Non-Residents Guide

Spain 2026

Knowing you.

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ABBREVIATIONS

ABBREVIATIONS	MEANING
AEAT	State Tax Administration Agency
CDI	Double Taxation Agreement
EEA	European Economic Area
PE	Permanent Establishment
EVTE	Foreign Securities Holding Entity
IBI	Property Tax
IIVTNU	Tax on the Increase in Value of Urban Land
IP	Wealth Tax
VAT	Value Added Tax
LIRNR	Royal Legislative Decree 5/2004 of 5 March, approving the consolidated text of the Non-Residents' Income Tax Act.
LIRPF	Law 35/2006 of 28 November on Personal Income Tax
LIS	Act 27/2014 of 27 November on Corporation Tax
MCOCDE	Model Tax Convention on Income and Capital proposed by the OECD
NIE	Foreigners' Identification Number
NIF	Tax Identification Number
OECD	Organisation for Economic Co-operation and Development
RGAT	General Regulations on Tax Administration and Inspection Procedures
RIRPF	Regulations on Personal Income Tax
TRLIRNR	Consolidated Text of the Non-Resident Income Tax Act
TPO	Tax on Transfer of Property for Consideration

Introduction

The tax guide for non-residents in Spain, available at 2026, has been produced by Kreston Iberaudit, a member of the Kreston Global network; its aim is to provide a systematic and up-to-date overview of the regulations applicable to individuals who, whilst not having tax residence in Spain, derive income from or own assets situated in Spain. The analysis has been carried out in accordance with the regulations in force as at 1 January 2026, incorporating the main tax reforms and recent administrative and case-law criteria.

The Non-Resident Income Tax (TRLIRNR) forms the central focus of this study, as regulated by Royal Legislative Decree 5/2024 of 5 March, which approves the consolidated text of the Non-Resident Income Tax Act, and its implementing regulations. However, the taxation of non-residents in Spain is not limited to this tax, but is interrelated with other state, regional and local taxes, which will be the subject of specific attention in the relevant sections of the guide.

It should be noted that international taxation is profoundly influenced by the Double Taxation Agreements (DTAs) signed by Spain, which take precedence over domestic legislation in accordance with the principles of international law and Article 96 of the Spanish Constitu- tion. For practical reasons, this guide takes as its reference the Mo- del Tax Convention of the Organisation for Economic Co-operation and Development (OECD), which serves as the basis for the drafting of most of the treaties signed by Spain, without prejudice to any spe- cific provisions that may arise from each bilateral agreement.

The purpose of this guide is to provide a practical and doctrinal reference tool for non-resident taxpayers who need to understand the tax implications arising from their economic or financial ties with Spain. Its approach combines technical rigour with practical appli- cability, drawing on experience gained in advising non-resident in- dividuals and entities and in interpreting Spanish and international tax legislation.

Requirements for being considered a non-resident in Spain

Residence Criteria for Individuals

The determination of the tax residence of individuals in Spain is governed by Article 9 of the Personal Income Tax Law (LIRPF) and Article 6 of the Law on Income Tax for Non-Residents (IRNR). In ac- cordance with these regulations, individuals **are considered tax residents in Spain** if, during a calendar year, they meet any of the following circumstances concurrently:

- That they remain in Spain for more than 183 days during the calendar year, including sporadic absences, unless they can prove their tax residence in another country. In the case of countries or territories classified as non-cooperative jurisdictions, the Tax Authorities may require the taxpayer to prove that they have remained in that 'tax haven' for at least 183 days during the calendar year.

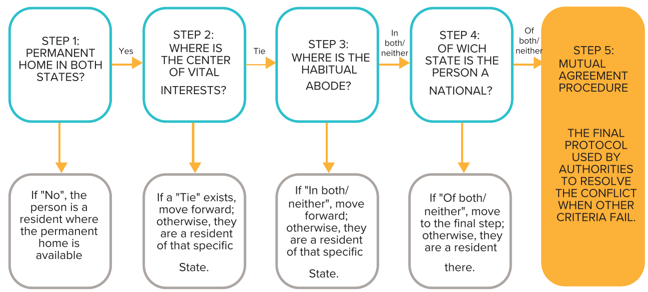
- That the main centre or base of their economic activities or interests is located in Spain, either directly or indirectly.

- It shall be presumed, unless proven otherwise, that the taxpayer has their habitual residence in Spanish territory when, in accordance with the above criteria, their spouse (who is not legally separated) and any minor children de- pendent on them habitually reside in Spain.

In the event that the taxpayer is not considered a tax resident, inco- me obtained in Spain will be subject to IRNR (Non-Resident Income Tax), which is a direct tax levied on income obtained in Spanish terri- tory by individuals and entities not resident there, as regulated in the Consolidated Text of the LIRNR (TRIRNR).

Proof of tax residence, for the purposes of applying a DTA, is provi- ded by means of a tax residence certificate issued by the competent authority of the relevant State.

In cases where a taxpayer may have dual tax residence, i.e. where they meet the criteria of two jurisdictions, the tie-breaking rules set out in the DTAs signed by Spain shall apply, following in succession the conflict rules stipulated in Article 4 of the OECD Model Tax Con- vention on Income and Capital (OECD Model).



