

The federally collected tax revenues - December 2011

The total of the federally collected tax revenues (¹) increased by 1.8% in comparison to December 2010. The minor growth is the result of a decrease (-3.9%) in the direct taxes and an increase in the indirect taxes (+7.7%). The decline in the direct taxes is caused by the assessment roles, in particular by the acceleration of the assessment enrolment of the personal income taxes. All the other sections progressed in a positive way. The strong increase of the withholding tax on dividends, especially, and the 8.9% growth of the advance payments, are worth mentioning. Among the indirect taxes, the excises (+11.2%), the VAT (+9.6%) and, as usual, the registration duties (+9,1%) record nice yields. In December, the revenues exceeded the Treasury estimates.

The 2011 year total of the federally collected tax revenues mounted by 2.9%, whereby the rate of growth of direct taxes and indirect taxes scarcely differed (2.8% and 3.0%). The federal government receipts, on the other hand, went down by -5.1%. The revenues collected on behalf of other authorities were not only supported by the fine yields of certain taxes (registration duties, inheritance taxes), but were additionally sheltered from the consequences of the cyclical downturn which occurred in the course of the year.

At the turn of the year, a comparison of the results with the budgetary goals is paramount. There are two comparison points: on the one hand, the initial budgetary goal (which formed the basis for the stability pact) and on the other hand the latest estimate of the 2011 revenues, the 'revised goal', which acted as the starting point for the 2012 revenue calculations in the recently approved budget.

There is a gap of -2.148 million EUR in comparison to the initial budget of 2011, which is almost evenly divided between direct and indirect taxes. On the side of direct taxes, the two most important shortfalls are situated in the advance payments and the personal income tax assessments. As far as indirect taxes are concerned, the VAT and the excise duties, in particular, fall short of expectations.

The difference with regards to the revised goal is much smaller, as a considerable part of the deficiency with respect to the initial goal had then already been registered. However, there is still a shortage (-1.057 million EUR), with a 60/40 split between direct and indirect taxes. As far as direct taxes are concerned, the shortfall is attributable to the acceleration of the assessment enrolment. On the side of indirect taxes, the slackening VAT towards the end of the year is to blame.

How should we interpret these results? Not all factors are known as yet, since most business cycle data still rely on estimates only.

Bearing this in mind, the shortfall with respect to the initial goal seems not to stem from a error in forecasting global economic growth. On the other hand, economic growth seems to have been less fruitful in delivering tax revenues. Although the tax-to-gdp ex-post elasticity remains positive, it dropped below its medium-term average.

¹ This total includes taxes collected by the Belgian federal tax administration that are reported in the federal Ways and Means budget as well as the tax receipts collected by this administration that are transferred to other government levels and institutions (EU, Social Security Funds, Regions and Communities,...). The federally collected taxes that are transferred to local government (municipalities, provinces and the Brussels Agglomeration) are however excluded.

The structure of the economic growth acts as a first explanatory factor. The growth arose predominantly from foreign trade, and less so from domestic demand, this has a unfavourable impact on tax collection. In addition, stock building apparently occurred, on balance, this is weighing on the VAT revenues. Furthermore, the consumption demand may have deteriorated at the end of the year, perhaps even more severely than anticipated in the most recent forecasts.

On top of these macro-economic factors, comes the impact of the financial crisis. There is a striking contrast between the evolution of the withholding tax on dividends and that of advance payments. The development of the withholding tax on dividends is pointing at a recovery of the profitability of the enterprises, while this is not found in the course of advance payments. The shortfall in advance payments could be linked to a wrong apprehension, at the beginning of the year, of the financial results of the enterprises as well as to underestimation of the impact of carried over corporate income tax deductions. As for the excise duties, the shortfall at the energy products could be explained by the price evolutions and by a larger than expected drop in the quantities sold. For the excises on tobacco products, the available statistics indicate a switch from packaged cigarettes towards rolling tobacco.

All these results are cash based and focus on the revenue side only. However, for the full picture of 2011, the budgetary balance (in ESA-terms) needs to be considered.

The shortfall with respect to the revised goal is mainly caused by the acceleration of assessment enrolment. On the other hand, it is presumptuous to say that, in 2012, the mechanical counterpart of this acceleration would be enough to close the gap which will occur at the next budget check.

