

**Spain: Estimates of Top Income Shares 2011-2012,
and Revision for 2001-2010**

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We have extended the series for Spain to 2011 and 2012. We have also revised the series for 2001-2010 due to (i) updated income tax information for 2010; (ii) revised population figures for 2001-2010; and (iii) a new method of calculating the income control total from 2009 onwards. We have followed exactly the same procedures described in Alvaredo and Saez (2009, 2010), with the qualifications mentioned below.

1. Population control total

The control total for population is, as before, the number of adults aged 20 and over excluding Navarra and País Vasco. The previous series have been updated using: (i) the total population taken from the National Accounts table '*Renta nacional disponible*' (2001-2012); and (ii) the structure by age taken from INE-*Estimaciones intercensales* (2001-2011) and INE-*Cifras de Población* (2012). The previous and the revised series are shown in Table 1.

2. A new method of calculating the income control total

The control total for income could be obtained in different ways, as is explained in Atkinson (2007, p. 90). One can start from the national accounts figure for "Households and non-profit institutions serving households" and subtract items; or one can start from the tax-based total and add for the non-taxpaying population.

As explained in Alvaredo and Saez (2009, 2010), for the period 1981-2010 the estimates for Spain have been based on a combination of both methods: total income was defined as wages and salaries from National Accounts, net of social contributions, plus 1/2 of social transfers, plus 2/3 of unincorporated business income (excluding Navarra and País Vasco), plus all non-business, non-labor income reported on tax returns (as capital income is very concentrated, non-filers receive a negligible fraction of it).

The national accounts approach offers more likelihood of comparability with the estimates for other countries. In view of this, and following Atkinson (2012), an alternative calculation has been made for Spain from the national accounts:

Balance of primary incomes, gross (B.5b)
+ Social benefits, other than transfers in kind (D.62)
- Employers' actual social contributions
- Imputed social contributions
- Employees' social contributions

- Imputed rent of owner occupiers (Table ‘*Clasificación del gasto en consumo final de los hogares por finalidad (coicop)*’)
- Attributed property income of insurance policyholders (D.44)
- Fixed capital consumption

The total defined above is in principle more extensive than that used to date, but the 2008 value is essentially the same (€607 billion compared with €608 billion). Therefore it was the year chosen to make the change. The national accounts total has been used for 2009-2012.

Table 2 provides a comparison (in current euros and 2012 euros) between the income control total and three other definitions: GDP, Net National Income (NNI) and Household Disposable (net) Income (HHDI). The income control total is 65-70% of NNI and 90-95% of HHDI.

3. Results

The estimates are available from the WTID website. Table 1 provides a comparison of the previous and the revised series for 2001-2012. After the peak in 2006-2007, income concentration fell across all the top groups until 2010. In 2011, only the top 0.1% share recovered timidly (due to an increase in capital incomes in particular), but then followed the general decreasing trend until 2012. This is shown in Figure 1.

References

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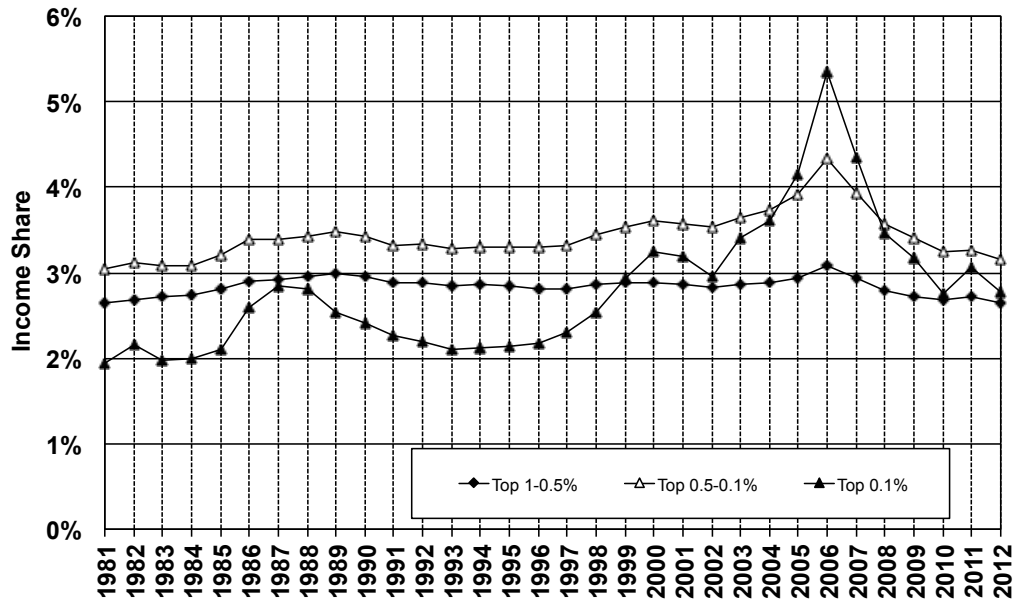


FIGURE 1

The Top 1-0.5%, Top 0.5-0.1%, and Top 0.1% Income Share in Spain, 1981-2012

Source: WTID

Income includes realized capital gains

Table 1. Comparison between previous and revised series. Spain (2 September 2014)(a)