Outline of conflict rules, Article 4 OECD Model

In short, the legislation establishes a set of criteria, objectives and presumptions that enable the tax residence of individuals to be determined, thereby ensuring the correct definition of the scope of personal liability for Personal Income Tax (PIT) and other related ta- xes. The concurrence of any of the circumstances set out in Article 9 of the Personal Income Tax Act (LIRPF), supplemented by the tie- breaking rules of Double Taxation Agreements (DTAs), is decisive in determining the applicable tax jurisdiction, thereby avoiding situa- tions of double taxation or double non-taxation.

Residence Criteria for entities

Law 27/2014 of 27 November (LIS), in Article 8, establishes the resi- dence and tax domicile of entities in Spain in accordance with the following criteria:

Entities are considered resident in Spanish territory if they meet any of the following requirements:

a) They have been incorporated under Spanish law. b) They have their registered o ce in Spanish territory. c) They have their place of e ective management in Spa- nish territory.

For these purposes, an entity shall be deemed to have its place of e ective management in Spanish territory when the management and control of all its activities are based there.

The tax authorities may presume that an entity based in a country or territory with no taxation, as provided for in paragraph 2 of the First

Additional Provision of Law 36/2006 of 29 November on measures to prevent tax fraud, or classified as a tax haven, in accordance with the provisions of paragraph 1 of the aforementioned provision, is resident in Spanish territory when its principal assets, directly or indirectly, consist of property situated in or rights fulfilled or exercised in Spanish territory, or when its principal activity is carried out therein.

Permanent Establishment in Spain

Royal Decree 5/2004 of 5 March, approving the Non-Resident Income Tax Act, stipulates in Article 13 that an entity operates through a permanent establishment in Spanish territory when, for whatever reason, it has, on a continuous or habitual basis, facilities or work- places of any kind in which it carries out all or part of its business, or acts through an agent authorised to contract, in the name and on behalf of the taxpayer, who habitually exercises such powers. Where a Double Taxation Agreement (DTA) exists, its definition of a permanent establishment must be applied. This determines Spain's right to tax the business profits of a resident of the other State when operating in Spain through that establishment.

SPECIAL IMPATRIATE REGIME FOR NEW TAX RESIDENTS IN SPAIN

The Special Regime for Returnees, commonly known as the "Beckham Law", is regulated by Article 93 of the Personal Income Tax Law (LIRPF), the Seventeenth Transitional Provision of the LIRPF, and Articles 113 to 120 of the Personal Income Tax Regulations. This re- gime allows certain individuals who move to Spain for work reasons and acquire tax residency in Spanish territory to opt for a special tax regime, without at any time losing their status as personal income tax (IRPF) taxpayers.

Under this regime, the taxpayer remains a tax resident in Spain but may opt to be taxed in accordance with special rules for determining tax liability, which are largely based on those provided for in the Non-Resident Income Tax (IRNR). This option means that, during the period the scheme applies, taxation is carried out separately for each type of income, with no possibility of o setting them against one another, and by applying fixed rates to certain categories of income, thereby avoiding the application of the general progressive personal income tax scale, which in some Autonomous Communities can exceed 50%.

In particular, income from employment is taxed at a flat rate of 24% up to an amount of €600,000, and at 47% on the excess. This tax treatment represents, in many cases, a significant advantage over ordinary personal income tax.

However, it should be noted that the regime does not imply automatic and exclusive taxation of income obtained in Spanish territory. Certain types of income, such as dividends, interest and other gains arising from the disposal of shares or holdings in Spanish companies, will be subject to a progressive savings tax scale, with a minimum rate of 19% and a maximum of 30%, rather than the flat rate under the special regime.

The following table provides a comparison of the di erence between the general personal income tax scale and the taxation applicable un- der the Special Regime for Expatriates for income from employment:

BRACKETS	GENERAL INCOME TAX %	BECKHAM LAW %
€0.00–€12,450.00	19.00%	24.00
€12,450.00–€20,199.00	24.00%	%
€20,200.00–€35,199.00	30.00%	24.00
€35,200.00–€59,999.00	37.00%	%
€60,000.00–€299,999.00	45.00%	24.00
€300,000.00–€599,999.00	47.00%	%
€600,000.00 and over	47.00%	24.00

% 24.00 % 24.00 % 47.00%

Comparison table: standard income tax rates and the Beckham Law

It is important to note that not all income earned abroad is excluded from the IRNR regime. In particular, income derived from classified as entrepreneurial, even when obtained outside Spain, will also be subject to tax and included in the tax base. In such cases, the international double taxation relief applies, subject to a limit of 30% of the total tax liability corresponding to such income.

Another significant advantage of the special regime is its impact on Wealth Tax. Taxpayers under the regime will only be taxed on assets and rights located within Spanish territory, unlike other tax residents, who are taxed on their entire worldwide wealth. As this regime is designed for taxpayers who are temporarily relocating to Spain, it is common for them to hold the majority of their assets abroad. Furthermore, under Wealth Tax, there is a general allowance of €700,000 per taxpayer and an exemption on the primary residence of up to €300,000 per taxpayer.