TOTAL FEDERALLY COLLECTED TAX REVENUES (million euros)

12 months	2010	2011	Change	Change %
Direct taxes	48.544,8	49.745,9	1.201,1	2,5%
of which:				
- taxes on vehicles	1.938,3	760,7	-1.177,6	-60,8%
- withholding tax on movable income	2.690,1	3.240,8	550,6	20,5%
- advance payments	9.318,6	9.379,6	61,0	0,7%
- assessment receipts personal income tax	-5.013,7	-5.319,1	-305,4	
- assessment receipts corporate income tax	1.209,3	1.435,7	226,4	18,7%
- wage withholding tax	37.889,2	39.632,6	1.743,4	4,6%
Indirect taxes	40.643,2	41.793,1	1.149,9	2,8%
of which:				
- import duties (*)	1.973,5	2.097,9	124,4	6,3%
- excise duties (*)	7.605,9	7.192,2	-413,7	-5,4%
- registration duties	3.540,0	3.866,0	326,0	9,2%
- "actual" VAT	25.041,8	26.181,9	1.140,1	4,6%
- insurance taxes and the like	1.618,7	1.555,5	-63,2	-3,9%
Current tax receipts	89.188,0	91.539,1	2.351,1	2,6%
Inheritance duties	1.924,9	2.058,4	133,5	6,9%
Total tax receipts before corrections	91.112,9	93.597,5	2.484,6	2,7%
Increase or decrease of collected but non itemized receipts	4,7	143,3	138,6	
Total tax receipts including corrections	91.117,6	93.740,8	2.623,3	2,9%
of which:				
- direct taxes including corrections	48.549,5	49.889,3	1.339,8	2,8%
- indirect taxes including inheritance duties and corrections	42.568,1	43.851,6	1.283,5	3,0%

DECEMBER	2010	2011	Change	Change %
Direct taxes	5.646,0	5.299,5	-346,5	-6,1%
of which:				
- taxes on vehicles	196,5	69,8	-126,7	-64,5%
- withholding tax on movable income	217,4	346,8	129,4	59,5%
- advance payments	1.502,5	1.635,9	133,3	8,9%
- assessment receipts personal income tax	-543,6	-1.255,3	-711,7	
- assessment receipts corporate income tax	258,1	229,4	-28,7	-11,1%
- wage withholding tax	3.958,0	4.203,4	245,4	6,2%
Indirect taxes	5.256,3	5.702,5	446,2	8,5%
of which:				
- import duties (*)	178,8	177,5	-1,3	-0,8%
- excise duties (*)	641,4	713,1	71,7	11,2%
- registration duties	424,7	463,4	38,7	9,1%
- "actual" VAT	3.692,1	4.046,7	354,5	9,6%
- insurance taxes and the like	259,0	244,7	-14,3	-5,5%
Current tax receipts	10.902,2	11.002,0	99,7	0,9%
Inheritance duties	241,3	218,2	-23,1	-9,6%
Total tax receipts before corrections	11.143,5	11.220,1	76,6	0,7%
Increase or decrease of collected but non itemized receipts	57,0	182,5	125,6	
Total tax receipts including corrections	11.200,5	11.402,7	202,2	1,8%
of which:				
- direct taxes including corrections	5.702,9	5.482,0	-220,9	-3,9%
- indirect taxes including inheritance duties and corrections	5.497,6	5.920,7	423,1	7,7%

(*) preliminary

The federally collected tax revenues: the situation on 30 November 2011

The total of the federally collected tax revenues (¹) decreased in November by 1.5%. The revenues from the direct taxes show a decline of 2.4% while the indirect taxes decreased by 0.8%. These weak results are not merely caused by the acceleration of the assessment enrolment, but are the result of more deep-seated causes, as the disappointing proceeds of VAT and excise duties show. The revenues of November lie lower than the Treasury estimates. The deterioration in the indirect taxes, in particular, was unexpected.

As far as the past 11 months are concerned, the increase of the federally collected tax revenues comes out to only 3.0%, while the growth after 10 months amounted to 3.4%. The situation of the federal Ways and Means budget deteriorated as well: the decline after 11 months points at 6.3%, while after 10 months, this was only 5.6%.

The comparison to the GDP growth requires a few adaptations: in addition to pure accounting shuffles, the impact of assessment rolls needs to be neutralised, since they are unconnected to the current business cycle developments. The growth rate of the revenues then comes to 3.9%, while the nominal GDP growth would end up at 4.3%, according to the most recent forecasts. So, the increase of the revenues is lower than the GDP growth, while it should be higher.

