.

- **Taxation and income testing**

Taxable. Benefits included in the income test of other social benefits.

2.4.1.5 New Temporary Unemployment Protection Program

(*Programa Temporal de Protección por Desempleo e Inserción, PRODI*). In order to protect vulnerable households from the economic crisis that largely increased Spanish Unemployment rates, the Spanish government set up a new non-contributory unemployment protection for workers that have exhausted their contributory benefit and are not eligible for the unemployment non-contributory benefit. The program consists in a benefit paid to the unemployed of 80% of IPREM (532.51 euro/month) = 426.01 euro/month during 6 months (Real Decreto Ley 10/2009, 13 de agosto, BOE 15-8-2009, Law 14/2009, 11th of November 2009). Eligibility is restricted to individuals:

- a) Who are unemployed and are registered as demanding employment in the Public Service for Employment (INEM).
- b) Who have exhausted their Unemployment Contributory benefit at any date after 1st January 2009.
- c) Whose per capita household income is below 75% of Minimum wage (645.3 euro /month) = 483.98 euro/month
- d) Who are less than 65 years old and, less than 30 years old or more than 45 or have dependants.

2.4.2 Pension benefits

2.4.2.1 Non Contributory old-age pension benefits (Prestaciones no contributivas por jubilación total o por jubilación parcial):

This means-tested old-age benefit is aimed at all Spanish citizens and nationals from other countries, with legal residence in Spain, over 65 years of age, who find themselves in a state of need and lack the necessary means for subsistence, even when they have never contributed to the Social Security scheme.

- **Definitions**

Family unit: spouse and up to second-degree relatives (i.e., grandparents, siblings, grandchildren)

- **Eligibility conditions**

All individuals over 65 years of age legally resident in Spain are eligible.

- **Income assessment**

Family unit total yearly income, except child benefits, must be below:

One member family unit: the annual amount of the benefit in 2013: 5,108.60 euro.

Year:	2009	2010	2011	2012	2013
(euro per year):	4,708.62	4,755.80	4,866.40	5,007.80	5,108.60

More than one member family unit:

- No children or parents of the recipient: the annual amount of the benefit plus 70 percent more for each additional member. Thus the limit is $(1 + (0.7 \times (\text{number of members} - 1))) \times 5,108.60$ euro in 2013.

Two members:

Year:	2010	2011	2012	2013
(euro per year):	8,084.86	8,272.88	8,513.26	8,684.62

Three members:

Year:	2010	2011	2012	2013
(euro per year):	11,413.92	11,679.36	12,018.72	12,260.64

- Some are children or parents of the recipient: the previous limit is multiplied by 2.5: $2.5 \times ((1 + (0.7 \times (\text{number of members} - 1))) \times 5,108.60$ euro in 2013.

Two members:

Year:	2010	2011	2012	2013
(euro per year):	20,212.15	20,682.20	21,283.15	21,711.55

Three members:

Year:	2010	2011	2012	2013
(euro per year):	28,534.80	29,198.40	30,046.80	30,651.60

- **Benefit amount**

The annual amount for the year 2013 is **5,108.60 euro**. The total amount will be divided into 14 payments corresponding to each month of the year and two extra payments in the months of June and November.

In the case more than one person in the economic unit is entitled to the benefit, the amount increases by 70 percent for each additional beneficiary and the resulting amount is equally shared across claimants.

In the case the pensioner earns other incomes that are over 25 percent of the total annual pension (in 2013 this amounts to $0.25 \times 5,108.60$ euro = **1,277.15 euro**), the non-contributory pension will be reduced in the amount over which other incomes exceed this limit. (see table below for following years):

Year:	2009	2010	2011	2012	2013
Benefit amount	4,708.62	4,755.80	4,866.40	5,007.80	5,108.60
(euro per year):					

- **Taxation and income testing**

Taxable. Benefits included in the income test of other social benefits.

- **Regional complementary benefits**

Most regions increase non-contributory old-age pension benefits with a further complementary benefit. Not all regions began to complement non-contributory pensions in the same year. Andalucía was the first region to do it in 2000 (the complement was of 9,395 pesetas per pensioner in 2000).

Details by Autonomous Communities:

Region	Amount				
	2009	2010	2011	2012	2013
Andalucía	102.96 euro/year	107.8 euro/year	109.22 euro/year	111.40 euro/year	113.62 euro/year
Aragón	92 euro/year	92 euro/year	92 euro/year (in tramitar decreto a 18/04/2011)	¿?	¿?
Asturias: Difference between Non contributory old-age pension and Basic Social Income in Asturias (SSBA).	SSBA= 432.09 euro/month	SSBA= 436.41 euro/month	SSBA= 442.96 euro/month	SSBA= 442.96 euro/month	SSBA= 442.96 euro/month
Illes Balears	210 euro/year	210 euro/year	210 euro/year	NA	NA
Cantabria	319 euro/year*	No paga complementaria	Se cree que ídem 2010	NA	NA
Castilla-La Mancha	15% annual non-contributory pension amount 706.29 euro/year 2 payments a year (353.15 €paga)	15% annual non-contributory pension amount 706.293 euro/year 2 payments a year (353.15 €paga)	15% annual non-contributory pension amount 706.293 euro/year 2 payments a year (353.15 €paga)	120 euro/year only old-age pension	NA
Catalonia	25% annual non-contributory pension amount 98.10 euro/month 12 payments a year	25% annual non-contributory pension amount 98.10 euro/month 12 payments a year	25% annual non-contributory pension amount 101.38 euro/month 12 payments a year	25% annual non-contributory pension amount 104.33 euro/month 12 payments a year	25% annual non-contributory pension amount 104.33 euro/month 12 payments a year
Galicia	200 euro/year**	206 euro/year	Se prevé (1+3%)*206	NA	206 euro paid this year from 2012 budget
Navarra Increasing non-contributory pensions' income up to a percentage of the Minimum Wage (SMI).	1 person: 90% 2 persons: 110%	1 person: 85% 2 persons: 105% 3 persons: 105%	1 person: 90% 2 persons: 110%	1 person: 90% 2 persons: 110%	NA
País Vasco: Álava	113.86 euro/month (1 person) and 96.18 euro/month in 14 payments a year	113.86 euro/month (1 person) and 96.18 euro/month in 14 payments a year	derogate	derogate	derogate

	(if two persons in family eligible)	(if two persons in family eligible)			
País Vasco:					
Vizcaya	51.33 euro/month 14 payments a year	51.33 euro/month 14 payments a year	Derogate	Derogate	Derogate
Guipúzcoa	51.33 euro/month 14 payments a year	51.33 euro/month 14 payments a year	51.33 euro/month 14 payments a year	51.33 euro/month 14 payments a year (probablemente se suprime a partir de de junio 2012)	NA

2.4.2.2 Old-age pension complement (Complemento de mínimos por jubilación):

This means-tested benefit is a complementary benefit paid to all contributory pensions that are below the official minimum pension (*pension mínima*) yearly fixed by the government.

- **Definitions**

Dependent spouse (*cónyuge a cargo*): the pensioner has a dependent spouse if cohabiting with an adult individual who does not receive any pension and total net earnings of both the previous year is below **8,239.15 euro** in 2013 (see table below for following years);

Year:	2009	2010	2011	2012	2013
(euro per year):	8,076.80	8,076.80	8,076.80	8,157.57	8,239.15

- **Eligibility conditions**

All contributory pension benefits receivers must pass the income test.

- **Income assessment**

Total individual net earnings the previous year must be below the amount of the contributory pension benefit plus **7,063.07 euro** in 2013 (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	6,923.90	6,923.90	6,923.90	6,993.14	7,063.07

- **Benefit amount**

If the beneficiary only receives one pension, the amount of the non-contributory complement will be the difference between the amount of the pension officially acknowledged and the minimum pension that year. In 2013 the minimum pension was:

Without a dependant spouse:

If 65 years of age or over: In 2013 **8,838.20 euro/year** (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	7,861.7	8,229.20	8,419.60	8,664.60	8,838.20

If below 65 years of age: In 2013: **8,267.00 euro/year** (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	7,339.92	7,697.20	7,875.00	8,106.60	8,267.00

With a dependant spouse:

If 65 years of age or over: In 2013: 10,904.60 euro/year (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	9,746.66	10,152.80	10,388.00	10,690.40	10,904.60

If below 65 years of age: In 2013: 10,220.00 euro/year (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	9,122.82	9,515.80	9,735.60	10,018.40	10,220.00

If the beneficiary has more than one pension, the amount of the non-contributory complement to make up the minimum will only be acknowledged if the sum of all pensions is below the highest minimum pension, according to the annual computation.

- **Taxation and income testing**

Taxable. Benefits included in the income test of other social benefits.

2.4.2.3 Complementary benefit to non-contributory pensions due to housing rent (*Complemento por alquiler*):

All pensioners living in rented housing who do not own other housing elsewhere and are not family related to the house owner will receive a complementary benefit if they pay housing rent. The annual quantity of this benefit is 525 euro/year.

Year:	2009	2010	2011	2012	2013
(euro per year):	425	525	525	525	525

See for detailed reference:

Real Decreto-ley 20/2011, de 30 de diciembre, de medidas urgentes en materia presupuestaria, tributaria y financiera para la corrección del déficit público.

Real Decreto 1371/2009, de 13 de agosto, por el que se modifica el Real Decreto 1400/2007, de 29 de octubre, por el que se establecen normas para el reconocimiento del complemento a los titulares de pensión de jubilación e invalidez de la Seguridad Social, en su modalidad no contributiva, que residan en una vivienda alquilada, prorrogando su vigencia para el año 2009.

REAL DECRETO 1400/2007, de 29 de octubre, por el que se establecen normas para el reconocimiento del complemento a los titulares de pensión de jubilación e invalidez de la Seguridad Social, en su modalidad no contributiva, que residan en una vivienda alquilada.

2.4.2.4 Widow-widower's pension complement (*Complemento de mínimos por viudedad*):

This means-tested benefit is paid to widows or widowers receiving a contributory pension from deceased partner that are below the official minimum pension (*pension de viudedad mínima*) yearly fixed by the government.

- **Definitions**

Dependant relatives (*cargas familiares*): individuals under 26 years of age (or older if disabled) are considered dependant relatives if per capita household income does not exceed 75 per cent of the minimum wage considering 12 monthly payments. In 2013: $0.75 \times (12 \times 645.3 \text{ euro per month}) = 5,807.7 \text{ euro}$ a year (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	5,616.0	5,669.7	5,772.6	5,772.6	5,807.7

- **Eligibility conditions**

All contributory pension benefits receivers who comply the income test.

- **Income assessment**

Total individual yearly earnings the previous year must be below the amount of the contributory pension benefit plus **7,063.07 euro** in 2013 (see table below for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	6,923.90	6,923.90	6,923.90	6,993.14	7,063.07

- **Benefit amount**

If the beneficiary only receives one pension, the amount of the non-contributory complement will be the difference between the amount of the pension officially acknowledged and the

In 2009:

Year:	2009
With dependant relatives	9,122.82
With disability (65% or more)	7,861.70
65 or over	7,861.70
Between 60-64	7,339.92
Below 60	5,899.74

In 2010:

Year:	2010
With dependant relatives	9,515.80
With disability (65% or more)	8,229.20
65 or over	8,229.20
Between 60-64	7,697.20
Below 60	6,228.60

In 2011:

Year:	2011
With dependant relatives	9,735.60
With disability (65% or more)	8,419.60
65 or over	8,419.60
Between 60-64	7,875.00
Below 60	6,374.20

In 2012:

Year:	2012
With dependant relatives	10,018.40
With disability (65% or more)	8,664.60
65 or over	8,664.60
Between 60-64	8,104.60
Below 60	6,559.00

In 2013:

Year:	2013
With dependant relatives	10,220.00
With disability (65% or more)	8,838.20
65 or over	8,838.20
Between 60-64	8,267,00
Below 60	6,690,60

- **Taxation and income testing**

Taxable. Benefits included in the income test of other social benefits.

2.4.3 Child and family benefits: National level

These benefits aim either for the general maintenance of families welfare or, in particular in some cases, for the alleviation of the poverty situation of households with children.

2.4.3.1 Child benefit (Prestación no contributiva por hijo a cargo):

- **Definitions**

Dependent child: individual under 18 (or older if affected by a disability of a degree equal to or higher than 65 percent). In Spain individuals may work if between 16 and 18 years of age, they continue to qualify as dependent children if their annual earnings are below the minimum wage (*salario mínimo*); 2007 and 2008 below 75% of the minimum wage; and after that moment below 100% of the minimum wage. Thus the child's annual earnings must be below:

Year:	2009	2010	2011	2012	2013
(euro per year):	7,488.0	7,599.6	7,696.8	7,696.8	7,743.6

- **Eligibility conditions**

The benefit is received by an adult individual cohabiting with the dependent child. In case of nullity, legal separation or divorce of the parents the beneficiary should be the parent that is in charge of the child. All benefit receivers must pass the income test.

- **Income assessment**

Family unit yearly income must be below **11,490.43 euro** in 2013, see table below for following years:

Year:	2009	2010	2011	2012	2013
(euro per year):	11,264.01	11,264.01	11,264.01	11,376.66	11,490.43

This amount is increased by 15% for each extra dependent child.

In the case of belonging to a large family with three dependent children the income test is **17,293.82 euro** in 2013, see table below for following years:

Year:	2009	2010	2011	2012	2013
(euro per year):	16,953.05	16,953.05	16,953.05	17,122.59	17,293.82

This amount will increase for other large families in **2,801.12 euro** in 2013 (for each dependent child from the fourth onwards).

Year:	2009	2010	2011	2012	2013
(euro per year):	2,745.93	2,745.93	2,745.93	2,773.39	2,801.12

The benefit is not income tested when children are disabled.

- **Benefit amount**

- For children under 18 without disabilities:

Year:	2009	2010	2011	2012	2013
(euro per year):					
<3	500				
3-18	291				
<5		500	291	291	291
5-18		291	291	291	291

For children under 18 with a degree of disability of 33% or more: **1000 euro** per year in 2013 (see below table for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	1,000	1,000	1,000	1,000	1,000

For children over 18 with a degree of disability of 65% or more: **4,378.80 euro** per year in 2013 (see below table for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	4,035.96	4,076.40	4,171.20	4,292.40	4,378.80

For children over 18 with a degree of disability of 75% or more: **6,568.80 euro** in 2013 (see below table for following years):

Year:	2009	2010	2011	2012	2013
(euro per year):	6,054.00	6,115.20	6,256.80	6,439.20	6,568.80

- **Compatibilities**

This benefit is compatible with national or regional lump-sum child benefits.

- Taxation and income testing

Not taxable and not included in the income test of other benefits.

2.4.3.2 National lump-sum Child benefits

2.4.3.2.1 Lump-sum Child benefits for multiple birth or adoption (Prestación por parto o adopción múltiple)

These benefits are payable once at multiple birth or adoption.

- **Benefit amount**

The benefit amount is different according to the number of children born and is a number of times the minimum salary:

Year:		2009	2010	2011	2012	2013
2 Children	4 times SMI	2,496.00	2,533.20	2,565.60	2,565.60	2,581.20
3 Children	8 times SMI	4,992.00	5,066.40	5,131.20	5,131.20	5,162.40
4 Children or more	12 times SMI	7,488.00	7,599.60	7,696.80	7,696.80	7,743.60

- **Compatibilities**

Non taxable. This benefit is compatible with any other child benefits.

2.4.3.2.2 Universal lump-sum child benefit or maternity tax credit (Prestación por nacimiento o adopción de hijos en caso a no tener derecho a deducción del IRPF)

Since 1st July 2007 all mothers that give birth or adopt a child receive a lump-sum benefit of **2,500 euro** (the mother must have been resident in Spain for at least two years at child's birth). The benefit may be obtained also as a tax credit in the corresponding year Personal Income Tax. This is applicable to the whole Spanish territories, including País Vasco and Navarra.

Year:	2008	2009	2010
(euro per year):	2,500	2,500	2,500

This benefit is available for all children born until the 31st of January 2011 and disappears from then onwards.

- **Compatibilities**

This benefit is compatible with any other child benefits.

- **Taxation and income testing**

Not taxable and not included in the income test of other benefits.

2.4.3.2.3 Means-tested lump-sum child benefit for large families, lone parents and disabled mothers (Prestación por nacimiento o adopción de hijos en los casos de familia numerosa, monoparentales o madres discapacitadas igual o más del 65%)

The benefit (since 2008) is payable to some household types (large households, lone-parents and disabled mothers) at a child's birth if net household income is below the income test.

- **Elegibility conditions**

The benefit is received by a cohabiting parent of these household types at child's birth.

- **Income assessment**

Family unit yearly income must be below **11,490.43 euro** in 2013 in the case of one child, see table below for minimums for other number of children which is a result of **11,490.43 + (number of children) x 15% de 11,490.43) euro** and maximums which is the result of summing **1,000 euro** to the minimum and deducting **24.25 euro** per child.

EUROMOD Country Report – SPAIN

Year:	2012 (Minimum)	2012 (Maximum)	2013 (Minimum)	2013 (Maximum)
One child	11,376.66	12,352.41	11,490.43	12,466.18
Two children	13,083.16	14,034.66	13,213.99	14,165.49
Three children	14,789.66	15,716.91	14,937.56	15,864.81
Four children	16,496.16	17,399.16	16,661.12	17,564.12
Five children	18,202.66	19,081.41	18,384.69	19,263.44
Six children	19,909.16	20,763.66	20,108.25	20,962.75
Seven children	21,615.65	22,445.90	21,831.82	22,662.07
Eight children	23,322.15	24,128.15	23,555.38	24,361.38
Nine children	25,028.65	25,810.40	25,278.95	26,060.70
Ten children	26,735.15	27,492.65	27,002.51	27,760.01

In the case of belonging to a large family with three dependent children the income test is **17,293.82 euro** in 2013:

Year:	2009	2010	2011	2012	2013
(euro per year):	16,953.05	16,953.05	16,953.05	17,122.59	17,293.82

Large families:

Year:	2012 (Minimum)	2012 (Maximum)	2013 (Minimum)	2013 (Maximum)
Three children	17,122.59	18,049.84	17,293.82	18,221.07
Four children	19,868.52	20,771.52	20,094.94	20,997.94
Five children	22,614.45	23,493.20	22,896.06	23,774.81
Six children	25,360.38	26,214.88	25,697.18	26,551.68
Seven children	28,106.31	28,936.56	28,498.30	29,328.55
Eight children	30,852.24	31,658.24	31,299.42	32,105.42
Nine children	33,598.17	34,379.92	34,100.54	34,882.29
Ten children	36,344.10	37,101.60	36,901.66	37,659.16

This amount will increase for other large families in **2,801.12 euro** in 2013 (for each dependent child from the fourth onwards).

Year:	2009	2010	2011	2012	2013
(euro per year):	2,745.93	2,745.93	2,745.93	2,773.39	2,801.12

- **Benefit amount**

Year:	2009	2010	2011	2012	2013
(lump-sum payment in euro):	1,000	1,000	1,000	1,000	1,000

If household income is over the corresponding limit but within the maximum limit, the benefit will be the difference between the maximum value that year and yearly household income.

- **Compatibilities**

This benefit is not compatible with any other regional or local benefits of the same type.

- **Taxation and income testing**

Not taxable and not included in the income test of other benefits.

2.4.4 Child and family benefits: Regional level

These benefits aim either for the general maintenance of families welfare or, in particular in some cases, for the alleviation of the poverty situation of households with children. In general regions aim to cover that missing at a national level or complement national level policies.

2.4.4.1 Andalucía

Means-tested child benefit for families when a third child is born they accumulate two children under 3 (*Ayuda económica por tercer hijo y parto múltiple*). This benefit is available since 2002. Payable until third birthday per child under 3 (given that two children are under three and household has three or more children). The income assessment is that net yearly family income is below the following:

	Number of minimum wages
1 member	3
2 members	4.8
3 members	6
4 members	7
5 members	8
Add 1 minimum salary by member	...

Annual amount:

Year:	2009	2010	2011	2012
Child under 3	600	600	600	600

Lump-sum payment at birth in case of multiple birth:

Number newborn	Amount
2 children	1,200
3 children	2,400
4 children	3,600
5 children	4,800

Legal reference: *BOJA 11 de mayo de 2002, ORDEN de 6 de mayo de 2002, por la que se regulan ayudas económicas por menores y partos múltiples.*

Means-tested child benefit for families when a third child is born they accumulate two children under 3 (*Ayuda económica por tercer hijo*). From 2013. Payable until third birthday per child under 3 (given that two children are under three and household has three or more children). The income assessment is that net yearly family income is below the following:

Income	Benefit
< IPREM	120%* annual amount
Between >1and 2 IPREM	110%* annual amount
Between >2and 4 IPREM	100%* annual amount
Between >4and 6 IPREM	50%* annual amount
> 6 IPREM	0

Annual amount:

Year:	2009	2010	2011	2012
Child under 3	600	600	600	600

Means-tested child benefit for multiple birth (*Ayuda económica por parto múltiple*). From 2013. Payable until third birthday in case of multiple birth. The income assessment is that net yearly family income is below the following:

Income	Benefit
< IPREM	120%* annual amount
Between >1and 2 IPREM	110%* annual amount
Between >2and 4 IPREM	100%* annual amount
Between >4and 6 IPREM	50%* annual amount
> 6 IPREM	0

Lump-sum payment at birth in case of multiple birth:

Number newborn	Amount
2 children	1,200
3 children	2,400
4 children	3,600
5 children	4,800

Legal reference:

BOJA 3 de Mayo de 2013, Decreto-Ley 7/2013, de 30 de abril, de medidas extraordinarias y urgentes para la lucha contra la exclusión social en Andalucía, que modifica los tramos de renta a aplicar para tener derecho a las Ayudas económicas por hijos/as menores de tres años y por partos múltiples, reguladas por la Orden de 6 de mayo de 2002, por la que se regulan ayudas económicas por menores y partos múltiples.

BOJA 11 de mayo de 2002, ORDEN de 6 de mayo de 2002, por la que se regulan ayudas económicas por menores y partos múltiples.

2.4.4.2 Aragon

Means-tested child benefit for multiple birth (*Ayuda económica por parto múltiple*). This benefit is available since 2010. Payable until twelve birthday in case of multiple birth.

Income	Benefit
< 4,570 euros	100% * 1200 annual amount
From 4,570.01 to 6,280.00 euros	85% * 1200 annual amount
From 6,280.01 to 7,425.00 euros	70% * 1200 annual amount
From 7,425.01 to 9,140.00 euros	55% * 1200 annual amount
From 9,140.01 to 10,280.00 euros	40% * 1200 annual amount
From 10,280.00 to 12,000.00 euros	25% * 1200 annual amount
From 12,000.00 euros onwards	0

Number newborn	Amount
2 children	2 annual amount
3 children	3*annual amount
4 children	4*annual amount+0.15*4*annual amount
5 children	5* annual amount + 0.35*5*annual amount
6 children or more	6* annual amount + 0.65*5*annual amount

Legal reference:

BOA 12 de abril ORDEN de 2 de abril de 2013, del Consejero de Sanidad, Bienestar Social y Familia, por la que se convocan ayudas para familias con hijos e hijas nacidos de partos múltiples o procedentes de adopción múltiple, para el año 2013.

BOA 11 de abril de 2012, ORDEN de 1 de marzo de 2012, del Consejero de Sanidad, Bienestar Social y Familia, por la que se convocan ayudas para familias con hijos e hijas nacidos de partos múltiples o procedentes de adopción múltiple, para el año 2012.

BOA 15 de octubre de 2010, ORDEN de 27 de octubre de 2010, del Departamento de Servicios Sociales y Familia por la que se convocan ayudas para familias con hijos e hijas nacidos de partos múltiples o procedentes de adopción múltiple, para el año 2011.

BOA de 24 de diciembre de 2009, ORDEN de 23 de noviembre de 2009, del Departamento de Servicios Sociales y Familia, por la que se convocan ayudas para familias con hijos e hijas nacidos de partos múltiples o procedentes de adopción múltiple, para el año 2010.

2.4.4.3 Asturias:

2009:

Means-tested benefit at birth. In 2009, the universal lump-sum benefit changed to a means tested benefit. All mothers resident in Asturias that give birth or adopt a child receive a benefit (summed to the national one) up to **500 euro**. Income assessment: Family unit income should be below **45,000 euro**.

Legal references: *Resolución de 5 de agosto de 2009, de la Consejería de Economía y Hacienda, por la que se aprueba la convocatoria de ayudas por nacimiento o adopción de hijos.*

2010:

Means-tested benefit at birth. This benefit disappears.

2.4.4.4 Illes Balears

No benefit

2.4.4.5 Canarias

Means-tested child benefit for multiple birth (*Ayuda económica por parto múltiple*). This benefit is available for 2010 and 2011. Payable until tenth birthday in case of multiple birth.

Income	Benefit
< 2,404.04 euros	100%*1,202.02 annual amount
From 2,404.04 to 3,606.07 euros	85%* 1,202.02 annual amount
From 3,606.07 to 4,808.09 euros	70%* 1,202.02 annual amount
From 4,808.09 to 6,010.12 euros	55%* 1,200.02 annual amount
From 6,010.12 to 8,414.16 euros	25%* 1,200.02 annual amount
From 8,414.16 euros onwards	0

BOC 12 de abril de 2010, ORDEN de 30 de marzo de 2010, por la que se aprueban las bases, de vigencia indefinida, que han de regir en la concesión de las ayudas a familias en las que se produzcan partos múltiples.

BOC 5 de enero de 2011, Dirección General de Protección del Menor y la Familia.- Resolución de 27 de diciembre de 2010, por la que se efectúa convocatoria para el año 2011, de concesión de ayudas destinadas a familias en las que se produzcan partos múltiples de dos o más hijos.

2.4.4.6 Cantabria

Means-tested child benefit for children under 3 years of age or 6 years of age if in large families (*Subvención para las madres con hijos/as menores de 3 años o menores de 6 si en familia numerosa*).

Available since 2002. There is a required minimum period of residence in Cantabria of three months until 2007 and twelve months since 2008. The benefit amount is 100 euro/month. The income assessment is that the mother's net yearly family income (tax base minus personal and family allowance) is below 42,000 euro (individual scheme) or 72,000 euro (joint scheme).

The reform is applicable from 1st December 2010 onwards.

Monthly amount:

Year:	2010	2011	2012
Child under 3 or 6 if large family	100	100	100
Child under 3 or 6 if large family if more than 3 children qualify	200	200	200

This benefit does not admit any new aid applications from 2013

BOC de 18 de noviembre 2010, Decreto 77/2010, de 11 de noviembre, por el que se modifica el Decreto 153/2007, de 22 de noviembre, por el que se establece y regula la concesión de subvenciones para el fomento de la natalidad.

BOC de 4 de noviembre 2008, DECRETO 106/2008 de 23 de octubre de 2008 por el que se modifica el Decreto 153/2007 de 22 de noviembre de 2007, por el que se establece y regula la concesión de subvenciones para el fomento de la natalidad.

BOC de 28 de noviembre de 2007, DECRETO 153/2007 de 22 de noviembre, por el que se establece y regula la concesión de subvenciones para el fomento de la natalidad.