Initially, the Special Regime for Impatriates applied only to posted em- ployees, i.e. it was limited. However, since the entry into force of Law 28/2022 of 21 December, its scope has been significantly expanded to include new groups of taxpayers who may benefit from it. These include:

- Employees transferred to work physically in Spain or remotely.
- Company directors, provided they do not hold a stake that triggers the application of the related-party transac- tions regime in the case of holding companies.
- Entrepreneurs who commence economic activity classi- fied as such.
- Highly qualified professionals working for start-ups or in R&D&I.
- Relatives of the taxpayer (spouse and children under 25), even if they move to Spain before the main taxpayer.

The application for the regime must be submitted within six months of the date of registration with the Spanish Social Security system, this being the decisive moment for the purposes of calculating the deadline. Not from the moment of entry into the country, nor from the moment work begins, but from the moment registration with the Social Security system is recorded. Failure to meet this deadline de- finitively precludes the application of the regime.

Although the taxpayer retains their status as a tax resident in Spain and as a personal income tax (IRPF) payer, the mechanism for withhol- ding tax on their income will be governed by the rules of the Non- Resident Income Tax (IRNR), giving rise to two significant e ects:

1. For business activities without a permanent establishment, there is no withholding obligation.
2. And, in the case of professional activities, a fixed withhol- ding rate of 24% applies.

Once the Special Regime for Impatriates has been applied for and granted, it will apply for a maximum period of six tax years, including the tax year in which tax residency is acquired. However, the taxpa- yer may voluntarily opt out of continuing to apply it in subsequent tax years. This is set out in Article 119 of the Personal Income Tax Regula- tions, which specifies that the opt-out must be exercised in November or December preceding the calendar year in which it is to take e ect, and must be made by express notification to the Tax Authorities. In the event of a waiver, the taxpayer may not re-apply for the special regime, and must have been outside Spain for at least five tax periods.

In cases where the taxpayer ceases to meet any of the requirements laid down by the regulations, they will be automatically excluded from the regime from the tax year in which such non-compliance occurs. In this case, they will be obliged to cease applying the regime, as oppo- sed to voluntary withdrawal, facing mandatory exclusion due to non- compliance with the conditions, and must from that moment onwards be taxed in accordance with the general personal income tax regime.

In conclusion, the Special Regime for Impatriates, or the "Beckham Law", is an attractive, powerful and e ective tax instrument through which the Spanish authorities seek to attract international talent, enabling Spain to position itself as a competitive destination for qua- lified professionals and entrepreneurs, whilst facilitating their tax inte- gration through a more predictable and advantageous tax framework.

TAX LIABILITY

Tax liability is determined in accordance with the rules of the IRNR (Income Tax on Non-Residents) for income earned in Spanish territory without a permanent establishment, subject to the following specific provisions:

- All employment income shall be deemed to have been earned in Spanish territory.
- The exemptions provided for in Article 14 of the LIRNR (Income Tax Law for Non-Residents) and Article 7(p) of the LIRPF (Personal Income Tax Law) may not be applied.
- Deductions may be claimed for donations, withholdings, and international double taxation.

WITHHOLDING TAXES

The same rates as for the IRNR. Except in the case of income from employment:

- 24% up to €600,000
- For amounts exceeding €600,000 paid in the same calendar year by the same payer, the rate will be 47%

EXERCISE OF THE OPTION

- 6-month period
- Form: 149
- Submission to the withholding agent of the AEAT certificate confirming the exercise of the option

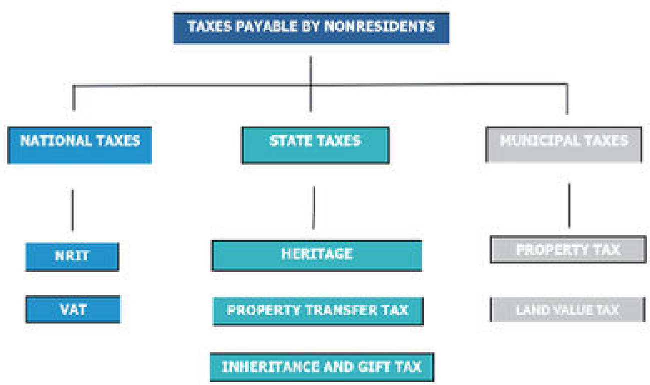
WAIVER OF THE REGIME

- Filing period: November and December.
- Forms: 145 and 149.
- Consequence: inability to apply for the new regime

EXCLUSION

- Failure to meet requirements
- Form: 149, at the request of a party.
- Consequence: ineligibility for the program.

OVERVIEW OF TAX LIABILITIES IN SPAIN FOR NON-RESIDENTS ACCORDING TO THE TAX AUTHORITIES



Employment income

Pensions paid by Spain to residents of other countries

Definition and taxation

Income from employment comprises, in accordance with Article 17 of the Personal Income Tax Act, all remuneration or benefits, whether in cash or in kind, arising from personal work or from an employment or statutory relationship. It also includes similar items, such as:

- Wages, salaries and fixed or variable remuneration.
- Remuneration in kind.
- Unemployment benefits.
- Remuneration for delivering courses, lectures, seminars, colloquia or similar events.
- Income derived from the creation of literary, artistic or scientific works.
- Special employment remuneration.
- Remuneration paid to directors and members of boards of directors.
- Scholarships that are not exempt.
- Remuneration received by those who collaborate in v r humanitarian activities or social assistance carried out by non-profit organisations.
- Remuneration arising from special employment relationships.
- Pensions and retirement benefits, both public and private.