	Income control Nominal million Euros		Number of tax units (000)		Top 10% income share		Top 5% income share		Top 1% income share		Top 0.5% income share		Top 0.1% income share		Top 0.01% income share		Top 0.01% income share	
	previous	revised	previous	revised	previous	%	previous	%	previous	%	previous	%	previous	%	previous	%	revised	%
2001	379,124	379,124	29,776	30,084	34.04	23.04	9.58	6.74	3.18	1.18	34.24	23.18	9.63	6.77	3.20	1.19		
2002	402,262	402,262	30,210	30,725	33.43	22.55	9.24	6.43	2.94	0.99	33.75	22.76	9.32	6.49	2.96	1.00		
2003	428,720	428,720	30,715	31,350	33.97	23.11	9.81	6.98	3.37	1.22	34.36	23.37	9.91	7.05	3.40	1.23		
2004	457,656	457,656	31,217	31,962	34.13	23.36	10.11	7.27	3.57	1.28	34.57	23.66	10.23	7.35	3.61	1.30		
2005	498,598	498,598	31,734	32,589	34.70	24.10	10.86	7.97	4.11	1.59	35.20	24.44	11.00	8.06	4.15	1.60		
2006	553,471	553,471	32,224	33,133	36.31	25.90	12.60	9.57	5.29	2.25	36.82	26.25	12.74	9.67	5.34	2.27		
2007	583,667	583,667	32,813	33,774	34.71	24.24	11.09	8.20	4.31	1.74	35.25	24.60	11.24	8.30	4.36	1.76		
2008	608,244	608,244	33,339	34,319	33.21	22.64	9.69	6.94	3.42	1.29	33.76	23.00	9.83	7.04	3.47	1.30		
2009	600,169	607,303	33,585	34,560	32.97	22.22	9.27	6.57	3.18	1.19	33.12	22.32	9.30	6.58	3.18	1.19		
2010	587,414	594,371	34,673	34,673	32.50	21.77	8.78	6.07	2.86	1.03	32.59	21.71	8.69	6.01	2.76	1.01		
2011		595,100	33,690	34,713							32.85	22.06	9.03	6.32	3.06	1.18		
2012		580,585		34,746							31.98	21.35	8.58	5.92	2.77	1.01		
											including capital gains							
2001					33.16	22.01	8.57	5.80	2.45	0.79	33.36	22.15	8.62	5.84	2.46	0.80		
2002					32.60	21.60	8.34	5.61	2.33	0.67	32.93	21.82	8.42	5.66	2.35	0.68		
2003					32.80	21.74	8.46	5.73	2.41	0.72	33.20	22.01	8.56	5.79	2.44	0.73		
2004					32.78	21.79	8.55	5.82	2.46	0.75	33.24	22.10	8.67	5.90	2.50	0.76		
2005					32.81	21.90	8.67	5.95	2.59	0.86	33.32	22.24	8.80	6.04	2.62	0.87		
2006					33.32	22.37	9.01	6.24	2.80	1.06	33.85	22.73	9.14	6.33	2.84	1.07		
2007					32.78	22.01	8.89	6.18	2.83	1.03	33.33	22.37	9.03	6.27	2.87	1.04		
2008					32.29	21.57	8.61	5.94	2.66	0.90	32.84	21.93	8.75	6.03	2.69	0.91		
2009					32.30	21.44	8.48	5.83	2.62	0.90	32.46	21.54	8.52	5.85	2.63	0.90		
2010					31.98	21.20	8.24	5.59	2.49	0.81	32.09	21.13	8.14	5.51	2.40	0.80		
2011											32.42	21.57	8.53	5.85	2.67	0.93		
2012											31.64	20.97	8.20	5.57	2.49	0.83		
											excluding capital gains							

Notes:
(a) Differences between previous and revised series in series in grey.

Table 2. Total incomes: a comparison. Spain 2000-2012

	Income control per adult				GDP per adult (GDP pa)	Net national income per adult (NNI pa)	Household disposable income (net) per adult (HHDI pa)
	current euros	% of GDP pa	% of NNI pa	% of HHDI pa	current euros	current euros	current euros
	2000	11,025	57	65	90	19,508	16,867
2001	11,556	56	65	90	20,739	17,752	12,783
2002	12,016	55	65	90	21,784	18,603	13,279
2003	12,561	55	64	90	22,943	19,604	13,935
2004	13,170	54	64	90	24,210	20,556	14,556
2005	14,088	55	65	92	25,693	21,707	15,343
2006	15,400	56	67	95	27,423	23,043	16,137
2007	15,939	55	67	95	28,761	23,944	16,862
2008	16,347	56	68	92	29,235	24,118	17,753
2009	16,212	58	70	91	27,947	23,068	17,760
2010	15,801	57	69	92	27,797	23,008	17,189
2011	15,790	57	69	92	27,763	22,735	17,191
2012	15,393	56	68	92	27,288	22,484	16,702

	constant euros 2012	% of GDP pa	% of NNI pa	% of HHDI pa	constant euros 2012	constant euros 2012	constant euros 2012
2000	15,347	57	65	90	27,157	23,481	16,973
2001	15,589	56	65	90	27,977	23,947	17,244
2002	15,692	55	65	90	28,448	24,294	17,341
2003	15,925	55	64	90	29,089	24,855	17,668
2004	16,182	54	64	90	29,746	25,256	17,884
2005	16,742	55	65	92	30,532	25,796	18,232
2006	17,679	56	67	95	31,481	26,453	18,525
2007	17,802	55	67	95	32,121	26,743	18,833
2008	17,542	56	68	92	31,373	25,881	19,051
2009	17,448	58	70	91	30,078	24,826	19,114
2010	16,705	57	69	92	29,387	24,323	18,172
2011	16,177	57	69	92	28,442	23,291	17,612
2012	15,393	56	68	92	27,288	22,484	16,702