The most important developments per tax type are as follows:

- The taxes on vehicles from the Wallonian and the Brussels Region grew in the past 11 months by 2.5% only, while the growth rate of the circulation tax even remained below the annual indexation rate.
- The withholding tax on dividends is still growing strongly (+38.4%), while the revenues from the withholding taxes on interests are practically unchanged (+0.7%). This is not too bad, considering the fact of the decreasing interest rates and a preference to saving accounts in the past year.
- The growth of the wage withholding taxes deducted at source (+0.5%) is still lower than what should be the case given the projected increase of the total wage bill.
- The assessment rolled personal income tax is still showing a bonus in comparison to last year, but the head start is shrinking due to the acceleration of the assessment enrolment. As far as the corporate income tax is concerned, the backlog of the assessment enrolment is expected to be wiped out in ESA-terms.
- The VAT results of November are disappointing (+0.5%). This is caused by the weak increase of the gross VAT revenues, which is most probably the result of the cyclical decline.
- The excise duties are still on a decrease, while the increase of the registration taxes is less outspoken than in the first half year.

The bad results in November are widening the gap with the budgetary targets. At present the growth is estimated at 3.1%, while the initial budget projected an increase of 5.1% of the total collected revenues. The target set by the Monitoring Committee (+3.8%) would neither be attained. Overall, the result of the direct taxes are better than those of the indirect taxes.

¹ This total includes taxes collected by the Belgian federal tax administration that are reported in the federal Ways and Means budget as well as the tax receipts collected by this administration that are transferred to other government levels and institutions (EU, Social Security Funds, Regions and Communities,...). The federally collected taxes that are transferred to local government (municipalities, provinces and the Brussels Agglomeration) are however excluded.

Essentially, the main problems relate to VAT and excise duties. As for the advance payments, the principal bottleneck in the direct taxes, the budgetary goal of the Monitoring Committee of 30 September might be achievable after all. The yields of the fourth main due date of the advance payments look indeed promising. Up till 20 December inclusive, the proceeds of the fourth main due date were 10.2% higher than last year.

TOTAL FEDERALLY COLLECTED TAX REVENUES (million euros)

11 months	2010	2011	Change	Change %
Direct taxes	42.898,8	44.446,4	1.547,6	3,6%
of which:				
- taxes on vehicles	1.741,8	690,9	-1.050,9	-60,3%
- withholding tax on movable income	2.472,7	2.894,0	421,2	17,0%
- advance payments	7.816,1	7.743,7	-72,3	-0,9%
- assessment receipts personal income tax	-4.470,2	-4.063,8	406,3	
- assessment receipts corporate income tax	951,2	1.206,3	255,1	26,8%
- wage withholding tax	33.931,3	35.429,3	1.498,0	4,4%
Indirect taxes	35.386,9	36.101,8	714,9	2,0%
of which:				
- import duties (*)	1.794,7	1.920,4	125,7	7,0%
- excise duties (*)	6.964,6	6.490,3	-474,3	-6,8%
- registration duties	3.115,3	3.402,6	287,3	9,2%
- "actual" VAT	21.349,7	22.135,3	785,6	3,7%
- insurance taxes and the like	1.359,7	1.310,8	-49,0	-3,6%
Current tax receipts	78.285,8	80.548,3	2.262,5	2,9%
Inheritance duties	1.683,6	1.840,3	156,7	9,3%
Total tax receipts before corrections	79.969,3	82.388,5	2.419,2	3,0%
Increase or decrease of collected but non itemized receipts	-52,3	-39,2	13,1	
Total tax receipts including corrections	79.917,1	82.349,3	2.432,3	3,0%
of which:				
- direct taxes including corrections	42.846,5	44.407,2	1.560,7	3,6%
- indirect taxes including inheritance duties and corrections	37.070,5	37.942,1	871,6	2,4%