For the purposes of IRNR, Article 13.1 of the Consolidated Text of the Non-Residents' Income Tax Law (TRLIRNR) considers income from employment to be obtained in Spanish territory: :

1. When they are paid by a natural person or entity resident in Spain or by a permanent establishment located in Spanish territory.
2. Where they derive from work actually carried out in Spain, even if the payer is not resident.

Consequently, Spanish pensions paid to a non-resident are generally considered to be income obtained in Spain and are subject to IRNR, unless a Double Taxation Agreement (DTA) provides otherwise.

Treatment under Double Taxation Agreements

Generally speaking, Article 18 of the Organisation for Economic Co-operation and Development (OECD) Model Tax Convention states that "Pensions and similar remuneration paid to a resident of a State in respect of past employment may be taxed only in that State".

This means that, unless a DTA introduces special rules, Spanish pensions will normally be taxed only in the pensioner's country of residence and will be exempt in Spain, even if they are paid by the Spanish Social Security system.

Subject to withholding tax in Spain

Pensions will be subject to withholding tax, whether they are paid by the public administration (Social Security) or by a private entity resi- dent for tax purposes in Spain. In other words, provided the pension is taxable in Spain under the DTA, the Spanish payer must withhold tax in accordance with Article 25.1.b) of the TRLIRNR, applying the specific scale for pensions received by non-residents.

ANNUAL PENSION AMOUNT UP TO	TAX	REST OF PENSION UP TO	APPLICABLE RATE
€ 0.00	€ 0.00	€ 12,000	8.00%
€ 12,000	€ 960	€ 6,700	30.00%
€ 18,700	€ 2,970	Thereafter	40.00%

Formal declaration of pensions paid by Spain to non-residents

Where the DTA signed between the countries so provides, such income must be declared in Spain on a quarterly basis using Form 210, with any withholdings made by the employer being entered in box 29 of the form.

If there is no obligation to pay tax in Spain, the taxpayer need not submit this form, but must provide the Spanish payer with a valid certificate of residence so that no withholding tax is applied.

Example of withholding tax calculation

Person A, a tax resident in Sweden, receives an annual pension of €20,000.00 from the Spanish Social Security system as a result of work carried out in Spain as a translator.

The above bodies must apply the following withholding tax:

	UP TO (BASE)	RATE	RATE
TOTAL	€ 12,000.00	€ 960.00	8.00%
	€ 6,700.00	€ 2,010.00	30.00%
	€ 1,300.00	€ 520.00	40.00%
	€ 20,000.00	€ 3,490.00	TME 17.00%

In the event that the income cannot be subject to withholding tax in Spain under the provisions of the signed DTA, the income would not be subject to withholding tax or payment on account.

Teleworkers in Spain for a foreign entity

Definition and taxation

In accordance with Article 13.1.c) of the TRLIRNR, income from emplo- yment earned by non-residents shall be subject to taxation in Spain where it derives from work, directly or indirectly, carried out in Spanish territory, bearing in mind that, in accordance with the commentary on Articles 14 and 15 of the OECD Model Tax Convention (MCOCDE), work is understood to be performed in the place where the worker is physically located when providing the services, regardless of the location of the employer, the service, the head o ce or the place of management.

The mere fact that a worker teleworks from Spain does not in itself create a permanent establishment for their foreign company, unless the employee has essential decision-making functions or habitually has the authority to conclude contracts on behalf of the company.

In accordance with Article 15 of the OECD Model Tax Convention, income from employment carried out in Spain is taxable in Spain, unless all three of the following conditions are met simultaneously:

- The employee stays in Spain for less than 183 days during the twelve-month period in question.
- The employer is not a tax resident in Spain.

- The remuneration is not borne by a permanent establishment (PE) of the employer in Spain.

Only when all three requirements are met does Spain lose its taxing rights.

A tax rate of 19% must be applied to the income from employment if the taxpayer is resident in the EU/EEA, and 24% in all other cases.

Example of non-taxability

A worker, a computer programmer, who is a tax resident in the UK, works remotely for a company that is a tax resident in Spain and travels to Spain in December to take up his new post there.

- Stay of < 183 days in Spain.
- The company is resident in Spain.

Remuneration corresponding to work actually carried out in Spain would be subject to taxation and withholding tax in Spain, through the submission of the quarterly Form 210.

Example of tax liability with an EP

A German company has a permanent o ce in Valencia. One of its employees, who is resident for tax purposes in Germany, works remotely from Alicante for two weeks a month.

- The proportionate stay exceeds 183 days in Spain.
- The permanent establishment bears the remuneration.

The payer must withhold IRNR at a rate of 19% (EU resident) by submitting Form 210.