Orden HAC/20/2006, de 20 de noviembre, por la que se regula la concesión de ayudas para las madres con hijos menores de tres años y, en determinados casos, a madres con hijos menores de seis años, durante el año 2007.

2.4.4.7 Castilla-La Mancha

Means-tested child benefit for children under 18 in large-families (*Ayuda económica a familias numerosas con hijos menores de edad y partos múltiples*). Available since 2007 until 2011. This benefit is for large-families.

The income assessment is that both gross yearly family income (tax base minus personal and family allowance) and wealth are below the following limits:⁹

	Net income	Wealth
	Times the IPREM	Times the IPREM
1 or 2 children	5	20
3 children (or 2 if 1 disabled) ¹⁰	6	25
4 children (or 3 if 1 disabled)	7	30
5 children (or 4 if 1 disabled)	8	35
6 children (or 5 if 1 disabled)	9	40
7 children (or 6 if 1 disabled)	10	45
8 children (or 7 if 1 disabled)	11	50

Benefit amount per month until 2011:

Year:	2009	2010	2011
Child under 18	35	35	35

In general this benefit is paid two years.

Legal references:

⁹ Wealth test is not applied in simulation due to lack of data on assets.

¹⁰ Disabled children cannot be identified in the data.

DOCM de 9 de enero de 2008, Orden de 28 de diciembre de 2007 de la Consejería de Bienestar Social, de actualización de cuantías de las ayudas económicas a familias numerosas reguladas por el Decreto 126/06, de 26 de diciembre y a personas en estado de viudedad, reguladas por el Decreto 128/2006, de 26 de diciembre.

Means-tested child benefit for children under 18 in large-families (*Ayuda económica a familias numerosas con hijos menores de edad y partos múltiples*). Since 2011. This benefit is for large-families.

The income assessment is that both gross yearly family income (tax base minus personal and family allowance) and wealth are below the following limits:¹¹

Net income	
	Times the IPREM
1 or 2 children under 8	3
3 children under 18 (or 2 if 1 disabled)	4
4 children under <18 (or 3 if 1 disabled)	5
5 children under <18 (or 4 if 1 disabled)	6
6 children under <18 (or 5 if 1 disabled)	7
>6 children under (or 6 if 1 disabled)	8

Benefit amount per month until 2012:

Year:	2012	2013
3 children under 18	41.22	41.22
4 children under 18	54.96	54.96
5 children under 18	68.70	68.70
6 children under 18	82.44	82.44
7 children under 18	96.18	96.18
8 children under 18	109.92	109.92
9 children under 18	123.66	123.66
10 children under 18	137.40	137.40

In general this benefit is paid for two years. The annual benefit (monthly benefit * 12) will be paid in two installments, in June and December, 50 per installments.

If the large-family condition has been acquired by multiple birth then the quantities will be incremented 10% during two years in case of three children birth or 3 years in case of four children birth.

Legal references:

¹¹ Wealth test is not applied in simulation due to lack of data on assets.

Decreto 80/2012, de 26/04/2012, por el que se regulan ayudas económicas a familias numerosas y familias acogedoras de Castilla-La Mancha.

Universal child benefit in case of multiple birth (*Ayuda económica en el caso de parto o adopción múltiple*). This benefit is received quarterly for the same number of years as the number of children that entitles for receiving the benefit. Available since 2007 to 2011

	Amount (per quarter)	Number of years
N. of children		
2 children	285	2
3 children	570	3
4 children ¹²	960	4
5 or more children	960+190*extra child	5+number of extra children

This benefit disappears in 2012.

Legal reference:

Decreto 132/06, de 26/12/2006, por el que se regulan las ayudas económicas a las familias por el nacimiento de dos o más hijos o adopción múltiple

2.4.4.8 Castilla y León

Means-tested lump-sum benefit at birth. (*Subvención para padres y/o madres por nacimiento o adopción*) The benefit amount depends on the family income assessment. Available since 2002. If net yearly family income two years before¹³ child's birth is below 21,035 euro the benefit is of a higher quantity. Net family income is the sum of the general and special tax bases after personal and family tax allowances.

Year:	2009	2010
Net income limit	21,035	23,000
Net income < limit		
First child	601	601
Second child	1,202	1,202
Third child or more	1,803	1,803
Net income > limit		
First child	300	300
Second child	601	601
Third child or more	901	901

Disability complementary benefit (Subvención complementaria por discapacidad): the amount is doubled when the new born or adopted child is disable ($\geq 33\%$)

If there is multiple-birth (*Subvención por parto múltiple*) the quantities are increased in a 50% in the case of two new-born children and in 100% if three or more. Since 2008 special benefits in this case are paid for two years more. If net yearly family income is below 21,035 euro the quantity is 901 euro per child and if income is above 21,035 euro the quantity is 450 euro.

This benefit disappears in 2011 to become a tax credit (see PIT).

Legal references:

¹² Due to the fact that this policy is targeted to cases that are unlikely to be accurately represented in the data, only cases of multiple birth up to 3 children were implemented in the model.

¹³ As income from two years before the child's birth is not observable in the data, the income test is applied on "current" (observed) income.

ORDEN FAM/2399/2009, de 21 de diciembre, por la que se modifica la Orden FAM/112/2009, de 20 de enero, por la que se aprueban las bases reguladoras que han de regir las convocatorias de subvenciones a efectuar por la Consejería de Familia e Igualdad de Oportunidades.

Ley 1/2007, de 7 de marzo, de Medidas de Apoyo a las Familias de la Comunidad de Castilla y León.

ORDEN FAM/1974/2004, de 23 de diciembre, por la que se regulan las prestaciones económicas de pago único a los padres y/o madres por nacimiento o adopción de hijo, en desarrollo del Decreto 292/2001, de 20 de diciembre, por el que se establecen Líneas de apoyo a la Familia y a la Conciliación de la Vida Laboral en Castilla y León.

2.4.4.9 Catalonia

Universal child benefit for children under 3 (under 6 if large-families or lone-parents) (*Prestació econòmica de caràcter universal per a les famílies amb fills i filles menors de 3 anys i per a les famílies nombroses i/o monoparentals amb fills i filles menors de 6 anys*). In 2005: 575 euro/year for each child under 3 year of age and 650 euro/year for each child under 6 years of age within a large or lone-parent family. If child has his third birthday during 2005 then the final quantity received will be the proportional part of the monthly assignment (number of months below 3 times the benefit/12)¹⁴.

Year:	2009	2010
Child under 3	638	638
Child under 6 if in large or lone-parent family	745	745

No benefit from 2011 onwards.

Universal lump-sum child benefit in case of multiple birth (*Prestació econòmica de caràcter universal per part, adopció o acolliment múltiple*). This benefit is received at child's birth.

Year/Quantities per family:	2009	2010	2011	2012	2013
Double birth	663	663	663	663	663
Three births	1,020	1,020	1,020	1,020	1,020
Four or more births	1,224	1,224	1,224	1,224	1,224

Legal references:

LEY 1/2012, de 22 de febrero, de presupuestos de la Generalidad de Catalonia para 2012. Disposición adicional decimotercera, sobre prestaciones y ayudas para las familias con hijos a cargo

Ley 6/2011, de 27 de julio, de presupuestos de la Generalidad de Catalonia para 2011. Disposición adicional decimotercera, sobre prestaciones y ayudas para las familias con hijos a cargo

ORDEN de 29 de julio de 2009 ASC/363/2009, de 21 de julio, por la que se aprueban las bases reguladoras y se abre convocatoria parcial para el año 2009, para la concesión de las ayudas económicas sometidas al nivel de ingresos de la unidad familiar para las familias en que se haya producido un parto, adopción, tutela o acogimiento múltiple y/o adopción internacional hasta el 30 de septiembre de 2009.

¹⁴ The simulation doesn't take into account the month of birthday. Full amounts are paid for children aged 0 and no benefit is paid for children aged 3 or 6.

DOGC de 25 de mayo de 2009, ORDEN ASC/258/2009, de 21 de abril, por la que se aprueban las bases para la concesión de las prestaciones económicas para las familias con hijas e hijos a cargo y se abre la convocatoria para el año 2009.

Means-tested lump-sum child benefit in case of multiple birth (*Ajut economic a families en situació d'especial vulnerabilitat amb part, adopció o acolliment multiple de tres o més infants sotmès al nivell d'ingressos de la unitat familiar*). This is a means-tested benefit for vulnerable households who experience a multiple birth or adoption. Eligibility is defined using “equivalent income” obtained by dividing total annual household income by the corresponding coefficient that depends on the number of household members.

	Coefficient
3 members	1
4 members	1,166
5 members	1,333
6 members	1.5
7 members	1,666
8 members	1,833
9 members	2
10 members	2,166

Each additional member will increase the coefficient by 0.07

For eligibility “total household equivalent income” must be below 7 times the Catalanian Income Sufficiency Indicator (Indicador de Renta de Suficiencia de Catalonia, IRSC), of the corresponding year.

Indicador de Renta de Suficiencia de Catalonia (IRSC):

Year:	2009	2010	2011	2012	2013
Equivalent euro per year	7,888.8	7,967.7	7,967.7	7,967.7	7,967.7
Equivalent euro per month	564.4	569.1	569.1	569.1	569.1

LEY 1/2012, de 22 de febrero, de presupuestos de la Generalidad de Cataluña para 2012. Disposición adicional décima sobre el Indicador de Renta de Suficiencia. Disposición adicional decimotercera, sobre prestaciones y ayudas para las familias con hijos a cargo.

Ley 6/2011, de 27 de julio, de presupuestos de la Generalidad de Cataluña para 2011: Disposición adicional décima sobre el Indicador de Renta de Suficiencia. Disposición adicional decimotercera, sobre prestaciones y ayudas para las familias con hijos a cargo.

Ley 25/2009, de 23 de diciembre, de presupuestos de la Generalidad de Cataluña para 2010. Disposición adicional undécima, sobre prestaciones y ayudas para las familias con hijos a cargo.

Benefit amounts per year are:

Year:	2009	2010	2011	2012	2013
Group 1	2,448	2,448	2,448	2,448	2,448
Group 2	3,264	3,264	3,264	3,264	3,264

2.4.4.10 Extremadura

Universal child benefit for children under 3 (*Ayudas económicas a las familias residentes en Extremadura como medida de conciliación de la vida familiar y laboral*). Since 1st January 2008¹⁵ all mothers that give birth and are resident at least for a year in Extremadura receive a monthly non-means-tested benefit. The benefit quantity decreases with child's age.

Year:	2009
First year	300
Second year	150
Third year	100

All quantities are increased in 50 euro per child if multiple birth.

This benefit disappears in 2010.

New Means-tested lump-sum benefit at birth (*Ayudas económicas a las familias residentes en Extremadura como medida de conciliación de la vida familiar y laboral, por nacimiento, adopción o acogimiento*). In 2010 the universal benefit in Extremadura is reformed. The new benefit is means-tested and does not decrease with child's age, it is constant for all newborns in Extremadura. Since 2010 to 2012.

The income assessment is that total household income (the sum of both parents' gross income) must be below the following limits in IPREM 12 month payments:

Families up to:	IPREM
2 children	< 3.5 times
3 children	< 4 times
4 children	< 4.5 times
5 children	< 5 times

The benefit quantity is 1,200€ in two annual payments:

Year:	2010	2011	2012
First year	600	600	600
Second year	600	600	600

This benefit changed in 2012

Legal references:

D.O.E. 116, de 18 de junio de 2010, DECRETO 130/2010, de 11 de junio, por el que se regulan ayudas a las familias residentes en Extremadura, como medida de conciliación de la vida familiar y laboral

D.O.E. 48, de 11 de marzo de 2009, DECRETO 35/2009, de 27 de febrero, por el que se modifica el Decreto 329/2007, de 30 de noviembre, por el que se regulan ayudas económicas a las familias residentes en Extremadura, como medida de conciliación de la vida familiar y laboral

D.O.E. 140, de 4 de diciembre de 2007, DECRETO 329/2007, de 30 de noviembre, por el que se regulan ayudas económicas a las familias residentes en Extremadura, como medida de conciliación de la vida familiar y laboral.

¹⁵ As the benefit started in January 2008, in the simulation of 2008 only children in their first year (i.e., aged 0) are eligible.

New Means-tested lump-sum benefit at birth (*Ayudas económicas a las familias residentes en Extremadura como medida de conciliación de la vida familiar y laboral, por nacimiento, adopción o acogimiento*). In 2012 the means tested benefit in Extremadura is reformed.

The income assessment is that total household income (the sum of both parents' gross income) must be below the following limits in IPREM 12 month payments:

Families up to:	IPREM
2 children	< 35 times
3 children	< 3.5 times
4 children	< 4 times
5 children	< 4.5 times

Year:	2013
1 st or 2 nd child	500
3 rd child	1000

In case of multiple birth the benefit quantity change to:

Year:	2013
2 children	1000
3 children or more	1500

2.4.4.11 Galicia

Means-tested lump-sum benefit for children under 3 years (newborn). (*Prestación económica de pago único por fillas e fillos menores de tres anos*) Available since 2007. The income assessment is that gross family income before family allowances is below the amount that determines compulsory declaration of annual income tax two years earlier¹⁶, thus in 2009 the income reference is 2007.

Annual limits are:

Year:	2009	2010	2011	2012	2013
(euro per year):	22,000	22,000	22,000	22,000	22,000

Benefit amounts are:

Year:	2009	2010	2011	2012	2013
Per child < 3	360	360	360	360	360

Legal references:

DOGA de 1 de abril de 2013, *ORDEN de 26 de marzo de 2013 por la que se establecen las bases que regirán la concesión de la prestación económica de pago único por hijas e hijos menores de tres años para el año 2013.*

DOGA 15 de febrero de 2011, *Orden de 30 de diciembre de 2010 por la que se establecen las bases que regirán la concesión de la prestación económica de pago único por hijas e hijos menores de tres años para el año 2011.*

¹⁶ As income from two years before the child's birth is not observable in the data, the income test is applied on "current" (observed) income.

DOGA 10 de mayo de 2010, *Orden de 3 de mayo de 2010, por la que se establecen las bases por las que se regirá la concesión de la prestación económica de pago único por hijas e hijos menores de tres años para el año 2010.*

Universal lump sum child benefit if father (or mother in lone-parent households) reduces working time (*Ayuda a trabajadores que reduzcan la jornada laboral para cuidar a los hijos menores de tres años*) The benefit is received only by fathers (mothers or fathers in lone-parent families) with children under three who decide to temporarily reduce their working time to look after them. The benefit depends on the number of hours reduced (33%, 33%-40% or 40%-50% of full-time or part-time work hours). Limits of the total duration of reductions are between 60 days and 8 months.¹⁷

As an example (if reducing working time during 8 months in 33% while working full-time for 2008 and 2009, and 15% in 2010 and 2011)

Year:	2009	2010	2011	2012	2013
1 st child	2,400	2,400	1,600	1,600	1,600
2 nd child	2,700	2,700	1,900	1,900	1,900
3 rd child	3,000	3,000	2,200	2,200	2,200

Legal reference:

DOGA, 12 de junio de 2012, RESOLUCIÓN de 4 de junio de 2012, de la Secretaría General de la Igualdad, por la que se regulan las bases para la concesión de las ayudas a la conciliación de la vida familiar y laboral como medida de fomento de la corresponsabilidad para los trabajadores que se acojan a la reducción de su jornada de trabajo y se procede a su convocatoria para el año 2012

DOGA, 18 de mayo de 2011, Resolución de 5 de mayo de 2011, de la Secretaría General de la Igualdad, por la que se regulan las bases para la concesión de las ayudas a la conciliación de la vida familiar y laboral como medida de fomento de la corresponsabilidad para los trabajadores que se acojan a la reducción de su jornada de trabajo y se procede a su convocatoria

DOGA, Resolución de 23 de abril de 2010, de la Secretaria General de Igualdad, por la que se regulan las bases para la concesión de las ayudas a la conciliación de la vida familiar y laboral como medida de fomento de la corresponsabilidad para los trabajadores que se acojan a la reducción de su jornada de trabajo y se procede a su convocatoria.

2.4.4.12 La Rioja

No benefit

2.4.4.13 Madrid

Universal lump-sum benefit at birth. (*Cheque bebé madrileño*). Since 1st July 2007 all mothers resident in Madrid that give birth or adopt a child receive a further lump-sum benefit (summed to the national one) of **100 euro**. No changes in 2008. In 2009 the benefit increases to **200 euro** and eligibility was changed. To qualify for the benefit, mothers should be unemployed otherwise the child should be their third child (second if mother disabled). This benefit disappears in 2010.

Legal references:

¹⁷ This benefit is not simulated due to lack of longitudinal data on working hours.

Acuerdo de Consejo de Gobierno de fecha 16 de abril de 2009 (BOCM 2 de Junio 2009) por el que se aprueban las normas reguladoras y se desarrolla el procedimiento de concesión directa de ayudas económicas de pago único a las familias de la Comunidad de Madrid.

BOCM nº 1, de 2 de enero de 2007, Orden 2309/2006, de 28 de diciembre, de la Consejería de Familia y Asuntos Sociales, por la que se establecen las bases reguladoras para la concesión de ayuda económica de pago único por nacimiento de hijo o adopción de menores a las familias de la Comunidad de Madrid y se aprueba la convocatoria para el año 2007.

2.4.4.14 Murcia

No benefit

2.4.4.15 Navarra

Universal lump-sum benefit at birth of third child 2010-2011. (*Ayudas a familias por el nacimiento del tercer hijo o sucesivos*). All families living in Navarra for more than two years will receive a lump-sum benefit of 2,503.67 euro in 2010 and 2011 when third child (or more) is born (or second if some child disabled in more than a 25%). Quantities have been actualized using the increase in the General Consumer Price Index until 2008 when quantities were frozen. Not taxable. This benefit is not compatible with the universal child benefit if parent asks for work leave but is compatible with any Social Security or State benefit of the same kind.

Benefit amounts:

Year:	2010	2011
Lump-sum payment	2,503.67	2,503.67

Legal reference:

ORDEN FORAL 49/2011, de 15 de febrero, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se fijan las cuantías, para el año 2011, de las ayudas económicas previstas en el Decreto Foral 242/2000, de 27 de junio, por el que se regulan ayudas económicas directas, como medida complementaria para conciliar la vida laboral y familiar de las personas trabajadoras y fomentar la natalidad

ORDEN FORAL 64/2010, de 2 de marzo, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se fijan las cuantías, para el año 2010, de las ayudas económicas previstas en el Decreto Foral 242/2000, de 27 de junio, por el que se regulan ayudas económicas directas, como medida complementaria para conciliar la vida laboral y familiar de las personas trabajadoras y fomentar la natalidad

ORDEN FORAL 99/2009, de 11 de marzo, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se fijan las cuantías, para el año 2009, de las ayudas económicas previstas en el Decreto Foral 242/2000, de 27 de junio, por el que se regulan ayudas económicas directas, como medida complementaria para conciliar la vida laboral y familiar de las personas trabajadoras y fomentar la natalidad.

In 2012: This benefit changed

Universal lump-sum benefit at birth of third child 2012-2013. (*Ayudas a familias por el nacimiento del tercer hijo o sucesivos*). All families living in Navarra for more than two years with receive a lump-sum benefit of 1,030 euro in 2013 when third child (or more) is born (or second if some child disabled in more than a 25%).

Benefit amounts:

Year:	2012
Lump-sum payment	1,030

Legal reference:

ORDEN FORAL 240/2012, de 24 de mayo, de la Consejera de Política Social, Igualdad, Deporte y Juventud, por la que se aprueba la convocatoria de ayudas económicas directas de pago único por la incorporación a las familias, durante el año 2011 y hasta el 22 de marzo de 2012, de un menor, siempre que se trate del tercero o sucesivos, con motivo de nacimiento, adopción o acogimiento, como medida encaminada al fomento de la natalidad

In 2013: This benefit disappeared.

Universal multiple birth lump-sum benefit. (*Ayudas a familias por parto múltiple*). This benefit is paid to residents for at least two years in Navarra if multiple birth occurs.

Year:	2009	2010	2011	2012
Monthly payments				
Twins	91.03	91.03	91.03	91.03
Three children ¹⁸	227.60	227.60	227.60	227.60
Four children	303.47	303.47	303.47	303.47
Five or more	303+75.86 per child	303+75.86 per child	303+75.86 per child	303+75.86 per child

In the case of twins payments are received until the age of one year. In the case of three or more children the benefit is paid until the age of three.

This benefit is compatible with any other benefits of the kind from the Social Security or the Central Government. Not taxable.

Legal reference:

ORDEN FORAL 235/2012, de 22 mayo, de la Consejera de Política Social, Igualdad, Deporte y Juventud, por la que se aprueban las bases de la convocatoria de ayudas económicas de pago periódico por parto, adopción o acogimiento múltiples ocurridos en los años 2011 y 2012.

ORDEN FORAL 36/2011, de 3 de febrero, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se fijan las cuantías, para el año 2011, de las ayudas económicas previstas en el Decreto Foral 241/2000, de 27 de junio, por el que se regulan ayudas económicas a familias por el nacimiento de dos o más hijos en el mismo parto.

In 2013: this benefit disappeared

Means-tested child benefit for children under 3 and working mothers (*Ayudas a mujeres trabajadoras con hijos menores de tres años*). This benefit is available since 2003. Since 2006 the benefit is means-tested. These benefits are paid to mothers who in the previous year paid Social Security contributions at least during five days per month (5x12 days a year)¹⁹. The income assessment from 2006 onwards is that gross yearly family (family is both cohabiting parents and all cohabiting children) income (ordinary tax base plus all capital gains) the previous tax year is below 40,000 euro. The amount of the benefit is paid per child and it depends on income level too:

¹⁸ Due to the fact that this policy is targeted to cases that are unlikely to be accurately represented in the data, only cases of multiple birth up to 2 children were implemented in the model.

¹⁹ Due to lack of data on number of contributions on previous year, the simulation is based on the number of months in employment in the current year

Limits per year:

Year:	2010	2011	2012
1 st group	0-17,999 euro	0-17,999 euro	0-17,999 euro
2 nd group	18,000-28,000euro	18,000-28,000euro	18,000-28,000euro

Benefit amount:

Year:	2010	2011	2012
Amount per month			
1 st group	150	150	150
2 nd group	100	100	100

Legal reference.

BON 1 de abril de 2009, ORDEN FORAL 100/2009, de 11 de marzo, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se aprueba la convocatoria para la concesión de ayudas a mujeres trabajadoras con hijos menores de tres años para el año 2009

BON 9 de febrero de 2007, ORDEN FORAL 25/2007, de 26 enero, de la Consejera de Bienestar Social, Deporte y Juventud, por la que se aprueba la convocatoria para la concesión de ayudas a mujeres trabajadoras con hijos menores de tres años para el año 2007. In 2013: At the moment no benefit of this type

Means-tested child benefit for children under 18 years of age for large families with four or more children (*Ayudas a familias con cuatro o más hijos*). This benefit is available since 2003. These benefits are paid to large families with four or more children whose income total tax base after personal and family allowances the previous tax year is below:

Annual income limits:

	Times minimum salary
1 or 2 children	5
3 children	6
4 children	7
5 children	8
6 children	9
7 children or more	10

Benefit amount:

Year:	2009	2010	2011	2012	2013
Amount per year					
4 th child	413.89	413.89	413.89	413.89	413.89
5 th or more children	620.83	620.83	620.83	620.83	620.83

Not taxable.

ORDEN FORAL 239/2012, de 24 mayo, de la Consejera de Política Social, Igualdad, Deporte y Juventud, por la que se aprueban las bases de la convocatoria por la que se regulan ayudas económicas a familias por cuarto y sucesivos hijos en los años 2011 y 2012

ORDEN FORAL 83/2011, de 8 de marzo, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se aprueba la convocatoria para la concesión de ayudas a familias con cuatro o más hijos.

ORDEN FORAL 39/2010, de 2 de febrero, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se aprueba la convocatoria para la concesión de ayudas a familias con cuatro o más hijos

ORDEN FORAL 79/2009, de 2 de marzo, de la Consejera de Asuntos Sociales, Familia, Juventud y Deporte, por la que se aprueba la convocatoria para la concesión de ayudas a familias con cuatro o más hijos.

2.4.4.16 Valencia

No benefit

2.4.4.17 País Vasco

Means-tested lump-sum benefit at birth of first child (*Ayudas a familias con hijos e hijas nacidos, adoptados o en acogimiento preadoptivo*). The benefit is available since 2006. The benefit amount depends on the family income level (ordinary tax base before family allowances) two years earlier:

Benefit amounts by income level:

Year:	2009	2011	2012	2013
Income limits:				
Below 4 times SMI	900	900	900	900
Between 4-6 times SMI	500	500	500	500
Over 6 times SMI	400	400	400	400

Legal reference:

BOPV 27 de diciembre de 2006, DECRETO 255/2006, de 19 de diciembre, por el que se regulan las ayudas económicas a las familias con hijos e hijas.

BOPV 7 de junio de 2006, DECRETO 109/2006, de 30 de mayo, por el que se regulan las ayudas económicas a las familias con hijos e hijas.

Means-tested lump-sum payment at birth in case of multiple birth (*Ayudas por parto o adopción nacional múltiple, y adopción internacional*). The benefit is available since 2007.

Benefit amounts by income level (*ncb: number of children born*):

Year:	2009	2010	2011	2012	2013
Income limits:					
Below 3 times SMI	4,000*ncb	4,000*ncb	4,000*ncb	4,000*ncb	4,000*ncb
Below 3-4 times SMI	3,200*ncb	3,200*ncb	3,200*ncb	3,200*ncb	3,200*ncb
Below 4-5 times SMI	2,800*ncb	2,800*ncb	2,800*ncb	2,800*ncb	2,800*ncb
Between 5-6 times SMI	2,400*ncb	2,400*ncb	2,400*ncb	2,400*ncb	2,400*ncb
Over 6 times SMI	2,000*ncb	2,000*ncb	2,000*ncb	2,000*ncb	2,000*ncb

Legal reference: BOPV 27 de diciembre de 2006, DECRETO 255/2006, de 19 de diciembre, por el que se regulan las ayudas económicas a las familias con hijos e hijas.

Universal child benefit for second (and more) children (*Ayuda por segundo o sucesivo hijo y/o segunda o sucesiva hija*) Until 1st January 2007 all mothers that give birth or adopt a second, third or more children resident in País Vasco receive an annual benefit.

Year:	2009	2010	2011	2012	2013
2 nd Child					
- lump sum	1,100	1,100	1,100	1,100	1,100
- amount	400	400	400	400	400
- duration (age span)	0 to 1	0 to 1	0 to 1	0 to 1	0 to 1
3 rd and following Child					
- amount	1,100	1,100	1,100	1,100	1,100
- duration (age span)	0 to 4	0 to 4	0 to 4	0 to 4	0 to 4
- amount	400	400	400	400	400
- duration (age span)	5 to 6	5 to 6	5 to 6	5 to 6	5 to 6

Quantities are doubled if child disabled (more than 33%).²⁰

Legal references:

BOPV 24 de diciembre de 2008, LEY 13/2008, de 12 de diciembre, de Apoyo a las Familias.