NOVEMBER	2010	2011	VERSCHIL	VERSCHIL %
Direct taxes	2.314,0	2.383,4	69,4	3,0%
of which:				
- taxes on vehicles	157,4	69,5	-87,9	-55,8%
- withholding tax on movable income	187,3	274,1	86,8	46,3%
- advance payments	61,5	72,8	11,4	18,5%
- assessment receipts personal income tax	-739,4	-804,1	-64,7	
- assessment receipts corporate income tax	115,3	68,1	-47,2	-40,9%
- wage withholding tax	2.576,1	2.663,6	87,5	3,4%
Indirect taxes	2.883,9	2.858,0	-25,9	-0,9%
of which:				
- import duties (*)	158,3	163,5	5,2	3,3%
- excise duties (*)	643,1	620,0	-23,1	-3,6%
- registration duties	283,8	299,9	16,0	5,6%
- "actual" VAT	1.651,5	1.659,7	8,2	0,5%
- insurance taxes and the like	101,6	64,3	-37,2	-36,6%
Current tax receipts	5.197,9	5.241,4	43,5	0,8%
Inheritance duties	159,2	162,0	2,9	1,8%
Total tax receipts before corrections	5.357,0	5.403,4	46,4	0,9%
Increase or decrease of collected but non itemized receipts	35,0	-91,2	-126,2	
Total tax receipts including corrections	5.392,0	5.312,2	-79,8	-1,5%
of which:				
- direct taxes including corrections	2.348,9	2.292,2	-56,7	-2,4%
- indirect taxes including inheritance duties and corrections	3.043,1	3.020,1	-23,0	-0,8%

(*) preliminary

The federally collected tax revenues: the situation on 31 October 2011

In October the total of the federally collected tax revenues (¹) increased by 2.3% in comparison to October last year. The direct taxes decreased (-2.3%), while the indirect taxes increased by 7.8%. The decrease of the direct taxes was mainly caused by the acceleration of the assessment enrolment of the personal income tax. The revenues in October are a bit lower than the treasury estimates. In the first ten months, the total of the tax revenues progressed by 3.4% in comparison to last year. In this period, the improvement of the direct taxes exceeded the increase of the revenues of the indirect taxes (+4.0% against +2.6%). In the first ten months, the assessment roll receipts offered a bonus in comparison to last year.

The receipts recorded in the federal Ways and Means budget decreased by 5.6%. In comparison to the situation at the end of September, this situation has stabilised. In fact, the revenues transferred to other authorities are growing markedly faster than the total of the federally collected revenues: most of the taxes which have been collected on behalf of the regions are on a strong increase and the transfers of the personal income tax receipts and VAT are growing independently from the current cyclical movements.

The most recent economic forecasts slightly downgraded the projected real economic growth for 2011 to 2.2%. After disregarding the assessment rolls and mere accounting discrepancies, the underlying trend of the tax revenues remains beneath the projected nominal GDP growth, while it should in fact be superior.

In the first ten months of the year, the most important evolutions were as follows:

- Revenues from the taxes on vehicles hardly grew, reflecting the decline of the number of new car registrations in comparison to last year.
- Revenues from the withholding tax on dividends are on the increase, while the withholding tax on interests are going slightly downwards despite an increase of the yields of the regularisation measures.
- The wage withholding tax is showing a nice result in October, lifting up the growth rate for the first ten months to 5.2%. However, this is still lower than what could be expected on the basis of the projected increase of the total wage bill at the beginning of the year.
- Advance payments in October were better than the results of the previous main due dates. For this reason, the decline since the beginning of the year could be limited to -1.1%.
- As expected, the surge of VAT-refunds in September, has been countered by a drop in October. The growth of the gross VAT slacked off, which is unfortunately logical bearing in mind the business cycle developments of the third quarter. In the first ten months, the net VAT grows by 3.9% only.
- Revenues from excise duties keep on decreasing. This is particularly the case for tobacco excise duties, where 'super sales' are out of the question. The growth of excise duties from energy products matches the yields of the discretionary measures. The volumes dropped due to price increases.

¹ This total includes taxes collected by the Belgian federal tax administration that are reported in the federal Ways and Means budget as well as the tax receipts collected by this administration that are transferred to other government levels and institutions (EU, Social Security Funds, Regions and Communities,...). The federally collected taxes that are transferred to local government (municipalities, provinces and the Brussels Agglomeration) are however excluded.

- The growth of regional registration duties remains considerable (+9.7%).

After the first ten months, the growth rhythm of the cash based revenues is insufficient to reach the initial budgetary target as well as the target set by the Monitoring Committee at the end of September. The most important bottlenecks concern the advance payments and the indirect taxes (VAT and excise duties). In addition, the acceleration of the assessment enrolment will be weighing on the yearly results of 2011 because the acceleration is much stronger than was anticipated at the end of September when drawing up the most recent report of the Monitoring Committee. The gap with regard to the budgetary objectives is widening since June, and the treasury projections for the coming two months suggest that the revenue target will not be reached.

