

# “The implementation of the equivalence principle in Spanish taxation”

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## 1.- Scope of the thesis

This thesis tries to examine the role to be played by the equivalence principle in the Spanish tax system. Nevertheless, the inquiry will be also enriched by a comparative perspective.

In general terms, it is useful to distinguish between general taxes based on each taxpayer’s economic capacity and more targeted charges, the amount of which depends on more

specific benefits that persons derive from government expenditures. On this basis, the equivalence principle, also known as *benefit principle*, can be understood in two different ways: i) as an element that justifies taxation itself (e.g. if your car pollutes, you should pay); ii) as an element that quantifies taxation (i.e. the more you benefit from a public service, the more you must pay for it).

Therefore, the first part of the thesis, the more theoretical one, analyzes the controversial relationship between the ability-to-pay principle and the equivalence principle, whereas the second part focuses on the practical implementation of this principle in taxation, more specifically in Spanish local fees (*tasas* and *contribuciones especiales*).

## 2.- Outline of the thesis