Optional tax regime for taxpayers resident in other eu member states

Article 46 of the TRLIRNR provides an option whereby certain IRNR taxpayers who are natural persons resident in another Member State of the European Union, and who can prove that they have their domicile or habitual residence there, may be taxed as IRPF taxpayers when certain conditions are met:

1. Where the taxpayer has obtained in Spain, during the tax year, at least 75% of their total income from employment and busi- ness activities, provided that such income has been e ectively taxed under the IRNR.
2. Where the income obtained in Spain during the tax year is less than 90% of the personal and family allowance to which the taxpayer would have been entitled had they been resident in Spain, provided that such income has actually been taxed under the IRNR and that the income obtained outside Spain is also less than that allowance.

If the option is exercised, the tax authorities calculate the tax by applying personal income tax rules to determine an 'equivalent' tax liability on income from Spanish sources, using an average rate re- sulting from applying personal income tax to the total income for the period, taking into account duly substantiated personal and family circumstances.

Special tax regime applicable to workers, professionals, entrepreneurs and investors relocating to spanish territory

Article 93 of the Personal Income Tax Law (LIRPF) regulates the spe- cial tax regime applicable to workers, professionals, entrepreneurs and investors relocating to Spanish territory, which allows those who acquire tax residence in Spain as a result of the relocation to opt to be taxed in accordance with the rules of the Non-Resident Income Tax (IRNR) for income obtained without the intermediary of a permanent establishment, whilst maintaining their status as personal income tax (IRPF) taxpayers during the period of the change of residence and the five subsequent tax periods.

It may be applied when, in particular, the conditions of Article 93.1 of the Personal Income Tax Law (LIRPF) are met: not having been resi- dent in Spain in the five tax periods prior to the relocation; that the relocation occurs due to one of the specified circumstances, inclu- ding an employment contract, the acquisition of the status of director under certain terms, the pursuit in Spain of entrepreneurial activity or the activity of a highly qualified professional in the cases described; and that no income is obtained that would qualify as having been ob- tained through a permanent establishment in Spain, except for the exceptions provided for in cases of entrepreneurial activity or highly qualified professional activity.

In substance, the scheme entails, amongst other rules, that all the taxpayer's employment income during the period of its application is deemed to have been earned in Spanish territory, subject to the relevant regulatory time limits, and that the tax liability is determined using a scale of 24% up to 600,000 euros and 47% on the excess for the general portion, with the income block under Article 25.1.f of the LIRNR being treated separately for its specific taxation; furthermore, withholding tax on income from employment is levied at 24%, and at 47% on the amount exceeding 600,000 euros, in accordance with Article 93.2 itself.

The tax return for this scheme is filed using Form 151, within the ge- neral personal income tax filing deadline, as set out in the regulations governing the scheme and its formal obligations.

Teleworkers abroad

It is becoming increasingly common for Spanish companies to have employees working from abroad, whether on a temporary or perma- nent basis. In such cases, the classification and taxation of employ- ment income requires a joint examination of Spanish domestic legis- lation, the applicable DTA and the rules on the location of work based on the criterion of physical presence, as set out in the OECD Model Tax Convention.

From the perspective of Spanish law, employment income is only sub- ject to IRNR (Income Tax for Non-Residents) when the activity is phy- sically and e ectively carried out on Spanish territory. Consequently, when an employee performs their services entirely from abroad, the income is not considered to have been earned in Spain and, therefore, cannot be subject to IRNR, regardless of whether the payer is a company resident in Spain. The basic rule is that the place where the worker is physically located whilst performing the work determines the jurisdiction with the power to tax that income.

However, this conclusion must be qualified where the worker maintains links with Spain that may a ect their tax residence. In recent years, the Spanish Tax Agency (AEAT) has reiterated that an employee posted outside Spanish territory who remains linked to a Spanish company must provide adequate proof of their tax residence abroad, particularly where their centre of personal or economic interests may still be based in Spain. The mere provision of services abroad does not, in itself, guarantee the loss of Spanish tax residen- ce if there are relevant circumstances linking the taxpayer to Spain, such as the family remaining in Spanish territory or the existence of a permanent home at their disposal.

For this reason, when an employee works remotely from another country for a Spanish company, it is essential to determine, first and foremost, their tax residence. If the worker proves that they are resi- dent in another State, the income derived from the activity physically carried out in that country cannot be taxed in Spain, in accordance with domestic legislation and Articles 15 and 23 of the OECD Model Tax Convention, which are incorporated into most of the treaties sig- ned by Spain. Consequently, the Spanish payer must not withhold tax in Spain, unless there is a permanent establishment in that fore- ign country that bears the cost of the remuneration.

In such cases, to properly demonstrate that the payment is not subject to withholding tax in Spain, it is advisable for the worker to provide the Spanish company with a certificate of tax residence issued by the State in which they carry out their work. This certificate helps to avoid disputes with the Spanish Tax Agency (AEAT) and justifies the absence of withholding tax in Spain, as it confirms that taxing rights lie with the State of residence and the State where the work is performed.

Furthermore, the absence of tax liability in Spain does not imply that the worker has no tax obligations: it will be the country in which they are physically located that will require the taxation of such income as employment income, applying its domestic regulations and, where applicable, the double taxation relief rules provided for in its domestic law or in the applicable treaty.

By way of example, a worker who, whilst residing in France, provides services from their home in Lyon for a Spanish company, carrying out their work entirely outside Spain, will not be taxed in Spain on that income. Nor will the Spanish company be required to make a withhol- ding tax deduction in Spain, provided that the worker can prove their

tax residence in France. Otherwise, the Spanish tax authorities could question the lack of withholding tax and require the company to pay it.