BOPV 27 de diciembre de 2006, DECRETO 255/2006, de 19 de diciembre, por el que se regulan las ayudas económicas a las familias con hijos e hijas.

BOPV 29 de diciembre de 2005, DECRETO 416/2005, de 20 de diciembre, por el que se prorroga la vigencia del Decreto 176/2002, de 16 de julio, por el que se regulan las ayudas económicas a las familias con hijos e hijas.

BOPV 7 de agosto de 2002, DECRETO 176/2002, de 16 de julio, por el que se regulan las ayudas económicas a las familias con hijos e hijas.

Universal lump sum child benefit if father or mother takes a work leave or reduces working time (*Ayudas económicas a personas trabajadoras en situación de excedencia o reducción de jornada para el cuidado de hijos e hijas menores de edad*) Available since 28th July 2007 for workers with children below three years of age if work leave or six years of age if reduction of working time. The benefit depends on the number of hours reduced. Minimum reduction time is 59 days. The maximum time limit varies depending on partner's time share. There is a requirement of a minimum residence time of one year in the region (or a total of five years in the last ten).²¹

²⁰ Disabled children cannot be identified in the data.

²¹ This benefit is not simulated due to lack of longitudinal data on labour status.

Benefit amounts for full-time workers:

Year:	2009	2010	2011	2012	2013
Amount per year					
<i>Work leave</i>					
Father	3,000	3,000	3,000	3,000	3,000
Mother	2,400	2,400	2,400	2,400	2,400
<i>Working time reduction</i>					
More than 45% of time					
Father	2,400	2,400	2,400	2,400	2,400
Mother	1,800	1,800	1,800	1,800	1,800
Bet. 40-45% of time					
Father	2,100	2,100	2,100	2,100	2,100
Mother	1,575	1,575	1,575	1,575	1,575
Bet. 33-40% of time					
Father	1,800	1,800	1,800	1,800	1,800
Mother	1,350	1,350	1,350	1,350	1,350

BOPV de 27 de Julio de 2007, DECRETO 118/2007, de 17 de julio, por el que se regulan las medidas de conciliación de la vida laboral y familiar.

BOPV 24 de diciembre de 2008, LEY 13/2008, de 12 de diciembre, de Apoyo a las Familias.

2.4.5 Minimum Income Guarantee (Ingreso mínimo de inserción o Renta mínima):

These are non-contributory means-tested benefits to combat poverty. There are different schemes in the 17 Spanish Autonomous Communities (Comunidades Autónomas).

2.4.5.1 Andalusian Minimum Income Guarantee (Ingreso Mínimo de Solidaridad)

This is the Andalusian version of minimum income guarantee. It was launched in 1999.

- Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her residence in Andalucía for, at least, a year. Eligible individuals must have total family unit income below the income test.

- Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- Benefit amount**

The benefit amount is 62% of the minimum wage plus 8% of minimum wage for each additional member. The maximum amount is the minimum wage.

The benefit has a different amount depending on the number of members of the family unit. Quantities for six members or more are the maximum amount, corresponding to the national minimum salary in the corresponding year. See below table for following years:

Year:	2009	2010	2011	2012	2013
One member	386.88	392.65	397.67	397.67	400.09
Two members	436.80	433.31	448.98	448.98	451.71
Three members	486.72	493.97	500.29	500.29	503.33
Four members	536.64	544.64	551.60	551.60	554.96
Five members	587.30	595.30	602.92	602.92	606.58
Six members or more	624.00	633.30	641.40	641.40	645.30

Max benefit=	2009	2010	2011	2012	2013
SMI	624.00	633.30	641.40	641.40	645.30

Benefit amounts in euro per month. The benefit will never be below 15% of the Minimum wage value. Quantities for six members or more are the maximum amount, corresponding to the national minimum salary in the corresponding year

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Andalucía in particular comes from: Decreto 2/1999, de 12 de enero por el que se regula el Programa de Solidaridad de los Andaluces, para la Erradicación de la Marginación y la Desigualdad en Andalucía.

2.4.5.2 Aragon Minimum Income Guarantee (*Ingreso Aragonés de Inserción*)

This benefit is the Aragon's version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 18 and below 65 years of age and has had her legal residence in Aragon, at least for a year.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2011	2012	2013
One member	424.00	441.00	441.00	441.00
Two members	551.20	573.30	573.30	573.30
Three members	636.00	661.50	661.50	661.50
Four members	720.80	749.70	749.70	749.70
Five members	805.60	793.80	793.80	793.80
Six members & more	848.00	837.90	837.90	837.90

Benefit amounts in euro per month

- Taxation and income testing

Minimum income benefits do not generate contributions to the Social Security scheme.

- Source

LEY 9/2012, de 27 de diciembre, de Presupuestos de la Comunidad Autónoma de Aragón para el ejercicio 2013, en su disposición adicional decimo segunda, establece la cuantía del Ingreso Aragonés de Inserción.

Ministerio de Trabajo y Asuntos Sociales. Information for Aragon in particular comes from: Ley 1/1993, de 19 de febrero, de Medidas Básicas de Inserción y Normalización Social. Decreto 57/1994, de 23 de marzo, por el que se regula el Ingreso Aragonés de Inserción en desarrollo de la Ley 1/1993. Decreto 179/1994, de 8 de agosto, por el que se modifican determinados artículos del Decreto 57/1994.

2.4.5.3 Asturias Minimum Income Guarantee (*Salario Social Básico Asturiano*)

This benefit is the Asturian's version of a minimum income guarantee benefit. In 2005 the Ingreso Mínimo de Inserción (IMI) was changed to the Salario Social Básico (SSB). The IMI continued to be paid to those that claimed the benefit before November 2005 for 6 months. The difference between the IMI and SSB is that the latter included those over 65 as benefit recipients

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and has had her legal residence in Asturias, at least for two years. Eligible individuals must have total family unit income below the income test.

- **Income assessment**

In both benefits family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

Salario Social Básico.: The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	432.09	436.41	442.96	442.96	442.96
Two members	527.15	532.42	540.41	540.41	540.41
Three members	596.29	602.25	611.28	611.28	611.28
Four members	665.41	672.06	682.14	682.14	682.14
Five members	695.66	702.62	713.16	713.16	713.16
Six members or more	712.95	720.08	730.88	730.88	730.88
Minimum benefit	43.21	43.64	44.30	44.30	44.30

Benefit amounts in euro per month

When two family units cohabit the SSB is 1.75 times that for one of them.

Quantities will be increased in a 5 percent in the case that any family member between 25 and 64 years of age has more than 45% disability (*Ley 39/2006, de 14 de diciembre, de Promoción de la Autonomía Personal y Atención a las Personas en Situación de Dependencia*)

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ley del Principado de Asturias 3/2012, de 28 de diciembre, de Presupuestos Generales para 2013, Título II, art. 9 establece salario social básico

Ministerio de Trabajo y Asuntos Sociales. Information for Asturias in particular comes from: Until 23 /11/2005: *Ley 6/1991, de 5 de abril, de Ingreso Mínimo de Inserción. Reglamento general de aplicación de la anterior, aprobado por el Decreto 158/1991, de 2 de diciembre.* From 24/11/2005: *Ley 4/2005, de 28 de diciembre de Salario Social Básico. La normativa IMI se mantiene vigente para expedientes iniciados antes de 23/11/2005 hasta su extinción (6 meses).*

Decreto 29/2011, de 13 de abril, por el que se aprueba el Reglamento General de la Ley del Principado de Asturias 4/2005, de 28 de octubre, de Salario Social Básico.

La Ley de Presupuestos Generales del Principado de Asturias establecerá anualmente la cuantía del módulo básico y de los siguientes módulos complementarios

2.4.5.4 Illes Balears Minimum Income Guarantee (*Renta Mínima de Inserción*)

This benefit is the Illes Balears' version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 years of age and has had her legal residence in Illes Balears, at least for six months.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit amount of the Minimum Income Guarantee must be updated as other non-contributory pensions

The benefit has a different amount depending on the number of members of the family unit (extra 30% for the first additional member, 20% for the second one and 10% for the rest of family members)

Year:	2009	2010	2011	2012	2013
One member	392.38	397.11	405.52	417.30	425.70
Two members	510.09	516.24	527.18	542.49	553.41
Three members	588.57	595.67	608.28	625.95	638.55
Four members or more	627.81	635.38	648.83	667.68	681.12

Benefit amounts in euro per month

The minimum quantity of the benefit is 25% of the basic benefit (in 2013, 425.70€ monthly). The benefit will be never over 125% the minimum wage.

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Illes Balears in particular comes from: *Decreto 117/2001, de 28 de septiembre, por el que se regula la renta mínima de inserción (BOCAIB nº.120 de 06/10/2001)*

2.4.5.5 Canarias Minimum Income Guarantee (Ayuda Económica Básica o Prestación Canaria de Inserción)

This benefit is the Canarias' version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in Canarias, at least for three years.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	467.49	472.16	472.16	472.16	472.16
Two members	529.00	534.29	534.29	534.29	534.29
Three members	578.21	583.29	583.29	583.29	583.29
Four	608.97	615.05	615.05	615.05	615.05
Five	633.57	639.90	639.90	639.90	639.90
Six members or more	652.02	658.54	658.54	658.54	658.54

Benefit amounts in euro per month

The minimum benefit is 125.83 €monthly.

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

LEY 10/2012, de 29 de diciembre, de Presupuestos Generales de la Comunidad Autónoma de Canarias para 2013, establece en su disposición adicional duodécima el importe de la cuantía mensual y del complemento mensual variable de la ayuda económica básica para el año 2013.

La Ley de Presupuestos Generales de la Comunidad Autónoma de Canarias establecerá anualmente la cuantía básica mensual y el complemento mensual variable.

Ministerio de Trabajo y Asuntos Sociales. Information for Canarias in particular comes from: Decreto 13/1998 de 5 de febrero. Decreto 202/2002 de 20 de diciembre de 2002. Decreto 136/2007, de 24 de mayo, por la que se aprueba el Reglamento de la Ley 1/2007, de 17 de enero, por la que se regula la Prestación Canaria de Inserción.

2.4.5.6 Cantabria Minimum Income Guarantee (*Renta Social Básica*)

This benefit is the Cantabria's version of a minimum income guarantee benefit. In Cantabria there are two benefits: The *Ingreso Mínimo de Inserción* (IMI) until 2006 and the *Renta Social Básica* (RSB) since 2007.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 23 and below 65 years of age and has had her legal residence in Cantabria, at least for a year.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

Renta Social Básica: The benefit has a different amount depending on the number of members of the family unit. The benefit quantity is received in full if household has no income, otherwise the benefit complements household disposable income up to the following quantities:

Year:	2009	2010	2011	2012	2013
One member	421.79	426.01	426.01	426.01	426.01
Two members	553.60	532.51	532.51	532.51	532.51
Three members	606.33	585.76	585.76	585.76	585.76
Four members	659.05	644.34	644.34	644.34	644.34

Max benefit= 125% IPREM	2009	2010	2011	2012	2013
	659.05	665.54	665.54	665.54	665.54

Benefit amounts in euro per month. The benefit will never be below 25% of the IPREM.

The quantity of the benefit will be updated by the Ley de Presupuestos Generales de la Comunidad Autónoma de Cantabria. This updating will be, at least, as high as the CPI index.

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Cantabria in particular comes from: *Decreto 75/1996, de 7 de agosto, por el que se establece el Plan Cántabro de Ingresos Mínimos de Inserción. Decreto 21/2004 de 11 de marzo, por el que se modifica el Decreto 75/1995, de 7 de agosto (BOC nº 55 de 19/03/04. LEY DE CANTABRIA 2/2007, de 27 de marzo, de Derechos y Servicios Sociales, que establece en el capítulo IV, sección 2º, la Renta Social Básica y la Prestación económica de emergencia social.*

2.4.5.7 Castilla-La Mancha Minimum Income Guarantee (*Ingreso Mínimo de Solidaridad*)

This benefit is the Castilla-La Mancha's version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 18 years of age and with legal residence in *Castilla-La Mancha* at least for the two previous years. The family unit must have been established at least during one year before claiming the benefit.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the the amount of the corresponding benefit. Family unit gross yearly income includes the value of owned assets (excluded owner-occupied housing) valued at fiscal value (*valor catastral*) minus debts on valued assets and minus a 35 percent of the monthly minimum salary if housing is rented or owned but still paying a mortgage on it. This last quantity is also deducted if some household member has non-shared dependants (children below 18 years of age).

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	374.40	372.76	372.76	372.76	372.76
Two members	415.58	413.76	413.76	413.76	413.76
Three members	456.77	454.76	454.76	454.76	454.76
Four members	497.95	495.77	495.77	495.77	495.77
Five members or more	539.14	536.77	536.77	536.77	536.77

Benefit amounts in euro per month

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Castilla-La Mancha in particular comes from: *Ley 5/1995, de 23 de marzo, de Solidaridad. Decreto 179/02, de 17 de diciembre de 2002, de desarrollo del Ingreso Mínimo de Solidaridad. Orden de 29 de diciembre de 2009 referente al IMS.*

2.4.5.8 Castilla y León Minimum Income Guarantee (*Ingreso Mínimo de Inserción*)

This benefit is the Castilla y León's version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in Castilla y León region at least for a year.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	426.01	426.01	426.01	426.01	426.01
Two members	532.51	532.51	532.51	532.51	532.51
Three members	596.41	596.41	596.41	596.41	596.41
Four members	639.01	639.01	639.01	639.01	639.01
Five members	681.61	681.61	681.61	681.61	681.61
Six members or more members	692.26	692.26	692.26	692.26	692.26

Benefit amounts in euro per month

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

LEY 7/2010, de 30 de agosto, por la que se regula la renta garantizada de ciudadanía de Castilla y León.

Decreto 126/2004, de 30 de diciembre, por el que se aprueba el Reglamento de la prestación de Ingresos Mínimos de Inserción de la Comunidad de Castilla y León.

2.4.5.9 Cataluña Minimum Income Guarantee (*Renda Mínima d’Inserció*)

This benefit is the Catalanian’s version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in *Cataluña*, at least for a year. Eligible individuals must have total family unit income below the income test.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit is the difference between the following amounts (depending on the number of members of the family unit) and household monthly income:

Year:	2009	2010	2011	2012	2013
Basic amount (1 member)	410.02	414.12	423.70	423.70	423.70
	+53.50	+54.04	+55.29	+55.29	+55.29
Two members	463.52	468.16	478.99	478.99	478.99
	+53.50	+54.04	+55.29	+55.29	+55.29
Three members	517.02	522.20	534.28	534.28	534.28
	+53.50	+54.04	+55.29	+55.29	+55.29
Four members	570.52	576.24	589.57	589.57	589.57
	+34.45	+34.79	+35.39	+35.39	+35.39
Five members (or more)	604.97	611.03	624.96	624.96	624.96
	+34.45	+34.79	+35.39	+35.39	+35.39
Six members or more	639.42	645.82	641.40	641.40	641.40
Max benefit	639.42	645.82	641.40	641.40	641.40

Additional quantities:

Year:	2009	2010	2011	2012	2013
Minimum benefit	102.50	103.53	105.93	105.93	105.93
Maximum benefit	779.04	786.83	805.03	805.03	805.03
Lone-parenthood	80.25	81.06	82.54	82.54	82.54
Below 16 years of age	40.12	40.53	41.47	41.47	41.47
Disabled	80.25	81.06	82.54	82.54	82.54
Individuals living alone with particular employment difficulties*	34.17	34.51	35.31	35.31	35.31
In hospital per day:	13.67	13.80	14.12	14.12	14.12
Help for labour market return	143.51	144.94	148.30	148.30	148.30

* For a definition of this individual type see DECRETO 339/2006, de 5 de septiembre, de desarrollo de la Ley 10/1997, de 3 de julio, de la renta mínima de inserción). The definition is: those individuals living alone that did not have any labour contract in the last year (or the contract was 3 months or shorter).

Note: The maximum benefit is 190% of the basic benefit and the minimum is 25% of the basic benefit.

Benefit amounts in euro per month.

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

EMO/496/2011, de 21 de enero, por la que se fija el importe de la prestación económica básica de la renta mínima de inserción para el año 2011, así como el de los complementos por miembro adicional de la unidad familiar y el de las ayudas complementarias.

TRE/419/2010, de 21 de enero, por la que se fija el importe de la prestación económica básica de la renta mínima de inserción para el año 2010, así como el de los complementos por miembro adicional de la unidad familiar y el de las ayudas complementarias

Ministerio de Trabajo y Asuntos Sociales. Information for Cataluña in particular comes from: Ley 10/97 Decretos: 306/1998, 118/2001, 316/2001, Orden Empresas de Inserción: 25/9/2001; Diario de la Generalitat 3487 de 5-10-01.

2.4.5.10 Extremadura Minimum Income Guarantee (*Renta Mínima*)

This benefit is the Extremadura's version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 18 years of age and has had her legal residence in Extremadura, at least for a year. The family unit must be established at least six months before claiming the benefit.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

“Ayudas para la integración en situaciones de emergencia social”

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012
One member	395.43	399.38	399.38	399.38
Two members	437.60	441.98	441.98	441.98
Three members	479.78	484.58	484.58	484.58
Four members	521.96	527.18	527.18	527.18
Five members or more	527.24	532.51	532.51	532.51

Max benefit	2009	2010	2011	2012
	532.51	532.51	532.51	532.51

“Renta básica de inserción”

The benefit has a different amount depending on the number of members of the family unit.

Year:	2013
One member	399.38
Two members	459.29
Three members	499.23
Four members	539.17
Five members	559.14
Six members	579.10
Seven members	599.07
Eighth members	619.04
Nine members	642.01
Ten members	664.97

Max benefit	2013
	665.64

Benefit amounts in euro per month

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

DOE n° 98 de 23 de mayo 2013, LEY 3/2013, de 21 de mayo, de renta básica extremeña de inserción.

Ministerio de Trabajo y Asuntos Sociales. Information for Extremadura in particular comes from: Ley 5/1987, de 23 de abril, de Servicios Sociales. Decreto de 23 de febrero n° 28/ 1999

de la Consejería de Bienestar Social. Por el que se regulan las ayudas para la integración en situaciones de emergencia social (A.I.S.E.S.)

Note in the web: Consejería de Igualdad y Empleo on the Decreto de 23 de febrero nº 28/ 1999 de la Consejería de Bienestar Social, por el que se regulan las ayudas para la integración en situaciones de emergencia social (A.I.S.E.S) where quantities are referenced to IPREM, when the first regulation (Decreto nº 28/1999) initially referenced them to the SMI.

2.4.5.11 Galicia Minimum Income Guarantee (Renda de Integración Social de Galicia, RISGA)

This benefit is the Galician’s version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in *Galicia*, at least for a year. Eligible individuals must have total family unit income below the income test.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit is the difference between the following amounts (depending on the number of members of the family unit) and household monthly income:

One member: 75% IPREM (basic benefit)

Two members: basic benefit +12 % IPREM;

From three members onwards: +8 % IPREM for each additional member

Year:	2009	2010	2011	2012	2013
One member	395.43	399.38	399.38	399.38	399.38
Two members	458.70	463.28	463.28	463.28	463.28
Three members	511.42	516.53	516.53	516.53	516.53
Four members	553.60	559.14	559.14	559.14	559.14
Five members or more	595.78	595.78	601.74	601.74	601.74

In 2012: If individuals have been in the program during more than 4 years their benefit drops to **364.90 euro** (monthly non-contributory pension). Other complementary benefits are: **+99.85 euro** (max. limit) if recipient in “*estímulo de inserción*” or a further **+ 83.84 euro** for expenditures in “*proyecto de inserción*”.

Year:	2010	2011	2012	2013
More than 4 years in the program	339.70	349.03	357.70	364.90
Other complementary benefits				
“Estímulo de inserción”	+98.86	+99.85	+99.85	+99.85
“Proyecto de inserción”	+98.86	+99.85	+99.85	+99.85

Benefit amounts in euro per month.

- **Taxation and income testing**

Minimum income benefits are subject to taxation. These benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Galicia in particular comes from: Ley 9/1991, de 2 de octubre, gallega de medidas básicas para la inserción social (DOG n° 191, de 3 de Octubre de 1991), parcialmente modificada por la Ley 1/1999, de 5 de febrero (DOG n° 36, de 22 de Febrero de 1999), y por la Ley 16/2004, de 29 de Diciembre (DOG n° 254, de 31 de Diciembre de 2004).

2.4.5.12 La Rioja Minimum Income Guarantee (*Ingreso Mínimo de Inserción*)

This benefit is the La Rioja’s version of a minimum income guarantee benefit. In La Rioja there are two different benefits, Ingreso Mínimo de Inserción (I.M.I.) and Ayudas de Inclusión Social (A.I.S.). The second benefit includes all individuals over 25 years of age while the first is limited to individuals below 65 years of age.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

- A) I.M.I.: An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in La Rioja, at least for a year. The benefit is linked to an activity compromise in order to try to favour the individual’s transition to employment.
- B) A.I.S.: An individual (benefit recipient) is eligible for the benefit if over 25 years of age and has had her legal residence in La Rioja, at least for a year and is not eligible for the I.M.I.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the 70% IPREM

- **Benefit amount**

- A) I.M.I: The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
	369.06	372.60	372.60	372.60	372.60

Benefit amounts in euro per month

- B) AIS: The amount is that of the non-contributory pension in 2013: 364.90 euro + and 10% for each additional member; max benefit in 2013: 379.49 euro

Year:	2009	2010	2011	2012	2013
One member	369.06	339,70	349,03	357.70	364.90
Two members	448.14	372.00	372.00	372.00	379.49

- **Taxation**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for La Rioja in particular comes from: *Decreto 24/2001, de 20 de abril. Decreto 3/2005, de 28 de enero.*

2.4.5.13 Madrid Minimum Income Guarantee (*Renta Mínima de Inserción*)

This benefit was Madrid's version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in the *Comunidad de Madrid*, at least for a year. Eligible individuals must have total family unit income below the income test. There are some exceptions to this due to dependants, orphans, etc.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	370.00	370.00	375.55	375.55	375.55
Two members	481.00	481.00	488.22	488.22	488.22
Three members or more	532.51	532.51	563.33	563.33	563.33

The monthly quantity of the benefit is the result of adding to the basic quantity for a one member household the complements for additional members. These quantities will be fixed annually by the *Ley de Presupuestos Generales de la Comunidad de Madrid*.

The maximum quantity of the benefit is the SMI (see Decreto 147/2002, art.21, 2.)

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ley de Presupuestos Generales de la Comunidad de Madrid 2013

Ministerio de Trabajo y Asuntos Sociales. Information for Comunidad de Madrid in particular comes from: *Ley 15/2001 de 27 de diciembre de Renta Mínima de Inserción*. *BOCM de 31 de diciembre*, *Decreto 147/2002, de 1 de agosto, por el que se aprueba el Reglamento de la Renta Mínima de Inserción*, *Ley 4/04, de 28 de Diciembre, de Presupuestos, Artículo 60*.

2.4.5.14 Región de Murcia Minimum Income Guarantee (*Ingreso Mínimo de Inserción*)

This benefit is the Murcia's version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in La Rioja, at least for a year. The recipient should not receive any other benefits such as unemployment benefits, pensions or the like.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	300.00	300.00	300.00	300.00	300.00
Two members	386.00	386.00	386.00	386.00	386.00
Three members	442.00	442.00	442.00	442.00	442.00
Four members	498.00	498.00	498.00	498.00	498.00
Five members	544.00	544.00	544.00	544.00	544.00
Six members	590.00	590.00	590.00	590.00	590.00
Seven members e	636.00	636.00	636.00	636.00	636.00
Eight members or more	682.00	682.00	682.00	682.00	682.00

Benefit amounts in euro per month. The minimum benefit is 300 € and the maximum 682€

The increase by member is only added if corresponding member is below 18 years of age. For households with dependants over that age the amount added is half of that.

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Murcia in particular comes from: Orden de 16 de septiembre de 1994, sobre Ingreso Mínimo de Inserción. Decreto nº 65/1998, de 5 de noviembre por el que se regulan las ayudas, prestaciones y medidas de inserción y protección social. Orden de 20 de octubre del año 2006, sobre actualización del importe de la prestación del Ingreso Mínimo de Inserción. Ley 3/2007, de 16 de marzo, de Renta Básica de Inserción

2.4.5.15 Navarra Minimum Income Guarantee (*Renta Básica*)

This benefit is the Navarra’s version of a minimum income guarantee benefit.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in Navarra, at least for two years.

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit has a different amount depending on the number of members of the family unit.

Year:	2009	2010	2011	2012	2013
One member	530.40	633.30	641.40	641.40	645.30
Two members	655.20	759.96	769.68	769.68	774.36
Three members	717.60	823.29	833.82	833.82	838.89
Four members	780.00	886.62	897.96	897.96	903.42
Five members	842.40	949.95	962.10	962.10	967.95

Benefit amounts in euro per month

Until 31/07/08 the maximum benefit will not be over 125% of SMI and the minimum will not be below 10% of SMI. From 31/07/08 until 2009 maximum benefits are 145% of SMI and the minimum will not be below a 10% of SMI. Since 2010 maximum benefit will be always below 150% of SMI and the minimum will not be below 10% of SMI.

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

ORDEN FORAL 193/2013, de 22 de febrero, del Consejero de Políticas Sociales, por la que se modifica la Orden Foral 58/2012, de 9 de febrero, de la Consejera de Política Social, Igualdad, Deporte y Juventud, por la que se regulan los supuestos excepcionales y de renovación extraordinaria de la renta de inclusión social.

Ministerio de Trabajo y Asuntos Sociales. Information for Navarra in particular comes from: Ley 9/1999, de 6 de abril, para una Carta de Derechos Sociales. Decreto Foral 120/ 1999, de 19 de abril, por el que se regula la Renta Básica. Ley Foral 8/03, de 24 de febrero. Art.4ª elevación cuantías de RB. RD Ley 3/2004, de 25 de junio: Implantación IPREM. Orden Foral 9/2006, de 13 de marzo, de actualización de cuantías para 2006. Orden Foral 18/2007, de 26 de enero, de actualización de cuantías para 2007 (BON 36 de 14/03/07). Ley Foral 13/2008, de 2 de julio, de modificación de la Ley Foral 9/1999, de 6 de abril, para una Carta de Derechos Sociales. Decreto Foral 69/2008, de 17 de junio, por el que se aprueba la Cartera de Servicios Sociales de Ámbito General.

2.4.5.16 Comunidad Valenciana Minimum Income Guarantee (*Renta Garantizada de la Ciudadanía*)

This benefit is the Comunidad Valenciana's version of a minimum income guarantee benefit. In Comunidad Valenciana there are two different benefits, until 31/03/2008 the *Prestaciones Económicas Regladas* (PER) and from 1/04/2008 the *Renta Garantizada de la Ciudadanía* (RGC).

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

PER: An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age and has had her legal residence in *Comunidad Valenciana*, at least for the previous year.

RGC: An individual (benefit recipient) is eligible for the benefit if over 25 and below 65 years of age, and has had her legal residence in *Comunidad Valenciana* at least for the two previous years (new in 2008).