However, the European standards for the budgetary balance are not based on cash revenues but on accruals. At present, it looks as though the tax revenues accrued in 2011 will end up significantly higher than last year, thanks to an acceleration of the assessment enrolment of the corporate income tax, in particular. At the European level, only the budgetary balance according to the ESA concept is decisive. An analysis merely based on cash revenues is obviously incomplete.

TOTAL FEDERALLY COLLECTED TAX REVENUES (million euros)

10 months	2010	2011	Change	Change %
Direct taxes	40.584,9	42.063,1	2.617,8	7,5%
of which:				
- taxes on vehicles	1.584,4	621,4	-871,6	-60,2%
- withholding tax on movable income	2.285,4	2.619,9	282,7	13,2%
- advance payments	7.754,6	7.670,9	-138,3	-2,2%
- assessment receipts personal income tax	-3.730,7	-3.259,7	852,1	
- assessment receipts corporate income tax	835,9	1.138,1	362,4	46,1%
- wage withholding tax	31.355,2	32.765,7	2.111,7	7,7%
Indirect taxes	32.503,0	33.248,9	464,6	1,6%
of which:				
- import duties (*)	1.636,4	1.757,0	118,6	8,2%
- excise duties (*)	6.321,5	5.875,3	-401,3	-7,1%
- registration duties	2.831,5	3.102,8	247,8	9,8%
- "actual" VAT	19.698,2	20.475,6	517,3	3,0%
- insurance taxes and the like	1.258,2	1.246,4	-53,1	-4,6%
Current tax receipts	73.087,9	75.311,9	3.082,3	4,8%
Inheritance duties	1.524,4	1.678,2	142,5	10,5%
Total tax receipts before corrections	74.612,3	76.990,1	3.224,8	4,9%
Increase or decrease of collected but non itemized receipts	-87,3	52,0	-893,2	
Total tax receipts including corrections	74.525,1	77.042,2	2.331,6	3,5%
of which:				
- direct taxes including corrections	40.497,6	42.115,1	1.724,5	4,8%
- indirect taxes including inheritance duties and corrections	34.027,4	34.927,1	607,1	2,0%

OCTOBER	2010	2011	Change	Change %
Direct taxes	5.551,3	4.411,7	859,9	37,3%
of which:				
- taxes on vehicles	135,7	44,4	-91,3	-58,9%
- withholding tax on movable income	148,1	200,0	43,3	26,2%
- advance payments	1.578,5	1.633,1	-0,6	-0,5%
- assessment receipts personal income tax	-368,3	-749,4	66,5	
- assessment receipts corporate income tax	50,6	-9,7	63,3	242,6%
- wage withholding tax	3.955,1	3.253,8	812,6	45,7%
Indirect taxes	3.638,9	3.925,1	-196,6	-7,4%
of which:				
- import duties (*)	180,8	182,7	26,5	16,4%
- excise duties (*)	663,1	623,2	54,2	9,9%
- registration duties	308,8	332,4	9,8	3,1%
- "actual" VAT	2.320,3	2.580,4	-289,1	-20,0%
- insurance taxes and the like	115,3	156,6	5,6	4,7%
Current tax receipts	9.190,2	8.336,8	663,3	13,4%
Inheritance duties	168,9	180,2	-0,9	-0,5%
Total tax receipts before corrections	9.359,1	8.517,0	662,4	12,9%
Increase or decrease of collected but non itemized receipts	-936,7	95,8	-732,7	
Total tax receipts including corrections	8.422,4	8.612,8	-70,3	-1,2%
of which:				
- direct taxes including corrections	4.614,6	4.507,5	127,2	4,1%
- indirect taxes including inheritance duties and corrections	3.807,8	4.105,3	-197,5	-7,0%

(*) preliminary

The federally collected tax revenues: the situation on 30 September 2011

The total of the federally collected tax revenues decreased in September by -1.2%. This bad result is due to indirect taxes: the strong growth of the refunds recorded in September causes a decrease of 20% of the actual VAT and a decline of 7% in the total indirect taxes. On the contrary, direct tax revenues increased by 4%. September revenues lie under the federal treasury estimates.

