

Corporate and tax issues when
purchasing a real state located in Spain
by non residents individuals

1. To obtain the Foreigner Identification Number (NIE).
2. **Deposit agreement** (reservation contract):
 - Payment between 8% and 10% (approx.) of the total price.
 - The deadline for granting the public deed is established.
3. **Purchase deed before notary:**
 - Identification of the seller / buyer.
 - Identification of the property.

Attention! Notary and Land registry costs (variable depending on the purchase price).

Attention! if the property is purchased with financing (mortgage).

TAX ISSUES

- When purchasing the property:
 - **1st acquisition:** 10% VAT (4% social housing)
 - **2nd acquisition and/or subsequent:** 10% Property transfer tax (ITP) in Cataluña (varies depending on the Autonomous Community, between a 5% and a 10%).
- Local taxes:
 - **IBI** - Annual and subsequent tax (variable tax).
 - **Municipal added value tax** (“Plusvalía municipal”) - Tax paid at the time of the sale of the property (variable according to the municipality).
- State taxes: Non-Resident Income Tax (19% EU tax residents/24% the rest).
 - **Rental income** – Deadline: Quarterly tax.
 - **Capital gain** - Tax paid at the time of sale of the property. Deadline: 4 months: three months after deadline of 1 month from the transmission of the property
 - **Real State property**, Imputed Income – Deadline: The year after the accrual date: deadline 31 December.

Attention! If the property is purchased with financing (mortgage).

Attention! Residents in Tax Havens.

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