In short, teleworking from abroad for a Spanish company raises two key issues:

1. Determining where the work is physically carried out, which determines which country has the authority to tax the income.

Properly verifying the employee's tax residence, as this determines whether they are liable for personal income tax (IRPF) or non-resident income tax (IRNR), thereby avoiding the risk of undue withholding or subsequent adjustments.

Income from movable capital: dividends, interest and royalties

Introduction / Denitions

The following are subject to taxation in Spain:

1. Dividends and other income derived from holdings in the equi- ty capital of entities resident for tax purposes in Spain.

2. However, by way of an exception expressly provided for in the LIRNR, the following are considered income not derived in Spain: dividends distributed by a Foreign Securities Holding Entity (ETVE) where the recipient of the ETVE's dividends is a non-resident shareholder who does not have a permanent establishment in Spain and who is not established in a tax haven or non-cooperative jurisdiction, and the profit distributed by the ETVE is charged against profits generated outside Spa- nish territory.

3. Interest and other income derived from the provision of own capital to third parties, paid by persons or entities resident in Spanish territory, by permanent establishments in Spain, or in respect of capital services used in Spanish territory.

4. Fees or royalties paid by persons or entities resident in Spanish territory, by permanent establishments situated therein or used in Spanish territory.

5. Royalties are considered to be all sums paid by individuals or entities resident in Spain as consideration for the use, or the granting of use, of certain intellectual, industrial, commercial or scientific rights.

6. The concept of royalties covers a wide range of contractual situations. It includes, amongst others, remuneration arising from the transfer of patents, trade marks, trade names, designs, models, plans, formulas or secret processes, as well as payments linked to the exploitation of copyright in literary, ar- tistic or scientific works. This category also includes amounts paid for the transfer of software, provided that such transfer grants rights of use that go beyond those of an end-user and permit its commercial exploitation, modification, reproduction or distribution.

7. Likewise, amounts paid for the transfer of industrial, commercial or scientific information, including technical or business know-how, are considered royalties. However, where such information constitutes a personal service provided by the holder of the knowledge and not a transfer or assignment of rights, the income must be classified as income from economic activities or professional services, and not as a royalty.

Cases of exemption

Spanish domestic legislation provides for numerous cases of exemption relating to income from movable capital obtained by non-residents, the most significant of which are as follows:

Cases of exempt interest

1. Interest obtained, without the involvement of a permanent establishment in Spain, by residents of another EU Member State or a state belonging to the EEA, with which there are mutual assistance arrangements regarding the exchange of information.

2. Income derived from government debt obtained by non-residents without a permanent establishment in Spain.

3. Income from bank accounts in Spain held by non-residents without a permanent establishment.

Cases of exempt dividends

1. Dividends distributed by a subsidiary to its parent company (Parent-Subsidiary Directive): profits distributed by subsidiaries resident in Spain to their parent companies resident in other EU Member States, to the permanent establishments of such parent companies resident in an EU Member State, or to parent companies resident in EEA Member States with which there is an e ective exchange of information, provided that the fo- llowing requirements are met:

2. That the parent company holds, directly or indirectly, at least 5% of the investee company, and that this holding has been main- tained continuously during the year preceding the distribution of the dividend or, failing that, is maintained for one year thereafter, by the parent company or by a company within the same group within the meaning of Article 42 of the Commercial Code.

3. Both companies must be subject to, and not exempt from, any of the taxes levied on the profits of legal entities in the Member States of the European Union, as referred to in the Parent-Subsidiary Directive.

4. That the distribution of profits is not a consequence of the liqui- dation of the subsidiary.

5. That both companies take one of the forms set out in the Annex to the Parent-Subsidiary Directive.

6. That the majority of the voting rights in the company receiving the dividends are not held, directly or indirectly, by non-resi-

dents of another Member State, unless there is a valid economic reason and substantive business grounds other than tax avoidance for the interposition of that company.

7. In no case where the parent company or its permanent establishment has its tax residence in a territory classified as a tax haven (Article 14.2 TRLIRNR).

Cases of Royalties

Royalties paid to associated companies (where one company holds a direct equity interest of 25% in the other, or where they have a common parent company holding a similar equity interest) that are resident in an EU Member State, or to a permanent establishment of such companies situated in another EU Member State, are exempt, provided that certain conditions are met.

Taxation

In the absence of a DTA, income from movable capital is subject to taxation at the following rates:

- 19%: Dividends and interest
- 19%: royalties paid to residents of an EU or EEA member state
- 24%: Royalties paid to non-residents who do not meet the above conditions

Treaties

Where income is received by a person resident in a country that has a treaty signed with Spain, specific consultation is required, as the provi- sions of the treaty take precedence over domestic law. Generally, trea- ties follow a system of shared taxation, meaning that Spain has the right to tax such income, but subject to a tax limit established in the treaty.

With regard to the definition of royalties, it is important to bear in mind that each DTA contains specific definitions, with significant di- erences: some tax all royalties uniformly, whilst others distinguish between payments relating to copyright, patents, trademarks, know-how or software.

