

## Application of purchasing power parities (PPP) to the autonomic financing system



Boqueria Market

**In 2013, Catalonia was the second Autonomous Community in revenue generated by taxes, but dropped to fourteenth position after applying the financing system and the purchasing power parities**

**T**he table below shows the impact in 2013 of the purchasing power parities on the resources received by the Autonomous Communities via the financing system (last data available) in per capita values. We exclude the Basque Country and Navarre, which have their own financing regime differentiated from the other communities under the common regime.

**- The first two columns** show the fiscal capacity (revenue generated) of the Autonomous Communities, that is, the revenue they can contribute via taxes.

Catalonia is the second community in fiscal capacity.

**- Columns three and four** show the resources received by each community after applying the financing system. Catalonia falls to tenth position.

**- The last columns** show the resources received by the communities after applying purchasing power parities. The results show a worsening of the relative situation of Catalonia, which drops to fourteenth position. ■

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|                   | Fiscal Capacity |          | Resources received |           | Resources received applying PPP |           |
|-------------------|-----------------|----------|--------------------|-----------|---------------------------------|-----------|
|                   | € per capita    | Position | € per capita       | Position  | € per capita                    | Position  |
| Madrid            | 2,642           | 1        | 2,027              | 11        | 1,770                           | 15        |
| <b>Catalonia</b>  | <b>2,298</b>    | <b>2</b> | <b>2,075</b>       | <b>10</b> | <b>1,912</b>                    | <b>14</b> |
| Balearics         | 2,296           | 3        | 2,105              | 9         | 2,128                           | 11        |
| Cantabria         | 2,236           | 4        | 2,811              | 1         | 2,837                           | 4         |
| Aragon            | 2,222           | 5        | 2,461              | 5         | 2,553                           | 8         |
| Asturias          | 2,085           | 6        | 2,442              | 6         | 2,778                           | 5         |
| Rioja             | 2,040           | 7        | 2,644              | 2         | 2,924                           | 2         |
| Castile-Leon      | 1,974           | 8        | 2,517              | 4         | 2,860                           | 3         |
| Galicia           | 1,822           | 9        | 2,402              | 7         | 2,600                           | 7         |
| Valencia          | 1,805           | 10       | 1,941              | 14        | 2,087                           | 13        |
| Castile-La Mancha | 1,680           | 11       | 2,284              | 8         | 2,693                           | 6         |
| Murcia            | 1,643           | 12       | 1,985              | 13        | 2,094                           | 12        |
| Andalusia         | 1,555           | 13       | 1,990              | 12        | 2,147                           | 10        |
| Extremadura       | 1,482           | 14       | 2,572              | 3         | 3,202                           | 1         |
| Canary Islands    | 837             | 15       | 1,884              | 15        | 2,267                           | 9         |
| TOTAL             | 1,949           |          | 2,128              |           | 2,212                           |           |