- **Income assessment**

Family unit gross yearly income net of social contributions must be below the amount of the corresponding benefit.

- **Benefit amount**

The benefit is the difference between the following amounts (depending on the number of members of the family unit) and household monthly income:

Year:	2009	2010	2011	2012	2013
One member	330.16	330.16	330.16	330.16	330.16
Two members	356.78	356.78	356.78	356.78	356.78
Three members	372.76	372.76	372.76	372.76	372.76
Four members	388.73	388.73	388.73	388.73	388.73
Five members	404.71	404.71	404.71	404.71	404.71
Six members	420.68	420.68	420.68	420.68	420.68
Seven members	436.66	436.66	436.66	436.66	436.66
Eight members	452.63	452.63	452.63	452.63	452.63
Nine members	468.61	468.61	468.61	468.61	468.61
Ten members	484.58	484.58	484.58	484.58	484.58
Eleven members	500.56	500.56	500.56	500.56	500.56
Twelve members	516.53	516.53	516.53	516.53	516.53
Thirteen members	532.51	532.51	532.51	532.51	532.51

- **Taxation and income testing**

Minimum income benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for Comunidad Valenciana in particular comes from: *Decreto 132/1990, de 23 de julio, por el que se aprueba el Plan de Medidas de Inserción Social. Orden anual de la convocatoria de las ayudas (en 2007). Ley 9/2007, de 12 de marzo, de Renta Garantizada de Ciudadanía. Decreto 93/2008, de 4 de julio, por el que se desarrolla la Ley de Renta Garantizada de Ciudadanía. Orden de 13 de julio de 2008, por la que se regulan las bases de la prestación Renta Garantizada de Ciudadanía.*

2.4.5.17 País Vasco Minimum Income Guarantee (*Renta Básica*)

This benefit was the first to appear in Spain (in 1989) with the aim of covering the needs of the extreme poor households living in the Vasque country.

- **Definitions**

Family unit: individuals living together, at least for months, and related by marriage or an analogous relationship, adoption, blood relationship (between the 2nd and 4th degree).

Benefit recipient: an adult living in the family unit which is the official recipient of the benefit.

- **Eligibility conditions**

An individual (benefit recipient) is eligible for the benefit if over 23 years of age and has had her residence in the País Vasco for, at least, a year. This minimum age limit is not applicable to orphans or adults with dependent children or those married to someone over that age for, at least, 6 months. There is no maximum age limit to receive the benefit, i.e. individuals over 65 may receive this benefit instead of a non-contributory pension. Eligible individuals must have family unit incomes below the income test.

- **Income assessment**

Income test is a family unit level of income (gross yearly income net of social contributions) below “basic needs”. Basic needs are identified as the annual amount of the benefit for the corresponding household type.

- **Benefit amount**

The benefit amount depends on the number of members of the family unit and, in general, its quantity is revised every year.

Year:	2009	2010	2011	2012	2013
One member	549.12	557.30	564.43	564.43	564.43
Two members	705.12	715.63	724.78	724.78	724.78
Three members	780.00	791.63	801.75	801.75	801.75

Benefit amounts in euro per month

- For Renta Básica receivers within lone-parent households the benefit will be complemented by a 6.4% of minimum wage (households with one adult and children).

- **Taxation and income testing**

Minimum income benefits are not included in the means-test of other social benefits (benefits of last resort). These benefits do not generate contributions to the Social Security scheme.

- **Source**

Ministerio de Trabajo y Asuntos Sociales. Information for the Vasque country in particular comes from: *Ley 10/2000, de 27 de diciembre, de Carta de Derechos Sociales. Ley 12/1998, de 22 de mayo, Contra la Exclusión Social (Modificada en la Ley 4/2003, de 25 de junio). Decreto 198/1999, de 20 de abril, por el que se regula el Ingreso Mínimo de Inserción. Decreto 199/1999, de 20 de abril, por el que se regulan las Ayudas de Emergencia Social (AES). Orden de 14 de febrero de 2001, por la que se establecen los estímulos al empleo de los titulares de la Renta Básica y de los beneficiarios de las Ayudas de Emergencia Social. Ley 9/2006, de 28 de diciembre por la que se aprueban los presupuestos generales del País Vasco. Ley 18/2008, de 23 de diciembre, para la Garantía de Ingresos y para la Inclusión Social. Decreto 147/2010, de 25 de mayo, de la Renta de Garantía de Ingresos*

2.5 Social contributions

Social Security revenue is made up of all workers and employers contributions in various regimes. As elsewhere in Europe, membership of a social insurance organisation is compulsory.

The amounts paid as contributions depend on the workers' wage and also on the workers' employment status, industry and occupation.

Contributions are calculated by multiplying the contributory base by a contributory rate²². There are different types of contributions depending on workers being employees or self-employed.

2.5.1 Employee social contributions

The Social Security General Scheme:

- **Liability to contributions**

Employees contribute to the Social Security Scheme for common illnesses and old-age pensions, unemployment and occupational training through their contribution to (*contingencias comunes*) at a rate of 4.7 percent of the contributory base (a 2.0 percent if for compulsory extra

²² A great part of that rate is paid by the employer and the rest is the employee's liability, although withheld by their employer.

time of work). Also, the worker contributes a 0.1 percent of the contributory base for covering occupational training.

- *Income base used to calculate contributios*

The contributory bases have a minimum and a maximum depending on the workers occupation’s classification.

Contribution bases for the general scheme each corresponding year

CONTRIBUTION BASES FOR THE GENERAL SCHEME – LAW 35/2010 (BOE of 18/09) LAW 39/2010 (BOE of 23/12), PGE 2012, PGE 2013					
Contributory Groups	2009	2010	2011	2012	2013
Minimum base					
1 (€per month)	1,016.4	1,031.7	1,045.2	1,045.2	1,051.50
2 (€per month)	843.3	855.9	867.0	867.0	872.10
3 (€per month)	733.5	744.6	754.2	754.2	758.70
4 to 7 (€per month)	728.1	738.9	748.2	748.2	753.00
8 to 11 (€per day)	24.27	63	24.94	24.94	25.10
Maximum Base					
1 to 7 (€per month)	3,166.2	3,198	3,230.1	3,262.50	3,425.70
8 to 11 (€per day)	105.4	106.6	107.7	108.75	114.19
Maximum LIMIT	3,166.2	3,198	3,230.1	3,262.50	3,425.70

Minimum contributory bases for part-time workers:

Contributory Group	2009	2010	2011	2012	2013
1 (€per hour)	6.12	6.22	6.30	6.30	6.33
2 (€per hour)	5.07	5.16	5.22	5.22	5.25
3 (€per hour)	4.42	4.49	4.54	4.54	4.57
4 to 11 (€per hour)	4.38	4.45	4.51	4.51	4.54

- *Contribution rates*

General scheme contribution rates for workers:

GENERAL SCHEME CONTRIBUTION RATES FOR THE CORRESPONDING YEAR					
LAW 42/2006 of 28/12 (BOE of the 29th), LAW 51/2007 of 26/12 (BOE of the 27th), LAW 2/2008 of 23/12 (BOE of the 24th) LAW 26/2009 (BOE of the 24th), LAW 35/2010 (BOE of 18/09) (new)					
	2009	2010	2011	2012	2013
Common Contingencies	4.70	4.70	4.70	4.70	4.70
Overtime:					
- Force majeure	2.00	2.00	2.00	2.00	2.00
- Non-force-majeure	4.70	4.70	4.70	4.70	4.70
Other Contributions:					
Unemployment **	1.55	1.55	1.55	1.55	1.55
Occupational Training.	0.10	0.10	0.10	0.10	0.10

Notes: * Employer’s contributions due to work-related injury and occupational illnesses depend on the firm’s activity and the worker’s occupation. We have calculated mean contributions for workers in different activities (Agriculture, Industry, Building, Commerce, Transport, Other services, other activities) ** Employee's and employer's contribution to unemployment depends on the worker's employment contract. The general contribution is 5.50 percent for employers and 1.55 percent for employees. If the worker holds a full-time fixed term contract, employers contribute 6.7 and employees 1.60 percent. If the worker holds a part-time fixed term contract, employers contribute 7.7 and

employees 1.60 percent. If the worker holds a fixed term contract using (E.T.T) employers contribute 7.7 and employees 1.60 percent. We will use PL140 (EU-SILC) as a proxy to contract type.

The Agrarian employees Special System:

- *Liability to contributions*

The Agrarian Regime is for employees and self-employed (employees since 2008) who work in the agricultural sector. This Regime is divided into different groups of contribution, according to the workers’ occupation. Since 2012 January, employees are included under a special regime in the General Social Security Regime.

- *Income base used to calculate contributions*

The contributory bases have a minimum and a maximum depending on the workers occupation’s classification.

Contribution bases for the general scheme each corresponding year

CONTRIBUTION BASES FOR THE AGRARIAN EMPLOYEES– LAW 30/2005 of 29/12 (BOE of the 30th), LAW 42/2006 of 28/12 (BOE of the 29th), LAW 51/2007 of 26/12 (BOE of the 27th), LAW 2/2008 of 23/12 (BOE of the 24th)					
Contributory Groups	2009	2010	2011	2012	2013
Minimum base					
1 (€per month)	1,016.4	1,031.7	1,045.2	1,045.2	1,051.5
2 (€per month)	843.3	897.0	986.7	867.0	872.1
3 (€per month)	804	897.0	986.7	754.2	758.7
4 to 11 (€per month)	804	897.0	986.7	748.2	753.0
Maximum Base					
1 (€per month)	1,016.4	1,031.7	1,393.80	1,800.00	2,161.50
2 to 11 (€per month)	843,3	897.0	986.70	1,800.00	2,161.50
1 (€daily)	42.35	44.86	45.44	45.44	93,98
2 (€daily)	35.14	39.0	42.9	37.70	93,98
3 (€daily)	33.5	39.0	42.9	32.79	93,98
4 to 11 (€daily)	33.5	39.0	42.9	32.53	93,98

- *Contribution rates*

In activity periods, contribution rates are the same as the ones in General Social Security Scheme employees, except occupational training. The contribution rate for employers and for employees is the same for all groups.

SCHEME FOR AGRARIAN EMPLOYEES CONTRIBUTION RATES FOR THE CORRESPONDING YEAR					
	2009	2010	2011	2012	2013
Common Contingencies	4.70	4.70	4.70	4.70	4.70
Other Contributions:					
Unemployment **	1.55	1.55	1.55	1.55	1.55
Occupational Training.				0.03	0.03

- *EUROMOD notes*

We can not distinguish between activity and inactivity periods, then we assume all periods are activity ones. We do not have information about daily work, therefore monthly bases are used.

2.5.2 Employer social contributions

The Social Security General Scheme:

- *Liability to contributions*

Employers contribute to the Social Security Scheme for common illnesses and old-age pensions, unemployment and occupational training and wage guarantee fund.

- *Contribution rates*

The contributions rates are equal during de period 2010-2013.

General scheme contribution rates for employers:

	2009	2010	2011	2012	2013
Common Contingencies	23.60	23.60	23.60	23.60	23.60
Overtime:					
- Force majeure	12.00	12.00	12.00	12.00	12.00
- Non-force-majeure	23.60	23.60	23.60	23.60	23.60
Work-related Injury and Occupational Illness*					
Other Contributions:					
Unemployment **	5.50	5.50	5.50	5.50	5.50
Wage Guarantee Fund (Fogasa)	0.20	0.20	0.20	0.20	0.20
Occupational Training.	0.60	0.60	0.60	0.60	0.60

Notes: * Employer's contributions due to work-related injury and occupational illnesses depend on the firm's activity and the worker's occupation. We have calculated mean contributions for workers in different activities (Agriculture, Industry, Building, Commerce, Transport, Other services, other activities) ** Employee's and employer's contribution to unemployment depends on the worker's employment contract. The general contribution is 5.50 percent for employers and 1.55 percent for employees. If the worker holds a full-time fixed term contract, employers contribute 6.7 and employees 1.60 percent. If the worker holds a part-time fixed term contract, employers contribute 7.7 and employees 1.60 percent. If the worker holds a fixed term contract using (E.T.T) employers contribute 7.7 and employees 1.60 percent. We will use PL140 (EU-SILC) as a proxy to contract type.

The Agrarian Special Scheme:

- *Liability to contributions*

Employers in the Agrarian Scheme contribute to the Agrarian Special Scheme for common illnesses and old-age pensions, unemployment and occupational training and wage guarantee fund.

- *Contribution rates*

	2009	2010	2011	2012	2013
Common Contingencies	15.50	15.50	15.50	15.95	16.40
Other Contributions:					
Unemployment **	5.50	5.50	5.50	5.50	5.50
Wage Guarantee Fund (Fogasa)	0.20	0.20	0.20	0.20	0.10
Occupational Training.				0.15	0.15

- *EUROMOD notes*

We do not make distinctions between contributory groups in the contributory rates. We assume all workers are second group (2-11).

The Self-employed Special Social Regime

- *Liability to contributions*

The social insurance contribution for self-employed workers has some degree of flexibility. The worker can choose between two different contributory rates (either including or not including temporary sickness or invalidity benefits).

- *Income base used to calculate contributios and contribution rates*

The contributory base is also flexible. The worker can choose his/her particular amount of contribution within a limited range, never below a certain minimum and never over a certain maximum.

Characteristics	2009	2010	2011	2012	2013
Maximum contributory base	3,166.20	3,198.00	3,230.1	3,262.5	3,425.7
Minimum contributory base	833.4	841.8	850.2	850.2	858.62
If over 48 years old:					
Maximum contributory base	1,649.4	1,665.90	1,682.7	1,870.50	1,888.8
Minimum contributory base	833.4	907.5	916.5	916.5	925.8

- *Contribution rates*

The contributory rate is 29.8 percent of the contributory base if including temporary sickness or invalidity benefits and 26.5 otherwise. A further rate is paid for work-related injury and occupational illness benefits. The rate depends on the contributory base chosen by the worker.

	2009	2010	2011	2012	2013
Contributory rate	26.5	26.5	26.5	26.5	26.5
Additional contributory rate (sickness)	3.3	3.3	3.3	3.3	3.3
Total contributory rate (with sickness)	29.8	29.8	29.8	29.8	29.8

- ***EUROMOD notes***

We assume in the program that the worker always decides to pay the minimum quantity. Therefore we use in the programation the maximum between the contributory base and its minimum, although the worker actually sometimes decides to pay more, but this information is not available.

The Agrarian self-employed Special System:

- ***Liability to contributions***

In 2008 the agricultural self-employed social insurance contribution regime changed and is included within the self-employment regime

- ***Income base used to calculate contributions***

The agricultural self-employed social insurance contribution, in practice, works as a lump-sum contribution, since the rate is flat and the base is fixed.

Characteristics	2009	2010	2011	2012	2013
Maximum contributory base	3166,2	3198	3230,1	3262,5	3425,7
Minimum contributory base	833,40	841.8	850.2	850.2	858.60

- ***Contribution rates***

Contribution rates depend of contributory base:

	2009	2010	2011	2012	2013
If contributory base >	833. 40	841. 80	850.20	1,020.30	1,030.20
Contributory rate	26.5	26.5	26.5	26.5	26.5
If minimum contributory base	833. 40	841. 80	850.0	850.20	858.60
Contributory rate	18,75	18,75	18,75	18,75	18,75
If contributory base <				1,020.30	1,030.20
Contributory rate				18,75	18,75
Additional contributory rate (sickness)	3.3	3.3	3.3	3.3	3.3
IMS (no option AT and EP)	1	1	1	1	1

- ***EUROMOD notes***

We assume in the program that the worker always decides to pay the minimum quantity. Therefore we use in the programation the maximum between the contributory base and its minimum, although the worker actually sometimes decides to pay more, but this information is not available.

2.5.1 Health insurance contributions

Spaniards workers don't pay health insurance contributions because the Health National System is covered with taxes.

2.5.2 Other social contributions

Civil servant's contributions are not simulated and civil servants are supposed to contribute through the General Regime.

2.6 Personal income tax

2.6.1 Tax unit

Residents in Spanish territories are liable to income tax on individuals (IRPF) on their worldwide income. Non-residents are liable to income tax on non-residents (IRNR) only on the incomes obtained in Spain.

The Spanish personal income tax is individual but taxpayers who are members of the same family unit have the option to file a joint tax return. A **family unit** consists of both spouses –in the case of legal separation or *de facto* unions, only one of them–, and their children under 18 years of age who cohabit (any age if the child is disabled).

The rules and amounts of most elements of the Spanish income tax are the same under individual and joint taxation. The only major difference between these schemes is the amount of personal and family tax allowances. Under joint taxation the personal tax deduction is greater. Under the individual scheme, each married taxpayer gets half the amount of the family tax allowance.

Various reforms of the Personal income tax have been undertaken along the period 2010-2013.

The main changes are focus on redefining the tax schedules for both general (2011 and 2012) and savings (2010 and 2012) tax bases.

These modifications have been carried out by the State and the regions.

2.6.2 Exemptions

The most important income exemptions are:

- indemnities paid for physical or mental damages, a court order or an insurance contract;
- mandatory compensation received as severance pay or for the termination of employment contracts, up to maximum legal amounts (45 days of salary per year of work with a maximum of 42 months, *despido improcedente*); the possible exempted quantity has been increased
- pensions paid by the social security system to severely disabled taxpayers (*Incapacidad Absoluta o Gran Invalidez*);
- child benefits (including those paid by regional governments) and all orphan's benefits;
- all public benefits due to newborn children, twin newborns or adoption;

- grants for high level sportsmen and sports women with the limit of 30,050.61 euro a year;
- all maternity benefits paid by regional or local governments;
- unemployment benefits obtained as a lump sum with the limit of 12,020.24 euro;
- public education and research grants;
- court-ordered child support payments;
- literary, art or scientific prizes;
- lottery prizes;
- wages obtained from activities performed in a foreign country with a similar personal income tax to that in Spain up to a limit of 60,101.21 euro.

2.6.3 Tax allowances

In the period 2010 - 2013 the Spanish Personal Income Tax includes three main groups of tax allowances: joint scheme allowance, work related allowances and contributions to pension schemes tax allowances.

- Joint scheme allowance (Reducción por tributación conjunta)

The ordinary tax base and the savings tax base may be reduced if taxpayer chooses a joint scheme:

- For two member family units: 3,400 euro.
- For lone-parent households when not cohabiting with dependants' other parent: 2,150 euro.
- Work-related allowances (Reducción por rendimientos del trabajo, prolongación de la actividad laboral y movilidad geográfica y personas con discapacidad que obtengan rendimientos del trabajo como trabajadores activos)

The ordinary tax base is further reduced by an employment net income allowance, an income related non-refundable tax allowance for taxpayers who receive “employment income” which are employment earnings or social benefits while “other income” is below a limit. The amount of the allowance diminishes as the level of net employment income increases, varying between 2,652 euro and 4,080 euro.

Tax payers with net employment income equal or below 9,180 euro may reduce the tax base in 4,080 euro. Taxpayers with net income over 13,260 euro or non-employment income over 6,500 euro may only reduce the tax base in 2,652 euro. Tax payers in between will reduce their tax base in 4,080 euro minus the result of multiplying by 0.35 by the difference between net income and 9,180 euro.

This allowance cannot exceed total net employment income. The allowance is increased by 100% for employees who accept an employment in a different city or who are older than 65.

Further all disabled taxpayers may apply a reduction of 3,264 euro if at work when disabled (more than 33% and less than 65% disability). This reduction will increase to 7,242 euro if taxpayer is at work and is disabled with reduced mobility or more than 65% disability.

In the case of joint taxation, and even if both partners have incomes from work, this allowance is only applicable once.

- Contributions to mutual insurance societies and private pension schemes allowances.

The ordinary taxable base, as reduced by the personal and family allowances, is further reduced by the following:

- Contributions to a variety of insurances and approved Mutual, Superannuation Funds and Mutual Insured Plans:

Contributions to insurances covering death, widowhood, orphanhood, retirement, accidents, work related illnesses or disability, or granting benefits for marriage, maternity, birth or death if such contributions are made by:

- a. Professionals (i.e. lawyers, doctors, engineers, etc.) who did not choose to be covered by the social security regime for the self-employed;
- b. Employees, including their contributions for unemployment benefits; and
- c. Self-employed individuals, as long as their contributions relate to the above-mentioned contingencies or benefits.

This tax relief includes taxpayer's contributions to private pension schemes. Contributions made by an employer (which are attributed to the taxpayer as employment income) are also to be included. Total allowance due to contributions can only annually reach up to 10,000 euro per taxpayer (not per family unit) up to the age of 52. Older individuals or disabled taxpayers may deduct higher amounts, an increase up to 12,500 euro if over 50 years of age.

Family units whose second earner has net work income below 8,000 euro may reduce taxable income up to a maximum of 2,000 euro on a yearly basis, if the main earner contributes to a Pension Fund for her/him.

As a result of the application of reductions of tax base due to social security contributions and due to tax allowances, the tax base (*base liquidable*) may not become negative.

2.6.4 Tax base

The tax base is defined as taxable income minus social insurance contributions and tax allowances.

$$TB = Y - C - A$$

Where, Y is taxable income, C are social insurance contributions and A are tax allowances.

Taxable income includes employment, self-employment, property, capital, and an imputed income from real-estate properties different from owner-occupied first residence. More specifically, the definition of taxable income is as follows:

$$Y = E + P + SE + K + B$$

Where, E is income from dependent employment or pensions, P is property income, K is capital gains income, SE is self-employment income and B is benefit income.

Amounts subtracted from the tax base as allowances include the following variables:

$$A = A_{Per} + A_{Dep} + A_{Fam} + A_{Emp} + A_{Pen}$$

Where, APer is personal tax allowance, ADep is dependent children allowance, AFam is family tax allowances, AEmp is work-related tax allowance and APen is private pensions tax allowance (listed previously).

Taxable income in the Spanish Personal Income Tax is classified into five categories according to the income source, namely: (a) employment income, which includes income from earnings, employment-related benefits in kind, unemployment and pensions income; (b) property income, which includes income gained from real-estate properties or from any movable assets (such as dividends, interest payments and royalties); (c) self-employment income, which includes income from business and professional activities; (d) capital gains, which are classified as short-term capital gains or long-term capital gains; and (e) imputed income.

As a general rule, income is taxable and related expenses are deductible in the year of accrual of the income and the year in which expenses are incurred, regardless of the time of cash receipt and payment. Income spreading is, in general, not allowed.

If spouses file separate returns, the determination of income and deductible expenses attributable to each taxpayer takes into account the category or source of that income. Accordingly:

- employment income (other than pensions) and related reductions are attributed exclusively to the earner; pensions are generally attributed to the individual beneficiary;
- investment income and capital gains are attributed to the individual owners of the underlying items, according to the type of marital property regime as follows.
 - o if the spouses are married under a community property regime, to both spouses on a 50/50 basis unless another method of apportionment can be substantiated; and
 - o if they are married under a separate property regime, entirely to the owner (or registered holder) of the underlying property; and
- self-employment income is attributed to the individual who regularly and directly conducts the business or exercises the independent professional or artistic activities in question.

For tax calculation purposes, the taxpayer's income from the various sources is divided into (i) the special tax base and (ii) the ordinary tax base.

(i) The **savings tax base** (*base imponible del ahorro*) comprises capital gains and losses from assets. This special taxable base is taxed, in 2007, at a flat rate of 18 % (11.1% for the State and 6.9% for the Autonomous Region of taxpayer's residence).

(ii) The **ordinary tax base** (*base imponible general*) comprises the net amount of ordinary income, i.e. the balance resulting from the computation of the positive minus negative amounts of income under the various categories (employment income, investment income, business income, capital gains and imputed income), plus the positive balance of capital gains minus losses on assets. The ordinary tax base is reduced by applicable social security contributions and allowances.

2.6.5 Tax schedule

- Tax schedule 2010

Tax schedules in 2010 differ from those in 2009 in the sense that now 50% of income tax goes to Autonomous regions. Further, the Región de Murcia region has now the same tax schedule as the rest of Autonomous regions.

Income Tax Schedule 2010 (All CCAA but Madrid, La Rioja, Comunidad Valenciana)

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12.0%
33,007.2	28%	14.0%	14.0%
53,407.2	37%	18.50%	18.50%
over	43%	21.50%	21.50%

Income Tax Schedule 2010 for residents in Comunidad de Madrid and La Rioja

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	23.60%	12.0%	11.60%
33,007.2	27.70%	14.0%	13.70%
53,407.2	36.80%	18.50%	18.30%
over	42.90%	21.50%	21.40%

Income Tax Schedule 2010 for residents in Comunidad Valenciana

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	23.90%	12.0%	11.90%
33,007.2	27.92%	14.0%	13.92%
53,407.2	36.95%	18.50%	18.45%
over	42.98%	21.50%	21.48%

The **savings tax base** includes income from capital gains that is subject to tax. The rate has changed in 2010 and is slightly progressive :

Tax base limit (euro per year)	Total Rate
6,000	19.0%
6,001 or over	21.0%

(Half of this tax payment goes for the State and half for the Autonomous Region of taxpayer residence e.g. in the first case, 9.5% for the State and 9.5% for the Region).

- Tax schedule 2011

Income Tax Schedule 2011 for residents in Aragón, Illes Balears, Canarias, Castilla-La Mancha, Castilla-León, Galicia and Región de Murcia

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12.0%
33,007.2	28%	14.0%	14.0%
53,407.2	37%	18.5%	18.5%
120,000.2	43%	21.5%	21.5%
175,000.2	44%	22.5%	21.5%
over	45%	23.5%	21.5%

Income Tax Schedule 2011 for residents in Comunidad de Madrid and La Rioja

EUROMOD Country Report – SPAIN

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	23.6%	12.0%	11.6%
33,007.2	27.7%	14.0%	13.7%
53,407.2	36.8%	18.5%	18.3%
120,000.2	42.9%	21.5%	21.4%
175,000.2	43.9%	22.5%	21.4%
over	44.9%	23.5%	21.4%

Income Tax Schedule 2011 for residents in Comunidad Valenciana

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	23.9%	12.0%	11.9%
33,007.2	27.92%	14.0%	13.92%
53,407.2	36.95%	18.5%	18.45%
120,000.2	42.98%	21.5%	21.48%
175,000.2	43.98%	22.5%	21.48%
over	44.98%	23.5%	21.48%

Income Tax Schedule 2011 for residents in Andalucía

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12%
33,007.2	28%	14.0%	14%
53,407.2	37%	18.5%	18.5%
80,000.0	43%	21.5%	21.5%
100,000.0	44%	21.5%	22.5%
120,000.2	45%	21.5%	23.5%
175,000.2	47%	22.5%	24.5%
over	48%	23.5%	24.5%

Income Tax Schedule 2011 for residents in Asturias

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12%
33,007.2	28%	14.0%	14%
53,407.2	37%	18.5%	18.5%
90,000.0	43%	21.5%	21.5%
175,000.2	46.5%	22.5%	24%
over	48.5%	23.5%	25%

Income Tax Schedule 2011 for residents in Cantabria

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12%
33,007.2	28%	14.0%	14%
53,407.2	37%	18.5%	18.5%
67,707.2	43%	21.5%	21.5%
80,007.2	43.5%	21.5%	22%
99,407.2	44%	21.5%	22.5%
120,000.2	45%	21.5%	23.5%
175,000.2	47%	22.5%	24.5%
over	48%	23.5%	24.5%

Income Tax Schedule 2011 for residents in Extremadura

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12%
33,007.2	28%	14.0%	14%
53,407.2	37%	18.5%	18.5%
60,707.2	43%	21.5%	21.5%
80,007.2	43.5%	21.5%	22%
99,407.2	44%	21.5%	22.5%
120,000.2	45%	21.5%	23.5%
120,007.2	46%	22.5%	23.5%
175,000.2	47%	22.5%	24.5%
over	48%	23.5%	24.5%

Income Tax Schedule 2011 for residents in Cataluña

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24%	12.0%	12%
33,007.2	28%	14.0%	14%
53,407.2	37%	18.5%	18.5%
120,000.2	43%	21.5%	21.5%
175,000.2	46%	22.5%	23.5%
over	49%	23.5%	25.5%

The **savings tax base** includes income from capital gains that is subject to tax. The rate in 2011 is as in 2010, slightly progressive:

Tax base limit (euro per year)	Total Rate
6,000	19.0%
6,001 or over	21.0%

(Half of this tax payment goes for the State and half for the Autonomous Region of taxpayer residence e.g. in the first case, 9.5% for the State and 9.5% for the Region).