This bad outcome is reflected in the results of the year: after the first nine months the growth of the total fiscal revenues is only 3.5% while at the end of August, it still reached 4.0%. Direct tax revenues rise by 4.8% in the first three terms, whereas indirect taxes increase by only 2%.

Unfortunately, the decline in September fits within a broader framework of deterioration of the results. The calculation of the underlying trend, which is comparable to the evolution of the economic activity, is showing a new deterioration in September. At present we are on a growth path of 3.5%, while the growth rate ended up at 3.9% at the end of August, and at 4.1% at the end of July. The differential with respect to the expected nominal GDP growth is becoming larger. The weakening growth of the total revenues is entirely supported by the federal government funds, while the growth rate of the total of the transferred revenues remains at about 9.5%.

The most important tax types (total revenues) evolved as such:

- The revenues from withholding tax on dividends remain increasing (+32% at the end of September) while the decline in interest rates and the saving behaviour are still weighing on the underlying trend of the revenues from withholding tax on interests (-2.2%)
- The increase of the revenues from withholding taxes remains lower than what could be expected given the new growth estimates of the total wage bill. However, these estimates are rather optimistic.
- The VAT is decreasing strongly. When compared to the estimates made using the term model of the Research and Documentation Department, the decline cannot be explained by the evolution of economic factors. When analysing the infra-annual movements, there is a possible shift in pattern of the refunds, of which the counterpart should be situated in October.
- The revenues from tobacco excise duties keeps declining and the excise duties levied on energy products and electricity are solely growing thanks to the clicking system for diesel. Apart from that, the price increases lead to a decrease in volumes.
- The revenues from custom duties and registration fees continue showing good results.

The yields of the third main due date of the advance payments are better than those of the second one, at least as far as the year-to-year growth rate is concerned. To our satisfaction, a recovery is established on the advance payments by corporations.

The assessment with respect to the budgetary objectives is confirming the deterioration which occurred during the year. From the second quarter onwards, the direct taxes deviated from the initial budgetary objectives. From the third quarter onwards, this was also the case for the indirect taxes.

In general, the deviation with regards to the initial budgetary goal is growing and in an increasingly negative way. This was already established at the end of September when making the estimates of the expected revenues for the Monitoring Committee.

Overall, the revenues are almost consistent with the then downwards revised goal. The realisation of the latter, however, is depending entirely on a few administrative parameters. The growth rate of the direct taxes without the assessment roll receipts is considerably lower than the revised goal. In order to achieve that goal, the assessment roll receipts need to fill the gap. This requires not accelerating the assessment enrolment of the personal income tax in the last quarter (except for a shift during this quarter) and a normal course of the assessment enrolment of the corporate income tax. As far as indirect taxes are concerned, it is necessary that the change of the rhythm of the refunds has no consequences on a yearly basis. However, the federal treasury estimates clearly indicate an acceleration of the assessment enrolment of the personal income tax for the last quarter, which would lead to underperforming the revised goal. The loss is not structural, though: what has been refunded in December does not require to be refunded in the following months. The acceleration in December could prove to be ESA neutral.

Let us keep in mind that we talk about budgetary goals and that it is premature to anticipate the budgetary results according to the ESA concept. In the end, only the latter count.

TOTAL FEDERALLY COLLECTED TAX REVENUES (million euros)

9 months	2010	2011	Change	Change %
Direct taxes	35.033,6	37.651,4	2.617,8	7,5%
of which:				
- taxes on vehicles	1.448,7	577,0	-871,6	-60,2%
- withholding tax on movable income	2.137,2	2.419,9	282,7	13,2%
- advance payments	6.176,1	6.037,9	-138,3	-2,2%
- assessment receipts personal income tax	-3.362,4	-2.510,3	852,1	
- assessment receipts corporate income tax	785,4	1.147,8	362,4	46,1%
- wage withholding tax	27.400,1	29.511,8	2.111,7	7,7%
Indirect taxes	28.864,1	29.328,7	464,6	1,6%
of which:				
- import duties (*)	1.455,6	1.574,3	118,6	8,2%
- excise duties (*)	5.658,4	5.257,1	-401,3	-7,1%
- registration duties	2.522,6	2.770,4	247,8	9,8%
- "actual" VAT	17.377,9	17.895,1	517,3	3,0%
- insurance taxes and the like	1.142,9	1.089,9	-53,1	-4,6%
Current tax receipts	63.897,7	66.980,0	3.082,3	4,8%
Inheritance duties	1.355,5	1.498,0	142,5	10,5%
Total tax receipts before corrections	65.253,3	68.478,1	3.224,8	4,9%
Increase or decrease of collected but non itemized receipts	849,4	-43,8	-893,2	
Total tax receipts including corrections	66.102,7	68.434,3	2.331,6	3,5%
of which:				
- direct taxes including corrections	35.883,1	37.607,6	1.724,5	4,8%
- indirect taxes including inheritance duties and corrections	30.219,6	30.826,7	607,1	2,0%