(SEE ANNEX I: Tables of Taxation Limits established in the Agreements signed by Spain relating to Dividends, Interest and Royalties respectively)

Withholding tax and tax returns in Spain

Withholding tax on dividends, interest and royalties paid from Spain to non-residents, and formal declaration of dividends and interest paid from Spain to non-residents.

The payer resident in Spain, that is, the Spanish entity paying the income, shall be obliged to withhold IRNR (Non-Resident Income Tax) by applying the following rates, without prejudice to the possible application of reduced rates should the tax limits established by the Double Taxation Agreement apply:

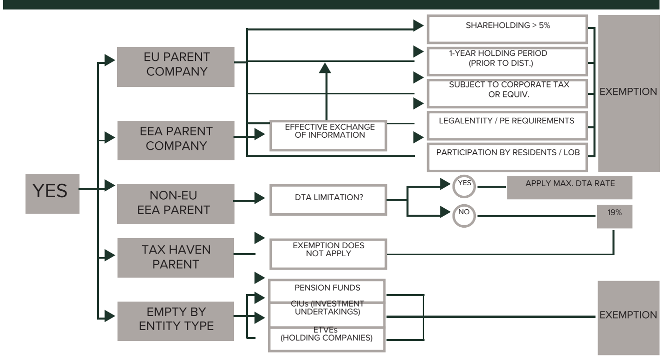
- 19%: Dividends and interest
- 19%: royalties paid to residents of an EU or EEA member state
- 24%: royalties paid to residents of states that are not members of the EU or the EEA.

Form 216 must be submitted by payers of income from movable capital resident in Spanish territory, and must include the withholdings applied to the income paid. This return is generally filed quarterly, i.e. within the first 20 days following the end of each quarter, except in the case of large companies, which are required to file this form monthly within the first 20 calendar days of the month following the relevant monthly reporting period.

Even if the income is exempt, for example, under the Parent-Subsidiary Directive, the payer is obliged to declare the amount paid on Form 216. For these purposes, it is always necessary to have the non-resident's tax residence certificate justifying the exemption provided for in domestic legislation or in the Double Taxation Agreement.

Summary Table

TAXATION OF DIVIDENDS FROM SPANISH SUBSIDIARY



Income from Immovable Property

Income from immovable property obtained by non-resident taxpayers arises from the ownership of immovable property situated in Spanish territory. Such taxation is not limited solely to cases where the pro- perties are let, transferred to third parties or generate financial consi- deration, but also extends to imputed income derived from the mere ownership of urban properties situated in Spain, even where these are not actually let or transferred.

In this regard, in accordance with the provisions of Article 13.1(g) and (h) of the TRLIRNR, income obtained in Spanish territory is deemed to be that arising from the letting, subletting, creation or transfer of rights or powers of use or enjoyment over immovable property situated in Spain, irrespective of the payer's residence or the place where the contracts are formalised, without prejudice to the specific taxation applicable to income attributed to the mere ownership of the property.

Consequently, provided that a property is situated in Spanish territory, both the income derived from its economic exploitation and the inco- me attributed to the mere ownership of the property are considered income obtained in Spain and are, as a general rule, subject to Non- Resident Income Tax, unless a Double Taxation Agreement provides for a di erent treatment.

In line with the OECD Model Tax Convention, the treaties signed by Spain generally attribute to the State in whose territory the property is situated the exclusive or, at least, primary right to tax this type of income, whether actual or imputed, so that taxation in Spain prevails in virtually all cases.

Unlet property

Under the IRNR, properties that are neither let nor used for economic activities—that is, where they are used by or at the disposal of their owner—are subject to the rules on the attribution of property inco- me set out in the Personal Income Tax (IRPF) legislation. This means that non-residents must declare the following each year as property capital gains:

- Generally, 2% of the property's cadastral value.
- 1.1% of the cadastral value where this has been revised during the same tax year or in the previous 10 years.
- If there is no cadastral value or if this has not been notified to the property owner, 1.1% shall be applied to 50% of the higher of the following values: the value verified by the tax authorities for the purposes of other taxes, or the price, consideration or value of the acquisition.

This income must be declared using a form approved by the Spa- nish Tax Agency (AEAT) (Form 210) during the year following that to which the income relates; in other words, if the investment was made in 2025, we will have the whole of 2026 to file the return and pay the tax due. The current applicable tax rate is 19% for EU citizens or resi- dents of the European Economic Area (EEA, comprising EU member states, Iceland, Liechtenstein and Norway). For all other taxpayers, the applicable tax rate is 24%.

Rented properties

Taxpayers resident in the EU or the EEA may be taxed on net income, deducting the expenses provided for in personal income tax regula- tions that are directly related to the property, such as:

- Financial expenses related to the property
- Tax depreciation
- Council tax
- Service charges
- Repairs and maintenance
- Insurance

The applicable tax rate is 19% of the resulting taxable amount.

Taxpayers resident in third countries (non-EU countries) must pay tax on the full amount of income received, without the possibility of de- ducting any expenses, at a rate of 24%.

Where the tenant acts as a business owner or self-employed person, they are obliged to withhold and pay the corresponding tax to the tax authorities as the monthly rent payments are due. This withholding tax will be 19% if the landlord is resident in the EU or the EEA, and 24% in all other cases.