- Tax schedule 2012

Income Tax Schedule 2012 for residents in Aragón, Illes Balears, Castilla-La Mancha, Castilla-León and Galicia

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12.0%
33,007.2	30%	16.0%	14.0%
53,407.2	40%	21.5%	18.5%
120,000.2	47%	25.5%	21.5%
175,000.2	49%	27.5%	21.5%
300,000.2	51%	29.5%	21.5%
over	52%	30.5%	21.5%

Income Tax Schedule 2012 for residents in Canarias

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12.0%
33,007.2	30%	16.0%	14.0%
53,407.2	40%	21.5%	18.5%
120,000.2	48.1%	25.5%	22.6%
175,000.2	50.1%	27.5%	22.6%
300,000.2	52.1%	29.5%	22.6%
over	53.1%	30.5%	22.6%

LEY 4/2012, de 25 de junio, de medidas administrativas y fiscales.

Income Tax Schedule 2012 for residents in Comunidad de Madrid and La Rioja

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.35%	12.75%	11.6%
33,007.2	29.7%	16.0%	13.7%
53,407.2	39.8%	21.5%	18.3%
120,000.2	46.9%	25.5%	21.4%
175,000.2	48.9%	27.5%	21.4%
300,000.2	50.9%	29.5%	21.4%
over	51.9%	30.5%	21.4%

Income Tax Schedule 2012 for residents in Comunidad Valenciana and Region de Murcia

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
120,000.2	47%	25.5%	21.5%
175,000.2	50%	27.5%	22.5%
300,000.2	53%	29.5%	23.5%
over	54%	30.5%	23.5%

Income Tax Schedule 2012 for residents in Andalucía

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
60,000.0	43%	21.5%	21.5%
120,000.2	49%	25.5%	23.5%
175,000.2	53%	27.5%	25.5%
300,000.2	55%	29.5%	25.5%
over	56%	30.5%	25.5%

Income Tax Schedule 2012 for residents in Asturias

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
90,000.0	43%	21.5%	21.5%
120000.2	47%	25.5%	21.5%
175,000.2	51.5%	27.5%	24%
300,000.2	53.5%	29.5%	24%
over	54.5%	30.5%	24%

Income Tax Schedule 2012 for residents in Cantabria

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
67,707.2	43%	21.5%	21.5%
80,007.2	43.5%	21.5%	22%
99,407.2	44%	21.5%	22.5%
120,000.2	49%	25.5%	23.5%
175,000.2	52%	27.5%	24.5%
300,000.2	54%	29.5%	24.5%
over	55%	30.5%	24.5%

Income Tax Schedule 2012 for residents in Extremadura

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
60,707.2	43%	21.5%	21.5%
80,007.2	43.5%	21.5%	22%
99,407.2	44%	21.5%	22.5%
120,000.2	49%	25.5%	23.5%
120,007.2	49%	25.5%	23.5%
175,000.2	52%	27.5%	24.5%
300,000.2	54%	29.5%	24.5%
over	55%	30.5%	24.5%

Income Tax Schedule 2012 for residents in Cataluña

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
120,000.2	47%	25.5%	21.5%
175,000.2	51%	27.5%	23.5%
300,000.2	54%	29.5%	25.5%
over	55%	30.5%	25.5%

The **savings tax base** includes income from capital gains that is subject to tax. In 2012 another bracket was introduced:

Tax base limit (euro per year)	Total Rate
6,000	21.0%
6,001 to 24,000	25.0%
24,000 or over	27.0%

(Half of this tax payment goes for the State and half for the Autonomous Region of taxpayer residence e.g. in the first case, 9.5% for the State and 9.5% for the Region).

Tax schedule 2013

The only región that made changes in this period was Asturias, an increase of rates from 70000 and more

Income Tax Schedule 2013 for residents in Aragón, Illes Balears, Castilla-La Mancha, Castilla-León and Galicia

EUROMOD Country Report – SPAIN

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12.0%
33,007.2	30%	16.0%	14.0%
53,407.2	40%	21.5%	18.5%
120,000.2	47%	25.5%	21.5%
175,000.2	49%	27.5%	21.5%
300,000.2	51%	29.5%	21.5%
over	52%	30.5%	21.5%

Income Tax Schedule 2013 for residents in Canarias

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12.0%
33,007.2	30%	16.0%	14.0%
53,407.2	40%	21.5%	18.5%
120,000.2	48.1%	25.5%	22.6%
175,000.2	50.1%	27.5%	22.6%
300,000.2	52.1%	29.5%	22.6%
over	53.1%	30.5%	22.6%

Income Tax Schedule 2013 for residents in Comunidad de Madrid and La Rioja

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.35%	12.75%	11.6%
33,007.2	29.7%	16.0%	13.7%
53,407.2	39.8%	21.5%	18.3%
120,000.2	46.9%	25.5%	21.4%
175,000.2	48.9%	27.5%	21.4%
300,000.2	50.9%	29.5%	21.4%
over	51.9%	30.5%	21.4%

Income Tax Schedule 2013 for residents in Comunidad Valenciana and Region de Murcia

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
120,000.2	47%	25.5%	21.5%
175,000.2	50%	27.5%	22.5%
300,000.2	53%	29.5%	23.5%
over	54%	30.5%	23.5%

Income Tax Schedule 2013 for residents in Andalucía

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
60,000.0	43%	21.5%	21.5%
120,000.2	49%	25.5%	23.5%
175,000.2	53%	27.5%	25.5%
300,000.2	55%	29.5%	25.5%
over	56%	30.5%	25.5%

Income Tax Schedule 2013 for residents in Asturias

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
70,000.0	43%	21.5%	21.5%
90,000.0	48%	25.5%	22.5%
120,000.2	50.5%	25.5%	25.0%
175,000.2	53.0%	27.5%	25.5%
300,000.2	55.0%	29.5%	25.5%
over	56.0%	30.5%	25.5%

Income Tax Schedule 2013 for residents in Cantabria

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
67,707.2	43%	21.5%	21.5%
80,007.2	43.5%	21.5%	22%
99,407.2	44%	21.5%	22.5%
120,000.2	49%	25.5%	23.5%
175,000.2	52%	27.5%	24.5%
300,000.2	54%	29.5%	24.5%
over	55%	30.5%	24.5%

Income Tax Schedule 2013 for residents in Extremadura

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
60,707.2	43%	21.5%	21.5%
80,007.2	43.5%	21.5%	22%
99,407.2	44%	21.5%	22.5%
120,000.2	49%	25.5%	23.5%
120,007.2	49%	25.5%	23.5%
175,000.2	52%	27.5%	24.5%
300,000.2	54%	29.5%	24.5%
over	55%	30.5%	24.5%

Income Tax Schedule 2013 for residents in Cataluña

Upper Limit (euro per year)	Total Rate	State	Autonomous Com.
17,707.2	24.75%	12.75%	12%
33,007.2	30%	16.0%	14%
53,407.2	40%	21.5%	18.5%
120,000.2	47%	25.5%	21.5%
175,000.2	51%	27.5%	23.5%
300,000.2	54%	29.5%	25.5%
over	55%	30.5%	25.5%

The **savings tax base** includes income from capital gains that is subject to tax. The rate in 2013 is as in 2012, slightly progressive:

Tax base limit (euro per year)	Total Rate
6,000	21.0%
6,001 to 24,000	25.0%
24,000 or over	27.0%

(Half of this tax payment goes for the State and half for the Autonomous Region of taxpayer residence e.g. in the first case, 9.5% for the State and 9.5% for the Region).

2.6.6 Tax credits

- Personal and family tax credits
- Once the ordinary and the savings tax base are calculated, these tax credits are calculated at the corresponding individual tax rate. All taxpayers are eligible to these tax credits
- The final personal and family related tax credit is calculated as if following quantities were taxed at a zero rate. Thus, one must sum up all the quantities corresponding to each of the applicable amounts and apply the tax rate as in the schedule. The result obtained will be detracted from the result of applying the tax rate to the total ordinary tax base and savings tax base in order to obtain the total tax charge (*cuota íntegra*).

- *Personal tax credit (Mínimo del contribuyente)*: 5,151 euro for all adult individuals, plus 918 euro if over 65 but younger than 75 (6,069 euro) or plus 1,122 euro if 75 or more years of age (6,273 euro).
- *Dependent children tax credit (Mínimo por descendientes)*: 1,836 euro for the first child, 2,040 euro for the second child, 3,672 euro for the third child and 4,182 euro for any additional child. Additionally if the child is below 3 years of age one will increase the amount in 2,244 euro. Dependent children are defined as less than 25 years, not married, cohabiting with the taxpayer, and whose annual income (excluding those that are not taxable) does not exceed 8,000 euro.
- *Dependent elderly tax credit (Mínimo por ascendientes)*: 918 euro if cohabiting ascendants (blood link to the taxpayer) over 65 or any age if disabled in the household (cohabitation is for more than half a year) if the taxpayer is over 65 years of age and 1,122 euro more if the taxpayer is older than 75 years (or any age if disabled). Annual income of the ascendant must not exceed 8,000 euro.
- *Disability tax credit (Mínimo por discapacidad)*: 2,316 euro if the taxpayer, dependent child or parent is disabled (more than 33% and less than 65% disability). 7,038 euro if taxpayer, dependent child or parent is disabled (more 65% disability). 2,316 euro more if the taxpayer, child or parent is disabled and justifies expenditures on assistance due to reduced mobility or disability over 65%.
- Only cohabiting dependent children are taken into account.
- Under the individual scheme married taxpayers are obliged to divide the amount of the family related credits by two and then apply the tax rate.

There was a change in **Comunidad de Madrid** where dependent children tax credit is now the following:

- *Dependent children tax credit (Mínimo por descendientes) in Comunidad de Madrid*: 1,836 euro for the first child, 2,040 euro for the second child, 4,039.2 euro for the third child and 4,600 euro for any additional child. Additionally if the child is below 3 years of age one will increase the amount in 2,244 euro. Dependent children are defined as less than 25 years, not married, cohabiting with the taxpayer, and whose annual income (excluding those that are not taxable) does not exceed 8,000 euro.

- **Main Residence Mortgage Tax Credit**

As a general rule, the taxpayer is allowed to set off against his income tax liability 15% of the costs up to 9,015.08 euro (i.e. a maximum credit of 1,352.26 euro) incurred for the acquisition or renovation of the taxpayer's main residence (which must be continuously used as his main residence for a minimum period of 3 years).

However for those taxpayers who acquired their dwelling before January 20th 2006, there exists a compensation of an extra 5% for the first 4,507.59 euros.

Alternatively, individuals can profit from a tax credit of 15% of all amounts deposited on special bank accounts (up to 9,015.08 euro) with the purpose of acquiring the first residence. For taking advantage of this credit, taxpayers must acquire first main residence within 4 years since the special bank account was opened. The maximum quantity to profit from was changed in 2011 to 9,040 euros.

In Cataluña in 2010 the percentage drops to 13.5% for individuals over 32 years of age while for those of age equal or below 32 years of age the percentage increases to 16.5%. Further if the renovation is linked to a household member's disability the percentage in Cataluña increases to

22%. In Catalonia the special regime, 9% in regional, could only be used if the house had been bought before June 30th, 2011.

In general this reduction disappeared. For people who bought the house before December 31st, 2012 there is a transition regime²³.

- Main residence rent tax credit (Deducción por alquiler de vivienda habitual):

In order to foster home rent in 2008 there is a new tax credit for taxpayers with tax base below 24,020 euro who live in rented housing. Tax credit base is expenditures on rent. If taxpayer's tax base is 12,000 euro or less the tax credit base limit is 9,015 euro. If tax base between 12,000.01 and 24,020 euro the limit is (9,015 euro – 0.75 (tax base -12,000 euro)). After calculating the tax base using expenditures on rent and taking limits into account, the tax credit is a 10.05 percent of the tax credit base.

- Maternity Tax Credit

This is a refundable tax credit for working mothers with one or several children below 3 years of age, 1,200 euro per year and child conditional on having total contributions to the social security system over the total tax credit. Proportional tax credits are possible as long as conditions apply to the particular time period. This credit may be replaced by a tax-free subsidy of 100 euro per month, at the mother's request.

- Other Tax Credits

Reform of the 400 euro annual tax credit (reforma de la deducción de 400 euros anuales):

This tax credit was reformed in 2010 and only taxpayers with tax base (sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) below 12,000 euro that obtain income from work, unemployment, pensions or self-employment may benefit from this tax credit. The tax credit has two different values depending on the tax base level:

Tax base limit (euro per year)	Tax credit
8,000	400 euro
8,001-12,000	400-0.1(tax base – 8,000)

2.6.6.1 Autonomous Communities Tax credits

There is a wide variety of tax credits which are related to the Autonomous Community of residence. We here provide a detailed list of tax credits applicable in different years, in the different autonomous communities of residence.

²³

Issue	Partially simulated in 2013. People who acquired the house after 1st January 2013 can not benefit from this tax credit but we can not distinguish between them with the current database. It will be possible with EUSILC 2013, not before.
Assumption	All people benefits from the tax credit.
Impact	Unknown

2.6.6.1.1 Andalucía

- a) **Family-related benefits tax credit** (*Deducción para los beneficiarios de ayudas familiares*): (2009) **50 euro** per child at birth if taxpayer eligible for any regional child benefits either for children below 3 years of age or for multiple births. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them. In 2010: **50 euro** more (per child) if multiple birth.

In 2011, 2012 and 2013: As in 2009, but the sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 11 times the SMI (Salario Mínimo Interprofesional).

- b) **Taxpayer’s disability tax credit** (*Deducción para contribuyentes con discapacidad igual o superior al 33%*): In 2009: 100 euro for disabled taxpayers (disability over 33%) provided tax base below 19,000 euro (individual scheme) and 24,000 euro joint scheme.

In 2010, 2011, 2012 and 2013: As in 2009

- c) **2010 Lone-parents and dependent parents over 75 years of age tax credit** (*Deducción para el padre o madre de familia monoparental, y, en su caso, con ascendientes mayores de 75 años*): **100 euro** for lone –parents cohabiting with children below 18 years of age (or over 18 years of age if disabled) and **100 euro** per parent over 75 cohabiting with the family. **In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.**

2011, 2012, 2013: If the sum of general tax base and savings tax base is below 80.000 euros (individual scheme) and 100.000 euros (joint scheme).

- d) **2010 Care or assistance to dependent individuals tax credit** (*Deducción por asistencia a personas con discapacidad*): **100 euro** per disabled or dependent individual. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them. If disabled or dependent individual has caring needs, then taxpayer tax credit will be increased in 15% of carer’s Social Security Contributions with a limit of 500 euro per year.

2011, 2012, 2013: If the sum of general tax base and savings tax base is below 80.000 euros (individual scheme) and 100.000 euros (joint scheme).

- e) **Domestic help tax credit** (*Deducción por ayuda doméstica*): 15% of domestic worker’s annual contributions to Social Security (employer’s part). Couples must both work and lone parents must have income from work. Only head of household is eligible for the credit.²⁴

- f) **Young taxpayers renting first home tax credit** (*Deducción por cantidades satisfechas por el alquiler de la vivienda habitual*): 15% of annual rent for taxpayers below 35 years of age (if joint scheme at least one of them below 35 years of age). Maximum 500 euro per year. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 19,000 euro (individual scheme) or 24,000 euro (joint scheme). In the case of married couples where both are eligible for

24

Issue	This tax credit cannot be simulated due to lack of data on family expenses on social insurance contributions paid for domestic servants.
Assumption	Tax credit is disregarded
Impact	Unknown, there aren’t statistics on the size of this tax credit

this tax credit, the total amount will be equally shared by them, even if the contract is signed only by one of them.

- g) **2010 Fostering self-employment** (*Deducción para el fomento autoempleo*):²⁵ **400 euro** for taxpayers who are newly registered as professionals and who begin their activity this year in Andalucía and keep it for a year. **600 euro** for those in same conditions but who are over 45 years of age.

2.6.6.1.2 Aragón

- a) **Birth of third child or more tax credit (or of the second if disabled)** (*Deducción por nacimiento o adopción del tercer hijo o sucesivos o del segundo hijo discapacitado*):, **500 euro** at birth of third child or more (second if disabled) if cohabiting. **600 euro** when the sum of the general and special tax base is below **32,500 euro**. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- b) **Disabled or dependent people care tax credit** (*Deducción por el cuidado de personas dependientes*): **150 euro** per disabled or dependent who lives with the taxpayer at least six months per year and with incomes after subtracting exempt incomes not exceeding **8,000 euro**. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) minus personal and family allowances (*mínimo por contribuyente y mínimo por descendientes*) must not exceed **35,000 euro** (sum of all members living in household). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

2.6.6.1.3 Principado de Asturias

- a) **Cohabiting dependent elderly over 65 tax credit** (*Deducción por acogimiento no remunerado de mayores de 65 años*): **328 euro** per non-family-related elderly (below third degree relationship²⁶) over 65 years of age who lives with the taxpayer more than 183 days per year provided no regional benefits received for the same reason. The sum of the general and special (or savings after 2007) tax base must not exceed **24,040 euro** (individual scheme) or **33,875 euro** (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them (see table below for following years):

25

Issue	This tax credit cannot be simulated due to lack of data on newly registered professionals.
Assumption	Tax credit is disregarded
Impact	Unknown.

26

Issue	There is no complete information in the data about the second and third degree of family relationship.
Assumption	Tax credit is disregarded
Impact	Unknown, there aren't statistics on the size of this tax credit

Year:	2010	2011	2012	2013
Amount	328	341	341	341
(euro per year):				
Tax base limit	24,040	25009	25009	25009
(individual scheme):				
Tax base limit	33,875	35240	35240	35240
(joint scheme):				

- b) **Renting first home tax credit** (*Deducción por alquiler de vivienda habitual*): In 2010: 10% of annual rent. Maximum 450 euro per year (individual and joint scheme). 15% if in rural areas (councils with less than 3,000 residents²⁷). Maximum 600 euro. Tax base before personal and family allowances must be below 22,660 euro (individual scheme) or 31,930 euro (joint scheme).
 In 2011, 2012 Maximum 600 euro per year for those renting first home in rural areas.
 In 2013: same as 2012

Year:	2009	2010	2011	2012	2013
Maximum amount urban area (euro per year):	10%	10%	10%	10%	10%
Maximum amount rural area (euro per year):		--	--	--	--
Maximum amount (euro per year):	450	450	455	455	455
Tax base limit (individual scheme):	24761	24,761	25,009	25,009	25,009
Tax base limit (joint scheme):	34891	34,891	35,240	35,240	35,240

- c) **Multiple Child's Birth or Adoption tax credit** (*Deducción por partos múltiples o por dos o más adopciones constituidas en la misma fecha*). In 2010: 500 euro for child at birth or adoption if cohabiting. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

Year:	2010	2011	2012	2013
Amount	500	505	505	505
(euro per year):				

- d) **Large Families tax credit** (*Deducción por familias numerosas*). In 2010: 500 euro if cohabiting individuals classify as a large family. 1,000 euro if 5 or more dependent

27

Issue	There is no information in the data about council size.
Assumption	Rural areas are assumed to be “thinly populated area” (see DRD for details). Densely and intermediate populated areas are assumed to be urban areas.
Impact	Unknown, there isn't information about the correlation between “thinly populated” and rural areas.

children (special large families). The sum of the general and special (or savings after 2007) tax base must not exceed 24,761 euro (individual scheme) or 34,891 euro (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

Year:	2010	2011	2012	2013
Amount	500	505	505	505
(euro per year):				
Amount Special	1,000	1,010	1,010	1,010
(euro per year):				
Tax base limit	24,761	25,009	25,009	25,009
(individual scheme):				
Tax base limit	34,891	34,891	35,240	35,240
(joint scheme):				

- e) **Lone parents tax credit** (*Deducción por familias monoparentales*). In 2010: 300 euro if not cohabiting with other adults except parents (ascendants). The sum of the general and special (or savings after 2007) tax base plus exempt annual payments for children of non-cohabiting divorced individuals must not exceed 34,891 euro (individual scheme).

Year:	2009	2010	2011	2012	2012
Amount	300	300	303	303	303
(euro per year):					
Amount Special	1000	1,000	1,010	1,010	1,010
(euro per year):					
Tax base limit	34891	34,891	35,240	35,240	35,240
(individual scheme):					

- c) **2010 Fostering self-employment for females and young individuals** (*Deducción para el fomento autoempleo de las mujeres y los jóvenes emprendedores*):²⁸ 170 euro for taxpayers below 30 years of age (at 31st december 2010) and any age if females who are newly registered as professionals and who begin their activity this year in Asturias and keep it for a year.

Year:	2009	2010	2011	2012	2013
Amount	170	170	170	170	172
(euro per year):					

- d) **2010 Fostering self-employment** (*Deducción para el fomento autoempleo*): 68 euro for taxpayers who are self-employed in Asturias. This tax credit is incompatible with the

28

Issue	This tax credit cannot be simulated due to lack of data on newly registered professionals.
Assumption	Tax credit is disregarded
Impact	Unknown.

previous one. The sum of the general and special tax base must not exceed 24,761 euro (individual scheme) or 34,891 euro (joint scheme).

Year:	2009	2010	2011	2012	2013
Amount (euro per year):	68	68	69	69	69
Tax base limit (individual scheme):	24,761	24,761	25,009	25,009	25,009
Tax base limit (joint scheme):	34,891	34,891	35,240	35,240	35,240

2.6.6.1.4 Illes Balears

- a) **Taxpayers of 65 or more years of age tax credit** (*Deducción por contribuyentes de edad igual o superior a 65 años*): 50 euro for taxpayers over 65 at 31st December 2010. Tax base after personal and family allowances must not exceed 12,500 euro (individual scheme) or 25,000 euro (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- b) **Disabled tax credit** (*Deducción por contribuyentes con minusvalía física o psíquica o sensorial o con descendientes con esta condición*): 80 euro for each disabled person in the household (including the taxpayer) and 150 euro each disabled person in the household (including the taxpayer) (disability over 65% or mentally disabled).
- c) **Expenditures on books for children's compulsory education** (*Deducción por gastos de adquisición de libros de texto*): 100% of the expenditures on books for children's compulsory education²⁹ if taxpayer eligible child tax allowance. Limits are related to taxpayer's general tax base. Individual scheme limits: 100 euro per child if tax base below 6,500 euro. 75 euro per child if tax base between 6,500 and 10,000 euro. 50 euro per child if between 10,001 and 12,500 euro. Joint scheme limits: 200 euro per child if tax base below 10,000 euro. 100 euro if tax base between 10,000 and 20,000 euro. 75 euro if between 20,001 and 25,000 euro.
- d) **Young taxpayers renting first home tax credit** (*Deducción por arrendamiento de vivienda habitual por jóvenes, discapacitados o familias numerosas*): 6,5% (in 2009, 2010, 2011, 2012) of annual rent for taxpayers below 36 years of age. Maximum 200 euro per year (individual and joint scheme). Ordinary tax base after personal and family allowances must not exceed 18,000 euro (individual scheme) or 30,000 euro (joint scheme).

In 2013: This tax credit disappeared

29

Issue	There is no information in the data about expenditure on books.
Assumption	Given that the amount is relatively small, it is assumed that all households with children are entitled to the maximum amount.
Impact	Unknown.

- e) **Child adoption tax credit** (*Deducción por adopción*): 600 euro per child adopted that year if qualifying for child allowance. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.³⁰
- f) **Fostering self-employment** (*Deducción para el fomento autoempleo de las mujeres y los jóvenes emprendedores*):³¹: In 2010 and 2011 250 euro for taxpayers below 36 years of age (at 31st december 2010) and 300 euro any age if females who are newly registered as professionals and who begin their activity this year in Illes Balears and keep it for a year. Total income from professional activities cannot exceed 100,000 euro. In 2012: 600 euro for taxpayers who are newly registered as professionals and who begin their activity this year in Illes Balears and keep it for a year. Total income from professional activities cannot exceed 100,000 euro. In 2013 this tax credit disappears

2.6.6.1.5 Canarias

- a) **Child's Birth or Adoption tax credit** (*Deducción por nacimiento o adopción de hijos*): 200 euro for first or second child. 400 euro for third child. 600 euro for fourth child. 700 euro for fifth child. 400 euro for first or second child with disability (65% or more). 800 euro for third of more children with disability. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

In 2012 and 2013, income limits were introduced: Eligible taxpayers cannot earn incomes over 39,000 euro (individual scheme) or 52,000 (joint scheme).

- b) **Expenditures on child care tax credit** (*Deducción por gastos de guardería*): 15 % of the expenditures on child care for children <3 years of age (in a nursery or day care centre)³² with a maximum of 400 euro per child a year.

In 2009, 2010, 2011: Eligible taxpayers cannot earn incomes over 60,000 euro (12,000 euro more if in joint scheme).

In 2012, 2013: Eligible taxpayers cannot earn incomes over 39,000 euro (52,000 euro in joint scheme).

In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

30

Issue	There is no information in the data about adoption.
Assumption	Tax credit is not simulated
Impact	Unknown.

31

Issue	This tax credit cannot be simulated due to lack of data on newly registered professionals.
Assumption	Tax credit is disregarded
Impact	Unknown.