SEPTEMBER	2010	2011	Change	Change %
Direct taxes	2.306,9	3.166,9	859,9	37,3%
of which:				
- taxes on vehicles	155,0	63,7	-91,3	-58,9%
- withholding tax on movable income	165,4	208,7	43,3	26,2%
- advance payments	136,6	136,0	-0,6	-0,5%
- assessment receipts personal income tax	6,8	73,2	66,5	
- assessment receipts corporate income tax	26,1	89,4	63,3	242,6%
- wage withholding tax	1.780,0	2.592,6	812,6	45,7%
Indirect taxes	2.641,6	2.445,0	-196,6	-7,4%
of which:				
- import duties (*)	161,3	187,8	26,5	16,4%
- excise duties (*)	548,9	603,1	54,2	9,9%
- registration duties	315,9	325,7	9,8	3,1%
- "actual" VAT	1.443,7	1.154,6	-289,1	-20,0%
- insurance taxes and the like	119,8	125,4	5,6	4,7%
Current tax receipts	4.948,6	5.611,9	663,3	13,4%
Inheritance duties	172,1	171,2	-0,9	-0,5%
Total tax receipts before corrections	5.120,7	5.783,1	662,4	12,9%
Increase or decrease of collected but non itemized receipts	763,1	30,4	-732,7	
Total tax receipts including corrections	5.883,8	5.813,5	-70,3	-1,2%
of which:				
- direct taxes including corrections	3.070,0	3.197,3	127,2	4,1%
- indirect taxes including inheritance duties and corrections	2.813,7	2.616,2	-197,5	-7,0%

(*) preliminary

The federally collected tax revenues: the situation on 31 August 2011

The total of the federally collected tax revenues increased in August by 2.2%. The direct taxes increased by 2.5% while the indirect taxes increased by 2.0%. The realised revenues of August lie close to the most recent federal Treasury estimates.

In the first eight months the increase of the federally collected tax revenues amounted to 4.0%. Largely supported by the assessment roll receipts, the direct taxes (+4.9%) grow considerably faster than the indirect taxes (+2.9%). In the same period, the revenues transferred to other authorities increased strongly (+9.8%), while the remaining federal receipts decreased again (-4.4%). This decrease is deteriorating: at the end of June it was -3.5% and at the end of July it was -4.0%.

These are all accounting results expressed on a cash base. When interpreting and comparing these results with economical developments, one-off elements and different factors which are unconnected to the economic activity have to be taken into account. In order to be able to compare the underlying trend to the forecast economic growth, the assessment roll receipts have to be disregarded because they are unrelated to the economic activity of the current year. In addition, some shifts and other purely accounting factors need to be corrected. Hence, the total of the federally collected tax revenues increased in the first eight months by 3.9%. This lies beneath the nominal GDP growth (5.2% in the first six months), whereas the increase should have been higher.

These were the most important developments in the first eight months per tax type:

- The revenues from taxes on vehicles (Wallonia and the Brussels Region) show a lack of dynamics because in comparison to last year the number of registrations of new vehicles dropped.
- The growth of the revenues from the withholding tax on dividends remains strong, whereas the revenues from the withholding tax on interests are on a decrease (except for the 'state of residence tax' and the regularisation yields) because of the decline in interest yields on outstanding amounts and the investment choices of individuals.
- A decline in the advance payments (-2.3%) is showing, although there were no important payment dates in August
- The receipts from the wage withholding taxes are moving forward. The growth at the end of July was similar to the forecast growth of the total wage bill. But even though the level of growth did not change, a new gap appeared because the economic forecasts were raised.
- The assessment roll receipts for the personal income tax increased with 785 million EUR in comparison to last year. This is mainly due to the exceptional tax discharges in 2010 and an acceleration of the rhythm of the assessment enrolment in the autumn of last year. The corporate income tax could benefit from a bonus of 300 million EUR, which is mainly the result of a shift of advanced payments in 2009 to the assessment roll receipts in 2011.
- After the disruption caused by calendar effects in June and July, the actual VAT grew again at a normal speed (+5.1%).
- The drop in the revenues from tobacco excise duties continues and points at a genuine decline of the volumes. This is also the case for the energy products, except for the impact of the discretionary measures.

