

**Vatican Politicos Bring The Spanish
Government Back Into Line**

**Vatican Politicos Bring The Spanish
Government Back Into Line**

The political manipulations of the Vatican have finally paid dividends in Spain, where the socialist Government, has overturned its own promise to make the Catholic Church finance itself. The Church has walked away from the deal with more money than ever.

On September 22, Spain's Socialist Party (PSOE) Vice President María Teresa Fernández de la Vega put the finishing touches to an agreement that continues state financing for the Catholic Church, despite the 1978 Spanish constitution formally separating church from state.

The World Socialist Web reported: "The PSOE's secular measures and its moves to curtail the influence of the Catholic Church have won widespread support. A survey by Fundacion Santa Maria found that the church is seen as the most distrusted and out-of-touch institution. It predicted that within a generation, Spain would no longer be a Catholic country. The PSOE could have won popular support for severing all political and financial relations with the Catholic Church, but instead it did the opposite. After a cabinet meeting, the government announced a hike in the 'Catholic tax' from 0.52 percent to 0.70 percent. The Catholic tax is a voluntary scheme whereby an individual instructs the tax office to divert a percentage of his or her income tax to the Church's coffers. The shift to a voluntary tax increase is supposed to replace the additional 30 million euro fund the government puts aside each year to cover any shortfall in the Church's finances.

This still leaves a guaranteed 3.5 billion euros (£2.35 billion) of government funding for religious institutions. And in a more detailed study of state subsidies, this estimate rises to 5.06 billion euros (£3.4 billion).

The Church is now also obliged to pay VAT (value-added tax) on new sales and acquisitions (a requirement of European Union law, not a provision imposed by the PSOE) and to present a yearly report to the government on how it spends the state subsidy.

Prior to the negotiations, PSOE officials had hinted at a significant reduction in state funding that would force the Church to depend more on popular support. It therefore tried to promote the significance of the small shift away from direct state subsidies to increased voluntary taxation as having linked "the Catholic Church's income in a direct way to the will of tax payers." But no amount of bluster can hide the Church's satisfaction with the deal.

Although Church officials had demanded a rise to 0.8 percent, Church spokesman Juan Antonio Martinez Camino told a news conference, "Everyone wins. The government does because it solves a problem; the Church does because it's freer, and contributors do because they can voluntarily choose to whom they give their money.

[Read the full, dispiriting report here](#)