32

Issue	There is no information in the data on child care expenditure
Assumption	Child care amount is imputed
Impact	Unknown.

c) **Disabled taxpayers and taxpayers over 65 tax credit** (*Deducción por contribuyentes minusválidos y mayores de 65 años*): 300 euro per tax payer with a disability of 33% or more. 120 euro if over 65 years of age.³³

In 2012, 2013, income limit: Eligible taxpayers cannot earn incomes over 39,000 euro (individual scheme) or 52.000 (joint scheme).

d) **Large Families tax credit** (*Deducción por familia numerosa*): 200 euro if cohabiting individuals classify as a large family. 400 euro if 5 or more dependent children (special large families). If any member of married couple or cohabiting child is disabled (more than 65%) the quantity is 500 euro or 1000 euro (5 or more dependent children (special large families).

e) **Renting first home tax credit** (*Deducción por alquiler de vivienda*): 15% of annual rent. Maximum 500 euro per year (individual and joint scheme). The ordinary tax base (*base imponible general*) must not exceed 20,000 euro (individual scheme) or 30,000 euro (joint scheme).

f) **Expenditures on child's studies out of the residence island tax credit** (*Deducción por gastos de estudios de descendientes*): 1,500 euro per dependent child below 25 years of age (at 31 December 2007) studying a degree at University not offered by Canarian Universities in their residence island, with incomes below 6,000 euro. Household income after subtracting exempt incomes cannot exceed 60,000 euro if individual scheme and 80,000 euro in the joint scheme. Limit: tax credit will not exceed 40% of the autonomous community tax bill before deducting tax credits. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.³⁴

g) **Mortgage cost increase tax credit** (*Deducción por la variación del euribor de préstamos hipotecarios*).³⁵ This tax credit is calculated using information on interest rates payed for main residence mortgage with the limit of 9,015 euro. The tax base is all quantities paid with the 9,015 euro limit. In order to obtain the percentage of tax credit we should calculate the mean value of EURIBOR (1 year) in 2009 minus the mean value of EURIBOR (1 year) in 2008 (see publications of Bank of Spain). The result of the previous calculation multiplied by 100 will be the tax credit rate by which one should multiply the tax base to obtain the tax credit value. The ordinary tax base (*base imponible general*) must not exceed 30,000 euro (individual scheme) or 42,000 euro (joint scheme).

h) **Unemployment tax credit** (*Deducción para contribuyentes desempleados*) 100 euro for taxpayers that have been unemployed for, at least, six months during 2010 and

33

Issue	There is no information in the data about the disability level
Assumption	All disabled with 33% of disability
Impact	Unknown.

34

Issue	There is no information in the data about whether children study out of the residence island.
Assumption	Tax credit is not simulated
Impact	Unknown.

35

Issue	There is not enough information in the data to simulate this tax credit.
Assumption	Tax credit is not simulated
Impact	Unknown.

receive some income from unemployment benefits. Total income from work must be over 11,200 euro and below 22,000 euro. The rest of income components of the ordinary tax base cannot exceed 1,600 euro.

2.6.6.1.6 Cantabria

- a) **Child, elderly and disability care tax credit** (*Deducción por cuidado de familiares*): 100 euro per child below 3 years of age of parent over 70 years of age or any household member with a disability. Only for taxpayers obliged to present a tax return. All members generating the tax credit must cohabit more than 183 days with taxpayer and their incomes cannot exceed 6,000 euro. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

In 2010: the condition of cohabiting more than 183 days with taxpayer is eliminated for children below 3 years of age.

- b) **Young, elderly and disabled taxpayers renting first home tax credit** (*Deducción por arrendamiento de vivienda habitual por jóvenes, mayores y discapacitados*): 10% of annual rent for taxpayers below 35 years of age or over 65 years of age or disabled. Maximum 300 euro per year (individual scheme) or 600 euro (joint scheme). Tax base before personal and family allowances must be below 22,000 euro (individual scheme) and 31,000 euro (joint scheme). : limit is sum of ordinary and savings tax base

2.6.6.1.7 Castilla- La Mancha

- a) **Child’s birth or adoption tax credit** (*Deducción por nacimiento o adopción de hijos*): in 2010,2011 y 2012: 100 euro per child born or adopted that year if qualifying for child allowance. In 2013: same as in 2010 but with some differences for multiple births. 500 euro if two children multiple birth or adoption. 900 euro if three or more children multiple birth or adoption
- b) **Disability tax credit** (*Deducción por discapacidad del contribuyente*): ³⁶ 300 euro if disabled taxpayer (more than 65% disability). In 2010: 200 euro per disabled child or parent (more than 65% disability). Tax base before deducting allowances must be below 36,000 euro. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- c) **Parents over 75 years of age care tax credit** (*Deducción por cuidado de ascendientes mayores de 75 años*): 100 euro per parent who lives with the taxpayer at least six months/year and does not live the rest of the year in any regional retirement home. The limit is that the sum of the ordinary and the savings tax base must not exceed 36,000 euro. Incompatible with the taxpayer’s or parent’s disability tax credit. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- d) **Taxpayers 75 or more years of age tax credit** (*Deducción por contribuyentes mayores de 75 años*): 100 euro for taxpayers over 75 not living more than six months per year in any regional retirement home.

36

Issue	There is no information in the data about the disability level
Assumption	All disabled with 33% of disability, hence this tax credit is not simulated
Impact	Unknown.

- e) **Children or parents' disability tax credit** (*Deducción por discapacidad de ascendientes o descendientes*): 200 euro per taxpayer child or parent with a disability degree equal or higher than 65%.³⁷
- i) **2012 Large family tax credit**. In 2012 y 2013: 150 euro if cohabiting individuals classify as a large family. 300 euro if 5 or more dependent children (special large families). If any member of married couple or cohabiting child is disabled (more than 65%) the quantity is 300 euro or 900 euro (5 or more dependent children (special large families).

2.6.6.1.8 Castilla y León

- a) **Child's birth or adoption tax credit** (*Deducción por nacimiento o adopción*): In 2009: 110 euro for first child born or adopted³⁸ that year if qualifying for child allowance. 274 euro for second child. 548 euro from third child onwards. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

Year:	2009	2010
Amount (euro per year):		
First child	110	110
Second child	274	274
Third or more	548	548

- b) **Child's birth or adoption tax credit** (*Deducción por nacimiento o adopción*): in 2011, 2012 y 2013: 710€ for first child born or adopted³⁹ that year if qualifying for child allowance. 1.475€ for the second child and 2.351€ for the third onwards. If the tax base before personal and family allowances is above 22,000 euro (individual scheme) or above 31,000 euro (joint scheme) then the quantities of the benefit are the following: 410€ for the first child, 875€ for the second child and 1.449€ for the third onwards.
- c) **Large families tax credit** (*Deducción por familia numerosa*): 236.25 euro if cohabiting individuals classify as a large family; 492 euro (in 2010 and 2011) and in 496 euro (in 2012 and 2013) if some disabled parent or child (more than 65% disability⁴⁰); 110 euro

³⁷ Issue There is not enough information in the data to simulate this tax credit.
Assumption Tax credit is not simulated
Impact Unknown.

³⁸ Issue There is no information in the data about adoption.
Assumption This element of the tax credit is not simulated
Impact Unknown.

³⁹ Issue There is no information in the data about adoption.
Assumption This element of the tax credit is not simulated
Impact Unknown.

⁴⁰ Issue There is no information in the data about the disability level
Assumption All disabled with 33% of disability, hence this element of the tax credit is not simulated

more per additional child from fourth onwards. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

- d) **Child care tax credit** (*Deducción por cuidado de hijos menores*)⁴¹: In 2010 and 2011: 30% of the expenditures on child care for children below 4 years of age if both parents at work, (homecare, nursery or similar). Limit: **322 euro** (both joint and individual scheme). The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) minus personal and family allowances (*mínimo por contribuyente y mínimo por descendientes*) must not exceed **18,900 euro** (individual scheme) or **31,500 euro** (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

In 2011, 2012 y 2013: The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) minus personal and family allowances (*mínimo por contribuyente y mínimo por descendientes*) must not exceed 22,000 euro (individual scheme) or 35,000 euro (joint scheme)

- e) **Elderly and disabled taxpayers with caring needs tax credit** (*Deducción por contribuyentes de 65 años o más, afectados por minusvalía y que necesiten ayuda de terceras personas*)⁴²: In 2010: **656 euro** if taxpayer over 65 with caring needs (65% or more of disability). The limit to the tax base is: **18,900 euro** (individual scheme) and **31,500 euro** (joint scheme). As of 2011: 300 euro if taxpayer over 65 (33% or more of disability). 656 euro if taxpayer over 65 with caring needs (65% or more of disability).

Year:	2009	2010	2011	2012
Amount (euro per year):				
Over 65 (33% disability)			300	300
Over 65 (65% disability)	656	656	656	656

- f) **Youth’s renting their first home tax credit** (*Deducción por alquiler de vivienda habitual por jóvenes*): 15% of annual rent. For taxpayers with 35 or less years old. Maximum 459 euro per year (individual and joint scheme). 20% if in rural areas, maximum 612 euro (councils with less than 10,000 residents)⁴³. Maximum 530 euro. Ordinary and special tax base before personal and family allowances must not exceed 18,900 euro (individual scheme) or 31,500 euro (joint scheme).

Impact	Unknown.
41	
Issue	There is no information in the data on child care expenditure
Assumption	Child care amount is imputed in sheet s_es
Impact	Unknown.
42	
Issue	There is no information in the data about the disability level
Assumption	All disabled with 33% of disability, hence this tax credit is not simulated
Impact	Unknown.
43	
Issue	There is no information in the data about council size.
Assumption	Rural areas are assumed to be “thinly populated area” (see DRD for details). Densely and intermediate populated areas are assumed to be urban areas.
Impact	Unknown, there isn’t information about the correlation between “thinly populated” and rural areas.

2.6.6.1.9 Cataluña

- a) **Child’s birth or adoption tax credit** (*Deducción por el nacimiento o adopción de hijos*): 150 euro for first child born or adopted that year if qualifying for child allowance (double tax credit for joint scheme).
- b) **Death of partner tax credit** (*Deducción para contribuyentes que hayan quedado viudos*)⁴⁴: 150 euro in general and 300 euro if dependent child generating child allowance. This tax credit applies during two more fiscal years since partner’s death.
- c) **Rent first home tax credit (in some particular circumstances of economic difficulty) tax credit** (*Deducción por alquiler de vivienda habitual*): 10% of annual rent for taxpayers below 32 years of age or being unemployed more than 183 days during the tax period or being 65 years old or more and widow. Maximum 300 euro per year or 600 euro if joint scheme or Large Family. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 20,000 euro (individual scheme) or 30,000 euro (joint scheme).

2.6.6.1.10 Extremadura

- a) **Disabled family members care tax credit (Deducción por cuidado de familiares discapacitados)**:⁴⁵ 150 euro per taxpayer child or parent cohabiting at least 183 days with a disability degree equal or higher than 65% . The sum of the ordinary (base imponible general) and the savings tax base (base imponible del ahorro) must not exceed 19,000 euro (individual scheme) or 24,000 euro (joint scheme).The yearly income of a disabled taxpayer’s child or parent cannot exceed twice the minimum wage that year. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- b) **Youth, disabled or in a large family renting their first home family tax credit** (*Deducción por alquiler de vivienda habitual para menores de 35 años, familias numerosas y minusválidos*): 10% of annual rent for taxpayers below 35 years of age (if joint scheme at least one of them below 35 years of age), belonging to a large family or being disabled (with a disability level equal or higher than 65%⁴⁶). Maximum 300 euro per year. Tax base (both ordinary and savings tax base) before personal and family allowances must not exceed 19,000 euro (individual scheme) or 24,000 euro (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

44

Issue	There is no information in the data about the year of partner’s death .
Assumption	Tax credit is not simulated
Impact	Unknown.

45

Issue	There is no information in the data about the disability level
Assumption	All disabled with 33% of disability, hence this tax credit is not simulated
Impact	Unknown.

46

Issue	There is no information in the data about the disability level
Assumption	All disabled with 33% of disability, hence this tax credit is not simulated
Impact	Unknown.

In 2012 and 2013: Temporarily removed

- c) **Dependent work tax credit** (*Deducción por percibir retribuciones de trabajo dependiente*): 120 euro for each taxpayer that has income from dependent work below 15,000 euro a year when other incomes are below 600 euro (other income includes income from other sources different from work, income imputations and capital and property income).

Year:	2009	2010	2011	2012	2013
Amount	120	120	100	75	75
(euro per year):					
Income dep.workt	15,000	15,000	15,000	12,000	12,000
Other income	600	600	600	300	300

2.6.6.1.11 Galicia

- a) **Child's birth or adoption tax credit** (*Deducción por el nacimiento o adopción de hijos*): 300 euro per child born or adopted that year and the following two. 360 euro per child in multiple births. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- b) **Large families tax credit** (*Deducción por familia numerosa*): 250 euro if cohabiting individuals classify as a large family. 400 euro if 5 or more dependent children (special large families). If any member of married couple or cohabiting child is disabled (more than 65%⁴⁷): 500 euro if cohabiting individuals classify as a large family. 800 euro if 5 or more dependent children (special large families). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- c) **Child care of children aged 3 or less tax credit** (*Deducción por cuidado de hijos menores*):⁴⁸ 30% of expenditures in the tax period to take care of children below 4 years of age (maximum is 200 euro). Parents must both work and the sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) before personal and family allowances (*mínimo por contribuyente y mínimo por descendientes*) must not exceed is 22,000 euro (individual scheme) or 31,000 euro (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- d) **Disabled taxpayers 65 or more with care needs tax credit** (*Deducción por contribuyente minusválidos, de edad igual o superior a 65 años, que precisen ayuda de terceras personas*)⁴⁹: 10% of expenditures in the tax period to take care of taxpayers

⁴⁷

Issue There is no information in the data about the disability level
 Assumption All disabled with 33% of disability, hence this tax credit is not simulated
 Impact Unknown.

⁴⁸

Issue There is no information in the data on child care expenditure
 Assumption Child care amount is imputed in sheet s_es
 Impact Unknown.

⁴⁹

Issue There is no information in the data about whether individual receives care from a third person

over 65 with a disability of 65% or more (maximum is 600 euro). The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) minus personal and family allowances (*mínimo por contribuyente y mínimo por descendientes*) must not exceed is 22,000 euro (individual scheme) or 31,000 euro (joint scheme). Under the individual scheme married cohabiting taxpayers equally share the credit. The taxpayer cannot be using public or state assisted residences in the region.

- e) **Young taxpayers renting first home tax credit** (*Deducción por alquiler de la vivienda habitual*): 10% of annual rent for taxpayers below 36 years of age. In joint scheme, at least one of them). Maximum: 300 euro per lease (individual and joint scheme). The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 22,000 euro (individual and joint scheme). The date of the lease is subsequent to 1st January 2003.
- f) **2010 Fostering self-employment** (*Deducción para el fomento autoempleo*)⁵⁰: 300 euro for taxpayers below 35 year of age (if men) and any age if women who are newly registered as professionals and who begin their activity this year in Galicia and keep it for a year.

2.6.6.1.12 Comunidad Autónoma de Madrid

- a) **Child’s birth or adoption tax credit** (*Deducción por el nacimiento o adopción de hijos*): 600 euro for first child born or adopted. 750 euro for the second. 900 euro for the third or more. 600 euro more per child in multiple births. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 25,620 euro (individual scheme) or 36,200 euro (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- b) **Acuillance of non-family elderly or disabled individuals tax credit** (*Deducción por acogimiento no remunerado de personas mayores de 65 años o discapacitados*): 2010: 900 euro per elderly over 65 or disabled more than 33% cohabiting with taxpayer more than 183 days. Person cannot be family-related to the tax payer (up to fourth degree).⁵¹. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 25,620 euro (individual scheme) or 36,200 euro (joint scheme). No other monetary aid from the regional government is compatible with this tax credit. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- c) **Young taxpayers renting first home tax credit** (*Deducción por arrendamiento de la vivienda habitual por menores de 35 años*): 20% of annual rent for taxpayers below 35 years of age. Maximum: 840 euro per year (individual and joint scheme). Taxpayer

Assumption	This tax credit is not simulated
Impact	Unknown.

50

Issue	There is no information in the data due to lack of data on newly registered professionals.
Assumption	Tax credit is not simulated
Impact	Unknown.

51

Issue	There is no complete information in the data about the second and third degree of family relationship.
Assumption	Tax credit is disregarded
Impact	Unknown, there aren't statistics on the size of this tax credit

below 35 years of age. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed **25,620 euro** (individual scheme) or **36,200 euro** (joint scheme).

- d) **Child accuillance** (*Deducción por acogimiento familiar de menores*)⁵²: **600 euro** for first child acuilled. **750 euro** for the second. **900 euro** for the third or more. Tax base before personal and family allowances must be below is **25,620 euro** (individual scheme) and **36,200 euro** (joint scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- e) **Mortgage cost increase tax credit** (*Deducción por incrementos coste financiación ajena*)⁵³: This tax credit is calculated using information on interest rates payed for main residence mortgage with the limit of **9,015 euro**. The interest rate quantity will be multiplied by **0.8** until **4,507 euro** and **0.85** for over that value until a maximum of **9,015 euro**. To obtain the tax base the result of the previous calculation will be furtherly multiplied by **0.33**. In order to obtain the percentage of tax credit we should divide the mean value of EURIBOR (1 year) by the mean value of EURIBOR (1 year) in 2007 (see publications of Bank of Spain). The result of the previous fraction multiplied by 100 will be the tax credit rate by which one should multiply the tax base to obtain the tax credit value. In 2010 the EURIBOR quantity was in 2007 was over that of 2010 so this tax credit cannot be used by any taxpayer.
- f) **For low-income families with two or more children** (*Deducción para familias con dos o más descendientes e ingresos reducidos*): As of 2010: 10% of the Autonomous Community tax payment (*cuota íntegra autonómica*) after reducing all other regional tax credits. Eeligible taxpayers are those who have two or more children qualifying for child allowance and the sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed **24,000 euro** (sum of two parents tax bases if in individual scheme).
- g) **2010 For educational expenses** (*Deducción por gastos educativos*)⁵⁴: 10% of educational expenses of children qualifying for child allowance, with a limit of 500 euro per child. Tax base is the cost of expenses on schooling, school clothes and language learning activities during compulsory education. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 10,000 euro times the number of family members (sum of two parents tax bases if in individual scheme). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.
- h) **2010 Additional tax credit for investment in housing** (*Deducción complementaria al tramo autonómico de la deducción por inversión en vivienda habitual*). The quantity of the tax credit is the difference between:
 - a. The quantity of the tax credit in the part of the region (4.95%) in 2008.

⁵² Issue There is no information in the data on child accuillance
 Assumption Not simulated
 Impact Unknown

⁵³ Issue There is no information in the data on mortgage interest rates.
 Assumption Not simulated
 Impact Unknown

⁵⁴
 Issue There is no information in the data on educational expenses
 Assumption Tax credit is not simulated.
 Impact Unknown.

- b. The quantity of the tax credit in the part of the region (7.5%) in 2010.

In 2010 this difference is negative so this tax credit is not applicable.

From 1st January onwards this tax credit does not apply.

- g) **Fostering self-employment for youth** (*Deducción para el fomento autoempleo en jóvenes*)⁵⁵: **1,000 euro** for taxpayers below 35 years of age (at 31st december 2010) who are newly registered as professionals and who begin their activity this year in Madrid and keep it for a year.

2.6.6.1.13 Región de Murcia

Child care of children aged 3 or less tax credit (*Deducción por cuidado de hijos menores*)⁵⁶: **15%** of expenditures in the tax period to take care of children below 3 years of age. Parents must both work and the ordinary tax base minus personal and family allowances cannot exceed **19,360 euro** (individual scheme) or **33,880 euro** (joint scheme). Also the special tax base must be below **1,202.02 euro** both for the individual and joint scheme.

Year:	2010	2011	2012	2013
Amount (euro per year):				
Max. individual scheme	330	330	330	330
Max. Joint scheme	660	660	660	660
Limit individual scheme	19,360	19,360	19,360	19,360
Limit joint scheme	33,880	33,880	33,880	33,880

2.6.6.1.14 La Rioja

- a) **Second of further child's birth or adoption tax credit** (*Deducción por nacimiento y adopción del segundo o ulterior hijo*). **150 euro** for the second. **180 euro** for the third or more. **60 euro** more per child in multiple births. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

2.6.6.1.15 Comunidad Valenciana

- a) **Child's birth or adoption tax credit** (*Deducción por el nacimiento o adopción de hijos*): **270 euro** per child born or adopted. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them. Tax credit is compatible with other tax credits such as *Multiple children's birth or adoption tax credit*, *Disabled child's birth or adoption tax credit* and *Large families tax credit*.

55

Issue	There is no information in the data due to lack of data on newly registered professionals.
Assumption	Tax credit is not simulated
Impact	Unknown.

56

Issue	There is no information in the data on child care expenditure
Assumption	Child care amount is imputed in sheet s_es
Impact	Unknown.

Year:	2010	2011	2012	2013
Amount	270	270	270	270
(euro per year):				

In 2010, 2011: The sum of the ordinary tax base minus reductions (*base liquidable general*) and the savings tax base minus reductions (*base liquidable del ahorro*) must not exceed **27,790 euro** (individual scheme) or **44,995 euro** (joint scheme).

In 2012 and 2013: The sum of the ordinary tax base minus reductions (*base liquidable general*) and the savings tax base minus reductions (*base liquidable del ahorro*) must not exceed **24,000 euro** (individual scheme) or **38,800 euro** (joint scheme).

b) **Multiple children’s birth or adoption tax credit** (*Deducción por nacimiento o adopción múltiples*): **224 euro** per child born in multiple births. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

c) **Disabled child’s birth or adoption tax credit** (*Deducción por nacimiento o adopción de hijos discapacitados*)⁵⁷: In 2009: **224 euro** if first child born or adopted is disabled. **275 euro** if a second or further child born or adopted is also disabled. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

In 2012, 2013: The sum of the ordinary tax base minus reductions (*base liquidable general*) and the savings tax base minus reductions (*base liquidable del ahorro*) must not exceed **24,000 euro** (individual scheme) or **38,800 euro** (joint scheme).

d) **Large families tax credit** (*Deducción por familia numerosa*): In 2010, 2011 y 2012, **204 euro (300 euro in 2013)** if cohabiting individuals classify as a large family; **464 euro (600 euro in 2013)** if 5 or more dependent children (special large families). In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

Year:	2010	2011	2012	2013
Amount				
(euro per year):				
Large family	204	204	204	300
Special large family	464	464	464	600

In 2012 and 2013: The sum of the ordinary tax base minus reductions (*base liquidable general*) and the savings tax base minus reductions (*base liquidable del ahorro*) must not exceed **24,000 euro** (individual scheme) or **38,800 euro** (joint scheme).

57

Issue	There is no information in the data about disability of household members aged under 16.
Assumption	Tax credit is disregarded
Impact	Unknown, there aren’t statistics on the size of this tax credit

- e) **Disabled taxpayers 65 or more tax credit** (*Deducción por contribuyentes discapacitados de edad igual o superior a 65 años*). 179 euro if disabled (33% or more⁵⁸) taxpayer 65 or more years of age.

Year:	2010	2011	2012	2013
Amount	179	179	179	179
(euro per year):				

In 2012 and 2013: The sum of the ordinary tax base minus reductions (*base liquidable general*) and the savings tax base minus reductions (*base liquidable del ahorro*) must not exceed 24,000 euro (individual scheme) or 38,800 euro (joint scheme).

- f) **Housework tax credit** (*Deducción por la realización por uno de los cónyuges de la unidad familiar de labores no remuneradas en el hogar*): In 2009: 153 euro if only one family member receives income from work and there are, at least, two cohabiting children Taxpayer must be eligible for child tax allowance for each child generating the tax credit (see general conditions for child tax allowance eligibility). The couple cannot be divorced and children cannot work. The the sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must be below 27,790 euro. No family member can obtain more than 357 euro in capital gains⁵⁹.

Year:	2009	2010	2011	2012	2013
Amount	153	153	153	153	153
(euro per year):					
Limit tax base	27,790	27,790	27,790	24,000	24,000
Limit capital gains	357	357	357	357	357

- g) **Child care for children below 3 years of age tax credit** (*Deducción or cantidades destinadas a la custodia en guarderías y centros de primer ciclo de educación infantil de hijos menores de tres años*): In 2009: 15% of expenditures in the tax period to take care of children below 3 years of age (maximum is 270 euro for whatever scheme)⁶⁰. Parents must both work and the sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must be below 27,790 euro (individual scheme) and 44,955 euro (joint scheme). Also the special tax base must not exceed 615 euro. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

Year:	2009	2010	2011	2012	2013
Maximum	270	270	270	270	270
Limit tax base (individual)	27,790	27,790	27,790	24,000	24,000
Limit tax base (joint)	44,955	44,955	44,955	38,800	38,800

58

Issue There is no information in the data about the disability level
 Assumption All disabled with 33% of disability, hence this tax credit is simulated
 Impact Unknown.

59

Issue There is no information in the data about capital gains.
 Assumption No one receives capital gains.
 Impact Unknown.

60

Issue There is no information in the data on child care expenditure
 Assumption Child care amount is imputed in sheet s_es
 Impact Unknown.

Limit special tax base	--	--	--	--	--
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- h) **Disabled parents over 75 years of age or over 65 and disabled tax credit** (*Deducción por ascendientes mayores de 75 años o mayores de 65 discapacitados*): 179 euro per elderly over 75 (or over 65 if disabled more than 33% (if psychic disability)⁶¹ or more than 66% if physic disability) non cohabiting with taxpayer and whose non-exempt incomes are below 8,000 euro. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) after allowances must not exceed 27,790 euro (individual scheme) or 44,955 euro (joint scheme).

Year:	2010	2011	2012	2013
Amount (euro per year):	179	179	179	179
Limit tax base (individual)	27,790	27,790	24,000	24,000
Limit tax base (joint)	44,955	44,955	38,800	38,800

- i) **Work-life balance tax credit** (*Deducción por conciliación del trabajo con la vida familiar*): Working mothers may benefit from a 418 euro tax credit per child of 4 years of age (over 3 and below 5 years of age). Taxpayer must be eligible for child tax allowance for each child generating the tax credit. In the case that two or more taxpayers are eligible for this tax credit, the total amount will be equally shared by them.

Year:	2010	2011	2012	2013
Amount (euro per year):	418	418	418	418

In 2012: The sum of the ordinary tax base minus reductions (*base liquidable general*) and the savings tax base minus reductions (*base liquidable del ahorro*) must not exceed 24,000 euro (individual scheme) or 38,800 euro (joint scheme).

- j) **Renting first home tax credit** (*Por arrendamiento de vivienda habitual*): 15% of annual rent. Maximum: 459 euro per year. 20% of annual rent for taxpayers below 35 years of age or disabled (maximum 612 euro). 25% euros anual rent for taxpayers below 35 years of age and disabled, máximo 765 euro. If in joint scheme tax credit will be multiplied by two. The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) minus allowances must not exceed 27,790 euro (individual scheme) or 44,955 euro (joint scheme).

Year:	2009	2010	2011	2012	2013
Maximun amount (euro per year):	459	459	459	459	459
Max. Amount (<35)	612	612	612	612	612
Limit tax base (individual)	27,790	27,790	27,790	24,000	24,000
Limit tax base (joint)	44,955	44,955	44,955	38,800	38,800

⁶¹

Issue	There is no information in the data about the level or type (psychic or other) disability
Assumption	All disabled with 33% of “physic” disability, hence this element of the tax credit is not simulated
Impact	Unknown.