- Despite a weakening in the last few months, the increase of the revenues from registration duties remains impressive (+10.8%) and exceeds the growth rate of the value of the sales of property in the first half year.

A comparison with the budgetary targets (initial budget, voted in May) reveals a deteriorating shortfall in the last few months. The findings of the past months are being confirmed. The most important shortfalls are situated in advanced payments and excise duties. The realised VAT revenues lie under the budget target while the wage withholding receipts exceed the target. In general, it seems unlikely that the initial goal will be reached.

TOTAL FEDERALLY COLLECTED TAX REVENUES (million euros)

8 months	2010	2011	Change	Change %
Direct taxes	32.726,7	34.484,5	1.757,8	5,4%
of which:				
- taxes on vehicles	1.293,7	513,3	-780,4	-60,3%
- withholding tax on movable income	1.971,8	2.211,2	239,4	12,1%
- advance payments	6.039,5	5.901,9	-137,7	-2,3%
- assessment receipts personal income tax	-3.369,2	-2.583,5	785,7	
- assessment receipts corporate income tax	759,2	1.058,3	299,1	39,4%
- wage withholding tax	25.620,2	26.919,3	1.299,1	5,1%
Indirect taxes	26.222,5	26.883,6	661,2	2,5%
of which:				
- import duties (*)	1.294,4	1.386,5	92,1	7,1%
- excise duties (*)	5.109,4	4.653,9	-455,5	-8,9%
- registration duties	2.206,7	2.444,7	238,0	10,8%
- "actual" VAT	15.934,1	16.740,6	806,4	5,1%
- insurance taxes and the like	1.023,1	964,5	-58,6	-5,7%
Current tax receipts	58.949,1	61.368,1	2.419,0	4,1%
Inheritance duties	1.183,4	1.326,8	143,4	12,1%
Total tax receipts before corrections	60.132,6	62.695,0	2.562,4	4,3%
Increase or decrease of collected but non itemized receipts	86,3	-74,2	-160,5	
Total tax receipts including corrections	60.218,9	62.620,8	2.401,9	4,0%
of which:				
- direct taxes including corrections	32.813,0	34.410,3	1.597,3	4,9%
- indirect taxes including inheritance duties and corrections	27.405,9	28.210,5	804,6	2,9%

AUGUST	2010	2011	Change	Change %
Direct taxes	2.981,0	3.202,4	221,3	7,4%
of which:				
- taxes on vehicles	169,3	59,9	-109,4	-64,6%
- withholding tax on movable income	311,4	246,0	-65,4	-21,0%
- advance payments	39,8	51,0	11,1	28,0%
- assessment receipts personal income tax	-137,9	17,6	155,5	
- assessment receipts corporate income tax	147,7	109,9	-37,9	-25,6%
- wage withholding tax	2.419,0	2.686,2	267,2	11,0%
Indirect taxes	3.432,4	3.490,8	58,4	1,7%
of which:				
- import duties (*)	194,9	183,5	-11,4	-5,9%
- excise duties (*)	591,4	559,6	-31,8	-5,4%
- registration duties	237,6	257,2	19,6	8,2%
- "actual" VAT	2.213,0	2.315,0	102,0	4,6%
- insurance taxes and the like	150,7	129,9	-20,8	-13,8%
Current tax receipts	6.413,5	6.693,2	279,7	4,4%
Inheritance duties	172,5	186,8	14,2	8,2%
Total tax receipts before corrections	6.586,0	6.879,9	293,9	4,5%
Increase or decrease of collected but non itemized receipts	19,3	-127,6	-146,9	
Total tax receipts including corrections	6.605,3	6.752,3	147,1	2,2%
of which:				
- direct taxes including corrections	3.000,3	3.074,8	74,5	2,5%
- indirect taxes including inheritance duties and corrections	3.605,0	3.677,5	72,6	2,0%

(*) preliminary