- k) **Renting housing for activities in different municipalities' tax credit** (*Deducción por arrendamiento de una vivienda, como consecuencia de la realización de una actividad, por cuenta propia o ajena, en distinto municipio*)⁶²: 10% of annual rent for taxpayers renting housing for activities in different municipalities (more than 100 km of distance between municipalities). Maximum: 204 euro per lease (individual and joint scheme). The sum of the ordinary (*base imponible general*) and the savings tax base (*base imponible del ahorro*) must not exceed 27,790 euro (individual scheme) or 44,955 euro (joint scheme). In the joint scheme the limit of this tax credit will be 204 euro times the number of eligible individuals in the household.
- l) **Mortgage cost increase tax credit** (*Deducción por el incremento de los costes de la financiación ajena en la inversión de la vivienda habitual*)⁶³: In 2010: Ordinary tax base before personal and family allowances must not exceed 25,000 euro (individual scheme) or 40,000 euro (joint scheme). This tax credit is calculated using information on interest rates paid for main residence mortgage with the limit of 9,015 euro. The interest rate quantity will be multiplied by 0.8 until 4,507 euro and 0.85 for over that value until a maximum of 9,015 euro. To obtain the tax base the result of the previous calculation will be furtherly multiplied by 0.33. In order to obtain the percentage of tax credit we should divide the mean value of EURIBOR (1 year) by the mean value of EURIBOR (1 year) in 2007 (see publications of Bank of Spain). The result of the previous fraction multiplied by 100 will be the tax credit rate by which one should multiply the tax base to obtain the tax credit value.
- Only in 2010
- m) **For quantities received from public benefits towards maternity** (*Deducción por cantidades procedentes de ayudas públicas concedidas por la Generalitat en concepto de protección a la maternidad*)⁶⁴: 270 euro per taxpayer if receiving public benefits related to the new law in Comunidad Valenciana for Maternity Protection. Ley 6/2009, de 30 de junio, de la Generalitat, de protección a la maternidad.
- i) **For low-income families with two or more children** (*Deducción autonómica por contribuyentes con dos o más descendientes*) 10% of the Autonomous Community tax payment after reducing all other regional tax credits (*cuota líquida autonómica*). Eligible taxpayers are those who have two or more children qualifying for child allowance and the sum of the ordinary (*base imponible general*) and the savings tax

62

Issue	There is no information in the data about whether municipality of residence and work are different.
Assumption	All individuals are assumed to work in the same municipality as of residence. Hence, this tax credit is not simulated.
Impact	Unknown.

63

Issue	There is no information in the data on interest rates of the mortgage deed
Assumption	Not simulated
Impact	Unknown

64

Issue	There is no information in the data on receiving these public benefits.
Assumption	Tax credit is not simulated
Impact	Unknown.

base (base imponible del ahorro) must not exceed 24,000 euro (sum of two parents tax bases if in individual scheme).

3. DATA

3.1 General description

The EUROMOD database is drawn from the Spanish version of The European Statistics on Income and Living Conditions survey (EU-SILC). This is the main European Union reference source for comparative statistics on income distribution and social exclusion at European level. EU-SILC data refer to both cross-sectional and longitudinal dimensions. The cross-sectional is set up over a certain period of time (annually) with information on household socioeconomic and demographic characteristics, individual income and other interesting information on living conditions. The longitudinal nature of the survey allows following the same person over a period of time in order to study how their life changes when socioeconomic or demographic conditions change or policies are modified.

The EU-SILC provides information on the individuals' level of income and its components, the evolution of income over time and household financial situation. It also contains information on short-term movements linked to employment such as several types of unemployment (short duration, long duration and part time employment), return to work from occasional unemployment, causes and characteristics of part time employment. Concerning retirement, pensions and socio-economic situation of elderly, there are differences according to retirement regimes for people over 50, the factors determining early retirement, distribution of the main sources of income of elderly, composition of retirement pensions according to socio-economic and sociodemographic, evolution of retirement pensions over time, by age groups, distribution and evolution of income from pension plans or private insurance, etc. The survey also covers some aspects related to migration, health, intergenerational transmission of poverty and social participation.

Table 14. EUROMOD database description

	Year 2010
EUROMOD database	ES_2010
Original name	National-SILC
Provider	Instituto Nacional de Estadística (Spain)
Year of collection	2010
Period of collection	2010
Income reference period	2009
Coverage	Private households
Sample size	households: 13,597 individuals: 37,026
Response rate	Household non-response rate: 31.36 (All households) and 27.44 (original households) Overall individual non-response rate: 32.73 (All households) 28.52 (original households)

Notes: Information on response rates come from the Final Quality Report Survey on Income and Living Conditions Spain (Spanish ECV 2010), INE, Madrid, December 2011.

3.2 Data adjustment

In order to make compatible 2009 income with 2010 demographic information, EUROMOD variable reporting individual age (dag) is taken from EU-SILC variable “age at the end of the income period” (RX020). Children born in 2009 (by definition would be aged -1) were dropped from the sample (c.f. section 3.1 for information about its impact on the sample size).

Sample quality and weights

Non-response

Three types of non-response are observed in the EU-SILC in households that have been selected for the survey and given a number of questionnaires. One for the household information (H file) and one for every single member considered as an adult i.e. aged 16+ (P file). If the household gives information on its household questionnaire and at least one of the individual ones then the household is said to be a collaborating household. However, we may find individuals providing partial information (partial non-response) and those who have some individual questionnaire with no answers at all (individual non-response). When the household does not give any answer to the questionnaires (non collaborating household), we have a unit non-response.

To correct these three types of non-response the following methods are implemented by the Spanish Statistical Office:

For partial non-response, IVE imputation is used. For individual non response, an inflation factor is defined in order to increase the total household income at micro level. Finally when unit non-response occurs a reweighting method is used.

- a) IVE imputation Solution for partial non-response: this method uses information on the same individual on the previous wave. If this information is not available or is available but imputed, IVEware is used. IVEware is a SAS callable software application that can perform multiple imputations of missing values using the Sequential Regression Imputation Method described in the article “A multivariate technique for multiply imputing missing values using a sequence of regression models” by Raghunathan, Lepkowski, Van Hoewyk and Solenberger (Survey Methodology, June 2001). This multivariate method can handle relatively complex data structures. It uses random perturbations to create imputations through a sequence of univariate regressions. The type of regression model used depends on the variable being imputed. The imputations are defined as draws from the predictive distribution specified by the regression model. The sequence of imputing missing values could be continued in a cyclic manner, each time overwriting the previously drawn values to build more independence and exploit the correlational structure.
- b) In the case of individual non-response, individuals are imputed their group mean. Groups are defined using certain variables from R-file, such as sex, age, activity, number of children, household type, etc., and assigning the personal income mean value of the group where the individual belongs to.
- c) Unit non-response: using reweighting methods

Weights

The original sample consists of 13,597 households (30,483 individuals). Of these, no households reported missing adjustment income factor and missing household income. These households were excluded from EUROMOD input data.

The weights provided by the EU-SILC are household weights aiming to correct for selective non-response and panel attrition. In EUROMOD these weights have been scaled up to offset the exclusion of households from the original sample. No re-weighting was performed.

In 2013 the national Institute of Statistics of Spain corrected all the weights in their surveys to reflect the reality, to agree with the data of the new census of 2011 and to reflect the situation of the immigrant population.

Children born in 2010 (104 observations) were also excluded from the sample. However the weights were not scaled up to reflect this exclusion. As a result, the sample used in the model is of 13,597 households (37,026 individuals) projecting a population of 45,942,448 individuals instead of 46,087,420 which would include children born in 2010. Table 15 presents some basic descriptive statistics for the grossing-up weight.

Table 15. Descriptive Statistics of the Grossing-up weight

	ES_2010
Number	37,026
Mean	1,244.731
Median	1,014.87
Maximum	16,983.51
Minimum	5.86
Max/Min	2,898.21
Decile 1	330.47
Decile 9	2,324.48
Dec 9 / Dec 1	7.03

Item non-response and under-reporting

Comparison of the Spanish version of EU-SILC with external sources is rather difficult because most often income definitions do not match. The difficulty generally stems from the definition of the income component itself and from the way an amount is expressed (external sources usually provide gross figures). Further, an increasingly large proportion of social transfers are managed by Autonomous Communities which makes it particularly hard to bring all the available information together. Nevertheless, we would like to provide some hints on the validity of the income data from EU-SILC using other information sources.

If we compare the constructed gross income data from EU-SILC (see Paniagua, M. and Méndez, J. (2008)) with those provided by National Accounts data available at the INE (Instituto Nacional de Estadística) we find that total national cash employee income amounts are pretty similar: 294,321 million euro (year 2005) in EU-SILC and 288,640 million euro (year 2003) for National Accounts.

The general conclusions on income non-response in the EU-SILC 2010 from the yearly Quality Report of the Spanish version indicate that almost every household in the sample declared to have received some income (99.3%) during the year. If we take into account the income components at household level, we can say that the sources with more recipients are net interest, dividends, and profits from capital investment in unincorporated business (28.3%) and repayments/receipts for tax adjustments (73.6%). The percentage of households with partial information (30.9%) is due to total disposable household income being a sum of several components, where some of them can be imputed, as it also happens for repayments/receipts for tax adjustments (2.2%). For capital income (37.7%) it is mainly due to collecting the

information with intervals. This is the explanation for net income from rental of a property or land (6.9%) and regular taxes on wealth (14.8%) as well. Now, if we consider the income components at personal level as our main target, we can see that almost half of the individuals providing with individual questionnaires in the sample receive net cash or near cash employee income (44.7%). Apart from employee income, net old-age (20.6%) and gross monthly earnings for employees (35.1%) are significantly important as income sources for these individuals. And also the percentage of persons with total information is quite high.

However, the weak point is the self-employment income component, where the percentage of missing values is 18.5% (which implies more imputation), and the partial information (52.6%) is large as well due to intervals and the component being split into benefits, losses and reductions.

3.3 Imputations and assumptions

3.3.1 Time period

Reference period of income variables (previous year) is different from the socio-demographic, labour and economic characteristics (at time of the interview). The reconciliation of these variables was limited to cases where this inconsistency would undermine the reliability of simulated policies (e.g., the simulation of social contributions may be affected if an individual reporting earnings do not report labour market information due to changes in employment status between income reference period and the time of interview). For details on the number of observations affected and on how these incomes were reconciled see the DRD.

All monetary amounts in the EU-SILC are expressed in annual terms. These are converted into (average) monthly terms dividing them by 12. In the EUROMOD calculations it is implicitly assumed that income is received at the same rate throughout the year. In order to improve the quality of simulation of policies based on monthly income and with duration that may be lower than 12 months in a year (e.g., social contributions and unemployment benefit) variables reporting the number of payments are constructed for key income sources (in particular employment and self-employment income, unemployment benefits and pensions).

3.3.2 Gross incomes

In the EU-SILC 2010, income variables for Spain are available gross of taxes. Such variables were imputed by the Spanish Statistical Institute based on reported net income. For more information on the net to gross imputation see Paniagua and Méndez (2008).

3.3.3 Disaggregation of harmonized variables

Unemployment benefits:

A special disaggregation of the unemployment benefits is received from the national Institute of Statistics and used to classify unemployment benefits in three groups: unemployment insurances, unemployment assistance and other unemployment benefits.

Old age benefits:

A special disaggregation of the old age benefits is received from the national Institute of Statistics and used to distinguish between old age benefits (contributory and non-contributory in the same category) and other type of old age benefits.

Survivor benefits:

A special disaggregation of the survivor benefits is received from the national Institute of Statistics and used to distinguish between survivor benefits (contributory and non-contributory in the same category) and other type of survivor benefits.

Family benefits:

A special disaggregation of the family benefits is received from the national Institute of Statistics and used to distinguish between family benefits and classify them in three categories: maternity, not disabled child benefit and other benefits (for more details see the DRD).

Other imputed variables

- Education status and years of education: in the case where information is missing (e.g., children aged under 16) it is imputed according to age and the Spanish education system (for more details see the DRD).
- Incomes reported at the household level: are assigned either to the most appropriate household member or to first member closer to age 45 (for more details see the DRD).

3.4 Updating

To account for any time inconsistencies between the input dataset and the policy year, updating factors are used. Each monetary variable (i.e. each income component) is updated so as to account for changes in the non-simulated variables that have taken place between the year of the data and the year of the simulated tax-benefit system. Updating factors are generally based on changes in the average value of an income component between the year of the data and the policy year. For detailed information about the construction of each updating factor as well as the sources that have been used, see Annex 1.

As a rule, updating factors are provided both for simulated and non simulated income components present in the input dataset. Note however that in the case of simulated variables, the actual simulated amounts are used in the baseline rather than the updated original variables in the dataset. Updating factors for simulated variables are provided so as to facilitate the use of the model in cases when the user wishes to turn off the simulation of a particular variable. The list of updating factors as well as the sources used to derive them can be found in Annex 1.

4. VALIDATION

4.1 Aggregate Validation

EUROMOD results are validated against external benchmarks. Detailed comparisons of the number of people receiving a given income component and total yearly amounts are shown in Annex 2. Both market incomes and non-simulated taxes and benefits in the input dataset as well as simulated taxes and benefits are validated against external official data. The main discrepancies between EUROMOD results and external benchmarks are discussed in the following subsections. Factors that may explain the observed differences are also discussed.

4.1.1 Components of disposable income

In EUROMOD we calculate the disposable income from gross income variables deducting the total personal income tax that should be paid.

Table 4.1 Components of disposable income

	EUROMOD [year] ils_dispy	EU-SILC [year] HY020
Employee cash or near cash income	+	+
Employer's social insurance contribution	0	0
Company car	0	+
Contributions to individual private pension plans	0	0
Cash benefits or losses from self-employment	+	+
Pension from individual private plans *	+	0
Unemployment benefits	+	+
Old-age benefits	+	+
Survivor' benefits	+	+
Sickness benefits	+	+
Disability benefits	+	+
Education-related allowances	+	+
Income from rental of a property or land	+	+
Family/children related allowances	+	+
Social exclusion not elsewhere classified	+	+
Housing allowances	+	+
Regular inter-household cash transfer received	+	+
Interests, dividends, etc.	+	+
Income received by people aged under 16	+	+
Regular taxes on wealth	-	-
Regular inter-household cash transfer paid	-	-
Tax on income and social contributions	-	-
Repayments/receipts for tax adjustment	0	+

Notes: *Pensions from individual pension plans are included in the EU-SILC variable HX090 (equivalized household disposable income) .

4.1.2 Validation of incomes imputed into the simulation

As can be seen in table 4.2 in Annex2 the number of employed people is well represented in EUROMOD, but that is not the case of unemployed people, this group is under represented.

In terms of annual amounts of market income, tables 4.4 Annex 2, we can only analyse total employment income. The percentage represented in EUROMOD is good, and is increasing from 82% in 2009 to 91% in 2012. We do not have available statistics for 2013.

There are not available external statistics for the majority of the concepts in table 4.4 but what we can say is that the number of recipients could be different between EUROMOD and EU-SILC in the case of income sources that are reported in the EU-SILC at the household level and which were assigned to particular individuals in the EUROMOD input data. Some examples of this are investment, property and others.

As can be seen in table 4.5, Annex 2, in aggregate terms pensions are well represented in EUROMOD by type of pension there is a considerable mismatch between the data and the official external sources. The main reason for this is that, contrary to official statistics, disability and survivor pensions of people aged 65 or more are classified as old-age pensions in the EU-SILC. As a result, the number of recipients of old age benefits in EUROMOD is about 20% above the external data. On the contrary the number of people receiving disability benefit and survivor's pensions is underestimated but the percentage is acceptable, from 77% in the worst case to 84% in the best situation.

The number of recipients and the amounts received of sickness benefits in the input data as shown in tables are significantly underestimated compared to external sources This comes about because external data are constructed using sickness episodes along the year and there are no available external data that allow for the identification of the number of individuals experiencing various episodes along the year. Further, many individuals in the input data may declare income from sickness benefits as employment income.

Maternity benefits recipients are not very well represented, only 51% of the recipients reported from the external data. Quite the opposite happens with social assistance, in EUROMOD recipients of social assistance are the triple of the real ones, this could be because the rules to receive the minimum income guarantee are not easy ones, depending of social assistance people, and eligibility conditions that could not be simulated due to lack of information.

In terms of total amount, table 4.6. in Annex 2 the situation is quite similar to the one in table 4.5.

Finally, some income sources in the EUROMOD input database were derived from EU-SILC aggregate variables that include more than one income source. For example, severance payments, included in the EU-SILC together with unemployment benefits (variable py090g) were split for EUROMOD use.

Pension complements were derived from the original EU-SILC data using a splitting procedure (see the DRD for more on this). The results suggest that overall the number of pension complements and its aggregate amount are overestimated in the input data. Results are considerably worse when broken down by type of pension (do notice that disability pension complements were not derived)

4.1.3 Validation of outputted (simulated) incomes

Pension complements are simulated in the model computing the eligibility as a combination of being reported in the input data (i.e. only those who report pension complement are considered) and the income test (which is fully simulated). The amount of the complement is also simulated by the model. Therefore, the number of recipients in the EUROMOD simulation is very similar to those in the input data.

Looking at table 4.7a it could be highlighted that in terms of recipients old age pension complements and unemployment assistance seem to be well represented in EUROMOD data: 120% and 105% in 2009 respectively).

Old-age non-contributory (assistance) pension was also derived from the EU-SILC aggregate variable py100g. Figures suggest that the number and aggregate amount are underestimated. Old-age assistance is simulated following the same approach as pension complements: eligibility is taken from data but combined with an income test that is simulated by the model. The amount of the benefit is also simulated. According to results, on aggregate, the number of benefit recipients and aggregate amounts seem to be underestimated in EUROMOD in comparison with external data (50% and 53% respectively).

Child benefits are fully simulated in EUROMOD. Overall the number of recipients and aggregate amounts simulated are slightly above official statistics. By benefits, the national and disability child benefit results are not strictly comparable with official statistics: simulated results are computed per recipient (usually household) while official statistics are per child. As for regional child benefits, although the sample size is not large enough to be representative at the regional level, overall the number and average amounts are seem rather comparable to the sum of regional official statistics (regional details not in tables).

Unemployment benefits are simulated following the same approach as pension complements and old-age assistance – eligibility is taken from data but combined with an income test that is simulated by the model, and the amount of the benefit is fully simulated. Unemployment benefit data results are not strictly comparable to official statistics. While the former computes the annual number of recipients and aggregate benefit amounts, the latter shows the average number of recipients along the year and the annualized amount of expenditure on any given month during the year. As a result, it is not surprising that data results show a larger number of recipients and a lower average amount.

Table 4.7b and 4.8b in Annex 2 shows the number and aggregate amounts of social contributions and income tax in EUROMOD's input database, EU-SILC and official statistics. Social contributions are fully simulated in EUROMOD by separating employees in full-time or part-time work and using the information in EU-SILC on sector of activity (3 groups), occupation (10 groups) and maximum level of education achieved (6 levels).

According to results, the number of employee and employer contributions simulated by EUROMOD are slightly overestimated but this is due to the nature of external data. External data count the number of contributing individuals as a mean of the year. Given that EUROMOD simulates all contributors to the Social Security System along the year, the number simulated by EUROMOD must clearly be significantly larger than that obtained from a mean of a cross-section of contributors along the year. A further source of disagreement in these numbers is the fact that we must approximate the external aggregate value of civil servants contributions given that in EUROMOD civil servants are indistinguishable from private sector workers. Thus, our external aggregates include an approximation of civil servants' employer contributions and also real employee civil servants' contributions as if they were private employees. Further, some effect of black economy in the labour market may also be pushing total aggregate social contributions upwards in EUROMOD in comparison with external statistics.

The number and average amount of self-employed contributions simulated by EUROMOD are slightly lower than official statistics. As for the number of contributions this may be due to some self-employed failing or refusing to report their earnings. The fact that the average contribution is lower in EUROMOD is consistent with the fact that in the simulation it is assumed that all self-employed opt for paying the minimum contribution.

The income tax rules are different for the Basque country and Navarra. Nevertheless, for simplicity, we currently do not account for this. As a result, we apply the income tax rules of the common fiscal territory (i.e., all other Spanish regions) on the whole Spanish sample. Since the simulation results for the Basque country and Navarra income tax are not comparable with the official statistics, most figures presented correspond only to the common fiscal territory. Data available in tables 4.7 and 4.8.

EUROMOD underestimate the number of taxpayers 73%. The average amount of simulated taxes is lower than reported in official statistics (69%). Model's accuracy predicting the aggregate amount of income tax is around 69%.

A key reason for the underestimation of the amount of income tax is the underreporting of capital income (investment and property income) and the absence of property gains information in the data.

The number and aggregate amount of the main tax allowances (personal, family and employment) in EUROMOD is quite close to the official statistics. However, results overestimate the aggregate tax base and the “gross” income tax (income tax before tax credits): 110% in 2009.

Using new data in EU-SILC 2010, the mortgage tax credit is simulated. This tax credit is underestimated in the number of taxpayers (57%) that use it and in the aggregate amount (56%) in comparison with official statistics. Finally, the refundable child tax credit (paid to working mothers with children under 3 years of age) is underestimated in number and in aggregate amount but is similar to official statistics in aggregate amount. Further analysis will be carried out to find the cause of such difference.

4.2 Income Distribution

All income distribution results presented here are computed for individuals according to their household disposable income (HDI) equivalised by the “modified OECD” equivalence scale. HDI are calculated as the sum of all income sources of all household members net of income tax and social insurance contributions. The weights in the OECD equivalence are: first adult=1; additional people aged 14+ = 0.5; additional people aged under 14 = 0.3.

4.2.1 Income distribution

The following analysis provides the indicators of income distribution: centiles, mean and median equivalised income⁶⁵ by gender, income quintile ratio, Gini coefficient and poverty rates. Results are presented for three different “sources”: own calculations using EUROMOD baseline output, own calculations based on the original EU-SILC microdata, and statistics published by Eurostat based on the EU-SILC data.

4.2.2 Income inequality

According to results, the equivalised disposable income in EUROMOD is slightly larger than in the original EU-SILC data. Three reasons may lie beneath this difference: a) inclusion of different sources in the definition of household disposable income, b) changes in the sample and recoding negative income into zero, and c) changes in the amounts of some income sources (particularly taxes and benefits) due to its simulation in EUROMOD.

Results on income distribution and inequality are shown in Table 4.9. The table shows that EUROMOD slightly overestimates disposable income. As a result, in 2009 the EUROMOD mean and median disposable incomes are a little higher than in the external statistics.

EUROMOD results suggest smaller figures for the Gini coefficient and the income quintile ratio.

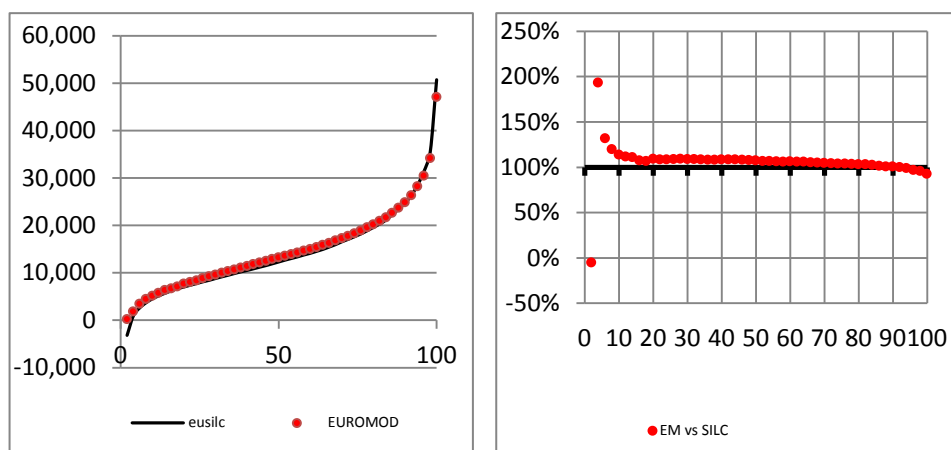
When focusing at the disposable income, it is particularly interesting to analyse the complete structure of the income distribution in EUROMOD and EU-SILC in order to understand the sources of differences in the evaluation of poverty and inequality. For this purpose, we have

⁶⁵ Using the OECD modified equivalence scale.

constructed some figures in which the value of equivalised disposable income, original income, benefits, taxes and contributions is plotted as a mean of each particular equivalised disposable income centile. We have also plotted figures of the mean difference between the value in EUROMOD and in EU-SILC by equivalised disposable income centile.

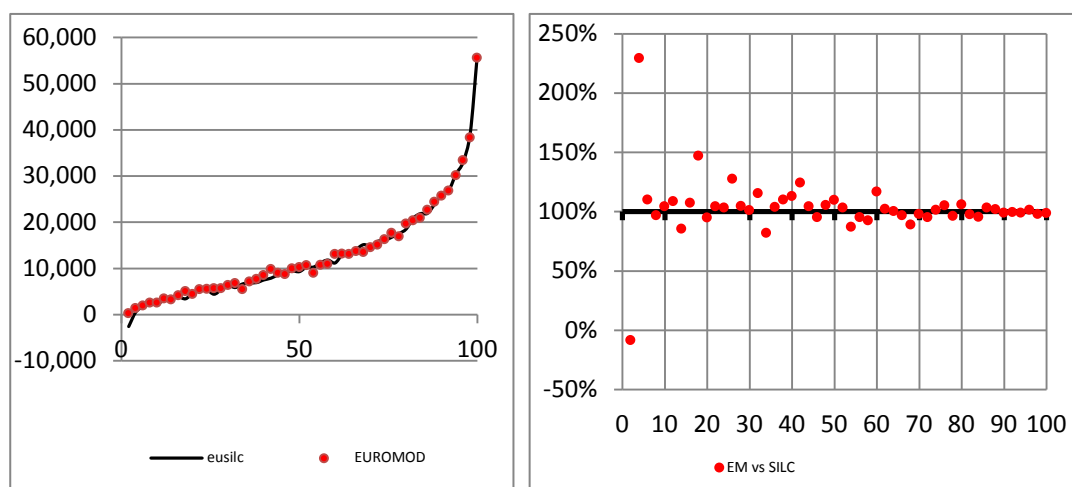
In Figure 1 we can see that EUROMOD tends to slightly increase equivalised disposable income of households below the 5th decile of the distribution while it significantly reduces disposable income of the 10% richest group. This reduction is particularly large for households within the 4% richest of the whole population.

Figure 1. Equivalised disposable income by centiles of equivalised disposable income in EUROMOD and EU SILC: distribution and differences.



In order to understand which of the parts of disposable income is more relevant for this result we can analyse original income, benefits and taxes and contributions separately. The results of this analysis are depicted in Figure 2. Results in the first figures indicate that differences in original incomes between EU-SILC and EUROMOD are somewhat larger at the bottom of the income distribution, in deciles below the fourth.

Figure 2. Equivalised original income by centiles of equivalised disposable income in EUROMOD and EU SILC: distribution and differences.



Results in the following figures show that in the case of benefits (including pensions) the largest differences between EU-SILC and EUROMOD appear at the tails of the income distribution (first and second decile and seventh decile onwards) and are smaller in the middle. Figure 4 shows that the differences in taxes and contributions between EU-SILC and EUROMOD are larger in the first and last decile of the income distribution.

Figure 3. Equivalised benefits (inc Pensions) by centiles of equivalised disposable income in EUROMOD and EU SILC: distribution and differences.

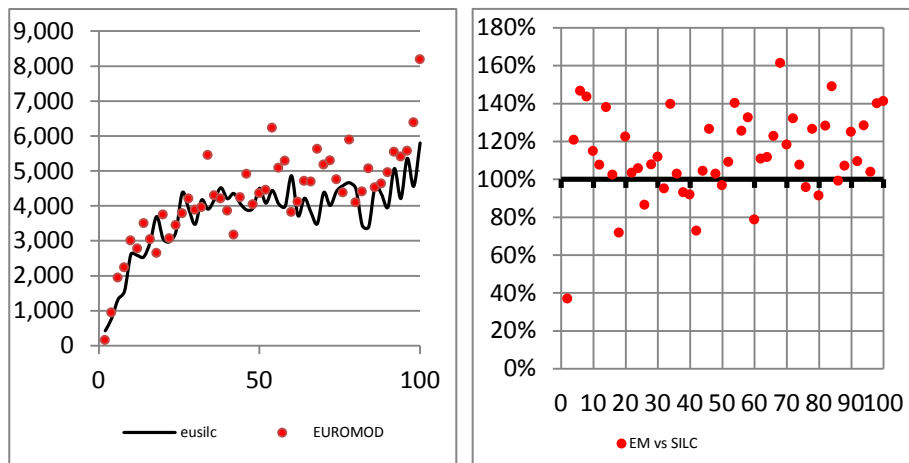
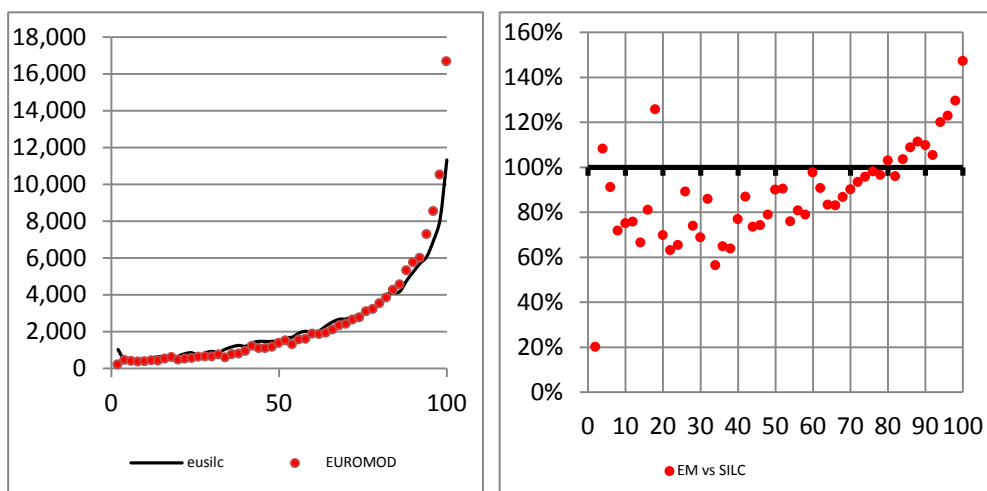


Figure 4. Equivalised taxes (inc contributions) by centiles of equivalised disposable income in EUROMOD and EU SILC: distribution and differences



4.2.3 Poverty rates

Table 4.10 provides at risk of poverty rates using poverty lines based on 40, 50, 60 and 70% of the median equivalised disposable income⁶⁶. As with income inequality indicators, results are presented for three different “sources”: own calculations using EUROMOD baseline output, own calculations based on the original EU-SILC microdata, and statistics published by Eurostat based on the EU-SILC data. According to results, at risk poverty rates are lower in EUROMOD, particularly when using poverty lines over 40% of the median and among females. In the case or

⁶⁶ Using the OECD modified equivalence scale.

poverty rates (50 and 60% of the median) EUROMOD overestimates them in 2009 and underestimates them in 2010.

The table also shows the risk of poverty rates (using 60% of the median equivalised disposable income as poverty line) by age groups.

In line with previous results, at risk of poverty rates calculated using EUROMOD's disposable income are lower than using the original data from the EU-SILC in 2009 and a bit higher in 2010. Rates are particularly lower for retired individuals over 65 years of age.

4.3 Summary of “health warnings”

This final section summarises the main findings in terms of particular aspects of the Spanish part of EUROMOD or its database that should be borne in mind when planning appropriate uses of the model and in interpreting results.

- The sample becomes relatively small when regions are considered. Since most regional policies are targeted at very specific (and in many cases rather small) population subgroups, EUROMOD results are not statistically significant for such policies. Furthermore, validating regional policies is difficult given that information from regions is scarce. Care should be taken when aiming to interpret results for regional benefits of this kind.
- There is a shortfall in people with higher incomes and self-employment income and investment or capital income. It is likely that one problem is a shortfall of high income people with these sources of income or an under-recording of these sources for high income people. Further, underreporting of self-employment and investment income is generally thought of being a source of differences between survey data and tax agency data in Spain.
- By default, the eligibility of the following policies is partially simulated (i.e., conditional on being reported in the data):
 - Unemployment insurance (bunct)
 - Unemployment assistance (bunnc)
 - Non contributory old-age pension benefit (poanc)
 - Old-age pension complement (poacm)
 - Widow/er pension complement (psuwcdm)
- The number of effective recipients of Regional Minimum Income Benefits is much lower than the number of potential recipients. As a result, EUROMOD simulations predict a much larger number of recipients than reported in official statistics. For this reason, by default, EUROMOD standard income definitions (including disposable income) ignore the simulated amount of Regional Minimum Income Benefits (variable bsarg_s) and use the data amount (variable bsa) instead.

5. REFERENCES

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OECD - Social Policy Division - Directorate of Employment, Labour and Social Affairs, Country chapter, Spain - Benefits and Wages (www.oecd.org/els/social/workincentives)

Paniagua, M (2007) Imputation in EU-SILC: an Application to Spain paper presented at the The European Survey Research Association (ESRA) 2007 Conference in Prague See abstract at: http://mediasurveymethodologyeu/files/prague/esra2007_presentations.pdf

Paniagua, M and Méndez, J (2008) How to achieve the final net income by components in the Spanish, paper presented at Tax-benefit Microsimulation in the Enlarged Europe: Results from the I-CUE Project and Perspectives for the Future, 3-4 of April, Vienna, Austria <http://www.eurocentre.org/conferences/icue/files/Paniagua.pdf>

Sources for tax-benefit descriptions/rules

The sources for tax descriptions have been the different laws that were applicable on 30th June each calendar year In particular for the Personal Income tax the applicable laws are:

2009, 2010 and 2011: Ley 35/2006 de reforma del Impuesto sobre la Renta de las Personas Físicas and related reforms.

Further, some of the tax information was obtained from the personal income tax guides of the Spanish Agencia Tributaria available at www.aeat.es

The sources of benefit descriptions come mainly from the information available at the Ministerio de Trabajo e Inmigración (www.mtin.es) In particular it was useful to use the Annual Labour guide (www.mtas.es/en/Guia/entrada.htm) that is partially available on line Also the information in the *Guías de ayudas sociales para las familias* (2009-2011) was very useful for detailed information on family benefits edited by the Ministerio de Sanidad y Política Social (www.msps.es)

The source for the description of social security contributions comes from the information in the publication edited in 2009: *Normas de cotización a la Seguridad Social*, Ministerio de Trabajo e Inmigración, Secretaría de Estado de la Seguridad Social (www.seg-social.es)

ANNEX 1

Updating factors

The factors that are used to update monetary variables from the data year (2009) to 2010-2012 are shown in Table 16.

No other updating adjustments are implemented. In fact characteristics such as employment status and some demographic variables remain as they were in 2010.

Table 16. Updating factors

Variable	Income Source/index type	2010	2011	2012	2013
Default factor	Eurostat / Harmonized Indices of Consumer Prices (HICP) http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/data/database	102.86	105.28	108.44	108.14
bch	Nominal increase child benefit	100.00	100.00	100.00	100.00
bch00	Nominal increase child benefit	100.00	100.00	100.00	100.00
bchot	Nominal increase other child benefits (lump-sum payments at birth)	101.49	102.79	102.79	103.41
bed	Consumer Price Index	101.80	105.05	107.62	109.09
bho	Consumer Price Index	101.80	105.05	107.62	109.09
bsa	Consumer Price Index	101.80	105.05	107.62	109.09
bunct	Minimum wage increase	101.49	102.79	102.79	103.40
bunnc	Increase in IPREM	101.00	101.00	101.00	101.00
kfb	Consumer Price Index	101.80	105.05	107.62	109.09
kivho	Consumer Price Index	101.80	105.05	107.62	109.09
pdi	Consumer Price Index	101.80	105.05	107.62	109.09
phl	Consumer Price Index	101.80	105.05	107.62	109.09
poa00	Consumer Price Index from Nov to Nov*	102.33	102.33	103.35	105.42/ 104.39**
poacm	Nominal increase Minimum Contributory Pension + depsp	104.17	106.58	109.68	111.88
poanc	Nominal increase NC Old-age Minimum Pension	101.00	103.35	106.35	108.49
psuot	Consumer Price Index from Nov to Nov*	102.33	102.33	103.35	105.42/ 104.39**
psuwd00	Consumer Price Index from Nov to Nov*	102.33	102.33	103.35	105.42/ 104.39**
psuwdc m	Nominal increase Widow's Minimum Pension	104.31	106.72	109.82	112.03
tad	Consumer Price Index	101.80	105.05	107.62	109.09
tin	Consumer Price Index	101.80	105.05	107.62	109.09
tis	Consumer Price Index	101.80	105.05	107.62	109.09
tpr	Consumer Price Index	101.80	105.05	107.62	109.09
tscee	Consumer Price Index	101.80	105.05	107.62	109.09
tscer	Consumer Price Index	101.80	105.05	107.62	109.09
tscse	Consumer Price Index	101.80	105.05	107.62	109.09
twl	Consumer Price Index	101.80	105.05	107.62	109.09
yds	Consumer Price Index	101.80	105.05	107.62	109.09
yem	Eurostat / Labour market / Labour costs - Labour cost index - Annual data http://eppeurostateeuropaeu/portal/page/portal/labour_market/labour_costs/database	100.33	102.27	102.03	103.01

EUROMOD Country Report – SPAIN

yivwg	Eurostat / Labour market / Labour costs - Labour cost index - Annual data http://eppeurostateceuropaeu/portal/page/portall/labour_market/labour_costs/database	100.33	102.27	102.03	103.01
	Labour cost public sector, factor for bracket 1	100.35	100.35	92.90	92.90
	Labour cost public sector, factor for bracket 2	100.34	100.33	92.88	92.88
	Labour cost public sector, factor for bracket 3	99.31	98.28	90.97	90.97
	Labour cost public sector, factor for bracket 4	98.94	97.55	90.30	90.30
	Labour cost public sector, factor for bracket 5	98.00	95.71	88.59	88.59
	Labour cost public sector, factor for bracket 6	95.29	90.48	83.73	83.73
yiy	Consumer Price Index	101.80	105.05	107.62	109.09
yot	Consumer Price Index	101.80	105.05	107.62	109.09
ypp	Consumer Price Index	101.80	105.05	107.62	109.09
ypr	Consumer Price Index	101.80	105.05	107.62	109.09
yprrt	Consumer Price Index	101.80	105.05	107.62	109.09
ypt	Consumer Price Index	101.80	105.05	107.62	109.09
yse	Consumer Price Index	101.80	105.05	107.62	109.09
yunsv	Consumer Price Index	101.80	105.05	107.62	109.09
afc	Consumer Price Index	101.80	105.05	107.62	109.09
xhc	Consumer Price Index	101.80	105.05	107.62	109.09
xhcmom	Consumer Price Index				
i		101.80	105.05	107.62	109.09
xhcrt	Consumer Price Index	101.80	105.05	107.62	109.09
xmp	Consumer Price Index	101.80	105.05	107.62	109.09
xpp	Consumer Price Index	101.80	105.05	107.62	109.09

Notes: for further details see the DRD

*In 2013 because of lack of availability Nov to Nov we use May to April indexes

** Lower uprating factor for pensions above 1000 EUR per month

ANNEX 2

Macrovalidation tables

Table 4.2-Number of employed and unemployed (in thousands)

	EUROMOD		External				Ratio				
	2009	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Number of employed	18,400	18,888	18,457	18,105	17,282	N/A	0.97	1.00	1.02	1.06	N/A
Number of unemployed	2,472	4,150	4,632	4,999	5,769	N/A	0.60	0.53	0.49	0.43	N/A

Table 4.7a-Benefit instruments simulated in EUROMOD -Number of recipients/
payers (in thousands)

	EUROMOD					SILC	Ratio	External					Ratio				
	2009	2010	2011	2012	2013	2009	2009	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Benefits																	
NC old age pension (3) Old age pension complement (5)	129	129	129	129	129	131	0.99	261	257	254	252	N/A	0.50	0.50	0.51	0.51	N/A
Widow's pension complement (5)	458	459	463	465	465	504	0.91	756	768	776	781	N/A	0.61	0.60	0.59	0.59	N/A
Unemployment insurance (3)	2929	2929	2929	2929	2929	2981	0.98	1625	1472	1328	1381	N/A	1.80	1.99	2.21	2.12	N/A
Unemployment assistance (3)	1007	1014	1005	1001	1010	1009	1.00	961	1445	1331	1327	N/A	1.05	0.70	0.76	0.76	N/A
Child benefit - without disability (11)	1181	1168	1135	1144	1153	31	37.63	852	965	1000	1023	N/A	1.39	1.22	1.18	1.15	N/A
Child benefit - with disability (11)	183	183	182	180	179	8	24.03	246	255	265	274	N/A	0.74	0.72	0.69	0.67	N/A
Birth/adopt. benefits (2500 euro)	478	478	-	-	-	N/A	N/A	443	455	-	-	-	1.08	1.05	-	-	-
Birth and adoption benefits	26	26	23	23	24	N/A	N/A	9	8	9	8	N/A	2.88	3.06	2.97	3.06	N/A
Regional benefits	419	396	153	152	117	N/A	N/A	420	450	392	345	N/A	1.00	0.93	1.07	1.21	N/A

Table 4.7-Tax instruments simulated in EUROMOD -Number of recipients/ payers
(in thousands)

	EUROMOD					External					Ratio				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Taxes and Social Insurance contributions															
Income tax	15100	15700	15900	16000	16200	20817	20759	20969	N/A	N/A	0.73	0.73	0.72	N/A	N/A
All regions but P. Vasco and Navarra	13841	14405	14582	14740	14885	19315	19257	19468	N/A	N/A	0.72	0.72	0.71	N/A	N/A
P. Vasco	957	975	980	990	995	1171	1171	1171	N/A	N/A	0.82	0.82	0.82	N/A	N/A
Navarra	309	313	312	316	316	330	330	330	N/A	N/A	0.93	0.93	0.93	N/A	N/A
Taxable income	13810	14372	14549	14705	14849	19315	19140	19302	N/A	N/A	0.71	0.72	0.72	N/A	N/A
Work income	13153	13676	13845	13972	14111	16751	16685	16766	N/A	N/A	0.79	0.79	0.78	N/A	N/A
Investment income	3344	3433	3438	3488	3516	16959	16096	15828	N/A	N/A	0.20	0.21	0.21	N/A	N/A
Property income	966	985	987	1009	1022	1545	1579	1664	N/A	N/A	0.63	0.61	0.58	N/A	N/A
Self-employment income	831	881	883	908	914	3013	2984	2988	N/A	N/A	0.28	0.28	0.28	N/A	N/A
Personal and family allowances	13841	14405	14582	14740	14885	19313	19255	19466	N/A	N/A	0.72	0.72	0.71	N/A	N/A
Work allowance	13299	13848	14016	14139	14281	17456	17405	17597	N/A	N/A	0.76	0.76	0.76	N/A	N/A
Tax base	13841	14405	14582	14740	14885	18491	18421	18532	N/A	N/A	0.75	0.75	0.75	N/A	N/A
Gross income tax	13841	14405	14582	14740	14885	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tax credit Mortgage	3550	3749	3784	3880	3897	6183	6054	5802	N/A	N/A	0.57	0.59	0.61	N/A	N/A
Working mother tax credit	306	342	339	347	350	844	835	857	N/A	N/A	0.36	0.37	0.36	N/A	N/A
Social Insurance Contributions															
Employees	19700	19700	19700	19700	19700	17281	16899	16473	15981	N/A	1.14	1.17	1.20	1.23	N/A
Self-employed regime(1)	2057	2057	2057	2057	2057	3214	3126	3089	3046	N/A	0.64	0.66	0.67	0.68	N/A
Employer	18800	18800	18800	18800	18800	17281	16899	16473	15981	N/A	1.09	1.11	1.14	1.18	N/A

Table 4.8a-Benefit instruments simulated in EUROMOD -Annual amounts (Mil.)

	EUROMOD					SILC	Ratio	External					Ratio				
	2009	2010	2011	2012	2013	2009	2009	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Benefits																	
NC old age pension (3) Old age pension complement (5)	653	658	671	685	697	581	1.12	1,228	1,223	1,238	1,260	N/A	0.53	0.54	0.54	0.54	N/A
Widow's pension complement (5)	1,037	1,084	1,198	1,258	1,338	1,581	0.66	2,377	2,566	2,638	2,745	N/A	0.44	0.42	0.45	0.46	N/A
Unemployment insurance (3)	14,334	14,572	14,954	15,260	14,870	14,486	0.99	18,923	17,359	15,841	16,627	N/A	0.76	0.84	0.94	0.92	N/A
Unemployment assistance (3)	3,364	3,413	3,397	3,389	3,396	3,336	1.01	3,091	4,895	7,714	6,362	N/A	1.09	0.70	0.44	0.53	N/A
Child benefit - without disability (11)	611	644	526	529	533	N/A	N/A	262	320	277	284	N/A	2.33	2.01	1.90	1.86	N/A
Child benefit - with disability (11)	756	764	777	788	799	N/A	N/A	855	888	933	981	N/A	0.88	0.86	0.83	0.80	N/A
Birth/adopt. benefits (2500 euro)	1,218	1,218	0	0	0	N/A	N/A	1,121	1,137	N/A	N/A	N/A	1.09	1.07	N/A	N/A	N/A
Birth and adoption benefits	24	24	23	23	23	N/A	N/A	23	23	23	22	N/A	1.06	1.06	1.00	1.05	N/A
Regional benefits	359	332	147	142	74	N/A	N/A	320	349	241	197	N/A	1.12	0.95	0.61	0.72	N/A

Table 4.8b-Tax instruments simulated in EUROMOD -Annual amounts (Mil.)

	EUROMOD					External					Ratio				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Taxes and Social Insurance contributions															
Income tax	47,754	52,726	53,993	57,694	58,908	68,885	72,083	75,221	76,119	N/A	0.69	0.73	0.72	0.76	N/A
All regions but P. Vasco and Navarra															
Navarra	43,187	47,727	48,881	52,228	53,343	63,857	66,977	69,803	70,619	N/A	0.68	0.71	0.70	0.74	N/A
P. Vasco	3,513	3,836	3,922	4,195	4,270	3,918	4,066	4,321	4,400	N/A	0.90	0.94	0.91	0.95	N/A
Navarra	1,054	1,164	1,190	1,271	1,294	1,110	1,040	1,097	1,100	N/A	0.95	1.12	1.08	1.16	N/A
Taxable income	325,943	336,815	343,041	344,345	349,470	403,153	389,942	392,431	N/A	N/A	0.81	0.86	0.87	N/A	N/A
Work income	298,121	307,889	313,158	313,060	317,628	324,276	321,436	322,958	N/A	N/A	0.92	0.96	0.97	N/A	N/A
Investment income	3,894	4,021	4,110	4,286	4,397	25,436	18,544	22,421	N/A	N/A	0.15	0.22	0.18	N/A	N/A
Property income	5,345	5,494	5,643	6,014	6,138	7,985	7,848	7,486	N/A	N/A	0.67	0.70	0.75	N/A	N/A
Self-employment income	23,475	24,550	25,338	26,382	26,836	24,936	24,279	23,104	N/A	N/A	0.94	1.01	1.10	N/A	N/A
Personal and family allowances	96,597	102,105	103,462	104,173	105,168	131,769	131,699	133,235	N/A	N/A	0.73	0.78	0.78	N/A	N/A
Work allowance	41,777	43,417	43,960	44,381	44,855	50,910	51,038	51,540	N/A	N/A	0.82	0.85	0.85	N/A	N/A
Tax base	287,161	296,771	302,829	303,126	307,701	345,670	342,725	343,216	N/A	N/A	0.83	0.87	0.88	N/A	N/A
Gross income tax	74,546	76,849	78,659	82,470	83,806	67,630	66,906	66,978	N/A	N/A	1.10	1.15	1.17	N/A	N/A
Tax Credit Mortgage	2,720	2,948	3,040	2,502	2,536	4,876	4,372	4,245	N/A	N/A	0.56	0.67	0.72	N/A	N/A
Working mother tax credit	389	440	437	447	454	771	767	786	N/A	N/A	0.50	0.57	0.56	N/A	N/A
Social Insurance Contributions															
Employees	20,839	20,933	21,268	21,007	21,256	18,361	17,109	16,379	17,309	N/A	1.13	1.22	1.30	1.21	N/A
Self-employed regime(1)	5,472	5,527	5,582	5,582	5,637	10,800	10,492	10,738	10,827	N/A	0.51	0.53	0.52	0.52	N/A
Employer	97,724	98,122	99,654	98,558	99,748	85,981	85,215	88,373	84,485	72,644	1.14	1.15	1.13	1.17	1.37

Table 4.9-Distribution of equivalised disposable income

	EUROMOD					External					Ratio				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
D1	2.0	2.1	2.0	2.1	2.1	1.4	1.6	N/A	N/A	N/A	1.45	1.30	N/A	N/A	N/A
D2	4.8	4.6	4.6	4.7	4.7	4.5	4.3	N/A	N/A	N/A	1.06	1.07	N/A	N/A	N/A
D2	4.8	4.6	4.6	4.7	4.7	4.5	4.3	N/A	N/A	N/A	1.06	1.07	N/A	N/A	N/A
D3	5.7	6.1	6.1	6.2	6.1	5.8	5.7	N/A	N/A	N/A	0.99	1.06	N/A	N/A	N/A
D4	7.3	7.3	7.3	7.4	7.4	6.9	6.9	N/A	N/A	N/A	1.05	1.06	N/A	N/A	N/A
D5	8.5	8.5	8.5	8.6	8.6	8.3	8.1	N/A	N/A	N/A	1.02	1.05	N/A	N/A	N/A
D6	9.7	9.7	9.7	9.7	9.8	9.5	9.5	N/A	N/A	N/A	1.02	1.02	N/A	N/A	N/A
D7	11.1	11.1	11.1	11.1	11.1	11.0	11.0	N/A	N/A	N/A	1.01	1.01	N/A	N/A	N/A
D8	12.9	12.8	12.8	12.8	12.8	12.9	13.1	N/A	N/A	N/A	1.00	0.98	N/A	N/A	N/A
D9	15.5	15.4	15.3	15.2	15.2	15.8	16.0	N/A	N/A	N/A	0.98	0.96	N/A	N/A	N/A
D10	22.6	22.5	22.5	22.2	22.3	24.1	23.9	N/A	N/A	N/A	0.94	0.94	N/A	N/A	N/A
Median	13,400	13,373	13,534	13,477	13,576	12,667	12,120	11,970	N/A	N/A	1.06	1.10	1.13	N/A	N/A
Mean	14,717	14,685	14,834	14,711	14,811	14,369	13,907	13,885	N/A	N/A	1.02	1.06	1.07	N/A	N/A
Gini	31.4	31.1	31.2	30.6	30.7	34.4	34.5	35.0	N/A	N/A	0.91	0.90	0.89	N/A	N/A
S80/S20	5.6	5.7	5.7	5.5	5.5	7.2	7.1	7.2	N/A	N/A	0.78	0.80	0.79	N/A	N/A

Table 4.10-Poverty rates by gender and age

	EUROMOD					External					Ratio				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
40% median HDI															
Total	9.7	9.4	9.5	9.3	9.3	10.3	10.4	10.5	N/A	N/A	0.94	0.90	0.90	N/A	N/A
Males	9.9	9.6	9.7	9.6	9.5	10.4	10.5	10.8	N/A	N/A	0.95	0.92	0.90	N/A	N/A
Females	9.4	9.2	9.2	9.1	9.1	10.2	10.4	10.3	N/A	N/A	0.92	0.88	0.90	N/A	N/A
50% median HDI															
Total	15.3	14.3	14.2	14.0	14.0	15.1	15.7	15.3	N/A	N/A	1.01	0.91	0.93	N/A	N/A
Males	15.5	14.4	14.4	14.2	14.1	14.9	15.4	15.5	N/A	N/A	1.04	0.94	0.93	N/A	N/A
Females	15.2	14.1	14.1	13.8	13.8	15.2	16.0	15.1	N/A	N/A	1.00	0.88	0.93	N/A	N/A
60% median HDI															
Total	21.4	20.5	20.6	20.1	20.2	21.4	22.2	22.2	N/A	N/A	1.00	0.92	0.93	N/A	N/A
Males	21.4	20.5	20.6	20.2	20.3	20.8	21.6	22.2	N/A	N/A	1.03	0.95	0.93	N/A	N/A
Females	21.4	20.4	20.5	20.0	20.1	22.1	22.7	22.1	N/A	N/A	0.97	0.90	0.93	N/A	N/A
70% median HDI															
Total	28.1	27.5	27.5	27.1	27.0	28.5	29.4	28.7	N/A	N/A	0.99	0.94	0.96	N/A	N/A
Males	27.9	27.3	27.4	26.9	26.8	27.4	28.4	28.7	N/A	N/A	1.02	0.96	0.95	N/A	N/A
Females	28.3	27.7	27.7	27.2	27.1	29.5	30.3	28.7	N/A	N/A	0.96	0.91	0.96	N/A	N/A
60% median HDI															
0-15 years	28.3	27.7	28.1	27.5	27.7	28.3	28.7	28.9	N/A	N/A	1.00	0.97	0.97	N/A	N/A
16-24 years	27.2	27.2	27.2	26.5	26.6	26.4	27.1	30.5	N/A	N/A	1.03	1.00	0.89	N/A	N/A
25-49 years	19.2	18.8	18.9	18.6	18.7	19.3	21.0	22.2	N/A	N/A	0.99	0.90	0.85	N/A	N/A
50-64 years	18.9	18.6	18.4	17.8	18.0	18.2	18.7	18.7	N/A	N/A	1.04	0.99	0.98	N/A	N/A
65+ years	19.5	15.6	15.8	15.2	15.2	20.5	19.5	14.8	N/A	N/A	0.95	0.80	1.07	N/A	N/A