The withholding tax constitutes the final tax liability for the landlord, who is exempt from filing quarterly returns. However, EU or EEA taxpa- yers entitled to deduct expenses may file an annual return (Form 210) to claim the applicable refund. This return must be filed by 20 January of the year following that in which the rental income was accrued.

It should also be noted that the 60% reduction provided for in perso- nal income tax does not apply to non-resident citizens for all income derived from residential lettings; furthermore, such income must be determined individually and separately for each property, meaning that it cannot be o set against other income.

RESIDENCE	APPLICABLE RATE	ELIGIBILITY FOR DEDUCTING EXPENSES
EU/EEA	19%	YES
NO EU/EEA	24%	NO

Purchase of property located in Spain

The purchase of a property situated in Spain by a non-resident taxpa- yer may be subject to VAT or Property Transfer Tax (TPO), depending on the nature of the transfer. Generally speaking, the first supply of re- sidential properties by a developer is subject to VAT, which is charged at a rate of 10%, except in the case of social housing or specific cases where reduced rates apply (industrial buildings, business premises or land are taxed at 21%).

However, so-called second transfers are taxed under the Transfer of Property for Consideration (TPO) regime, with the tax rate set by the Autonomous Community in which the property is located. These rates can vary significantly depending on the region, so it is advisable to consult the up-to-date information contained in the relevant regional tax guides, as they can range from reduced rates of less than 6% to standard or increased rates reaching 11% or even higher.

Where the transaction is subject to TPO, it is the purchaser's responsibility to self-assess and pay the tax to the relevant regional authority, within the time limits set out in the regulations of each Autonomous Community. Failure to file or pay may result in surcharges, interest and penalties.

In acquisitions where the transferor is a non-resident taxpayer, the IRNR regulations impose on the purchaser the obligation to withhold and pay to the tax authorities 3% of the purchase price as a payment on account of the tax due by the seller on the transfer of the property (see the fo- llowing section). This withholding obligation is independent of whether the transaction is subject to VAT or stamp duty, and its purpose is to ensure the payment of the tax corresponding to the gain realised by the non-resident. The withholding must be paid using Form 211, and is subsequently deducted by the transferor in their IRNR tax return.

Sale of property located in Spain

In accordance with Spanish domestic legislation and the double ta- xation agreements (DTAs) signed by Spain, capital gains arising from the transfer of property situated in Spanish territory may be subject to taxation in Spain. In line with the OECD Model Tax Convention, DTAs grant the State where the property is situated the right to tax this type of income; therefore, in practice, taxation in Spain applies in the vast majority of cases.

As regards IRNR, the capital gain is determined by the di erence bet- ween the transfer value and the acquisition value of the property. The transfer value shall consist of the actual amount for which the disposal took place, less the expenses and taxes inherent to the transfer that have been paid by the transferor (agency fees, notary fees, munici- pal capital gains tax borne by the seller, etc.). The acquisition value, meanwhile, consists of the actual purchase price of the property, plus the costs and taxes associated with that purchase, excluding in all ca- ses interest, as well as the cost of duly documented investments and improvements.

This capital gain will be taxed at 19% for residents of the EU or EEA and 24% for residents of third countries.

In the event that the transferor is a non-resident, the purchaser is obliged to withhold 3% of the transfer price as a payment on account of the IRNR (Non-Resident Income Tax) corresponding to the capital gain. This withholding must be paid using Form 211 and may subsequently be deducted by the transferor in their self- assessment of the tax, the deadline for which is four months after the transaction has taken place. If the withholding tax deducted exceeds the final tax liability, the non-resident may claim a refund of the excess.

Example

A taxpayer resident in Italy transfers, in 2025, a property situated in Spain, acquired for a price of 200,000 euros, including expenses and taxes amounting to 22,000 euros, as well as duly documented sub- sequent investments and improvements amounting to 60,000 euros. The property is sold for €450,000, with the seller bearing costs asso- ciated with the transfer amounting to €600.

- Purchase value: €280,000
- Sale value: €450,000
- Capital gain: €170,000
- IRNR tax (19% on €170,000): €32,300
- Withholding tax (3% of €450,000): €13,500
- Net profit: €18,800

Similarly, the transfer of urban property is subject to the Tax on the In- crease in the Value of Urban Land (IIVTNU). This is a municipal tax levied on the increase in value of urban land during the period of ownership of the property.

However, the tax will not apply where there has been no actual increa-se in the value of the land or where the sale concerns rural property.

Property Tax (IBI)

The IBI is a municipal tax levied on the ownership of urban and rural properties. The amount payable is determined by applying the tax rate set by the local council to the cadastral value, which is assigned by the Cadastral Administration.

Both individuals and legal entities are required to pay this tax. The deadline for payment varies from one municipality to another, although most set their payment schedule between September and November each year.

Wealth Tax (IP)

Non-resident taxpayers are liable for tax in Spain on a real basis, that is, exclusively on assets and rights situated or exercisable within Spa- nish territory. They are required to file a return when the net value of the assets subject to tax in Spain exceeds the exemption threshold, which is generally €700,000, although tax rates and exemption thres- holds may vary depending on the relevant Autonomous Community, based on the location of the property.

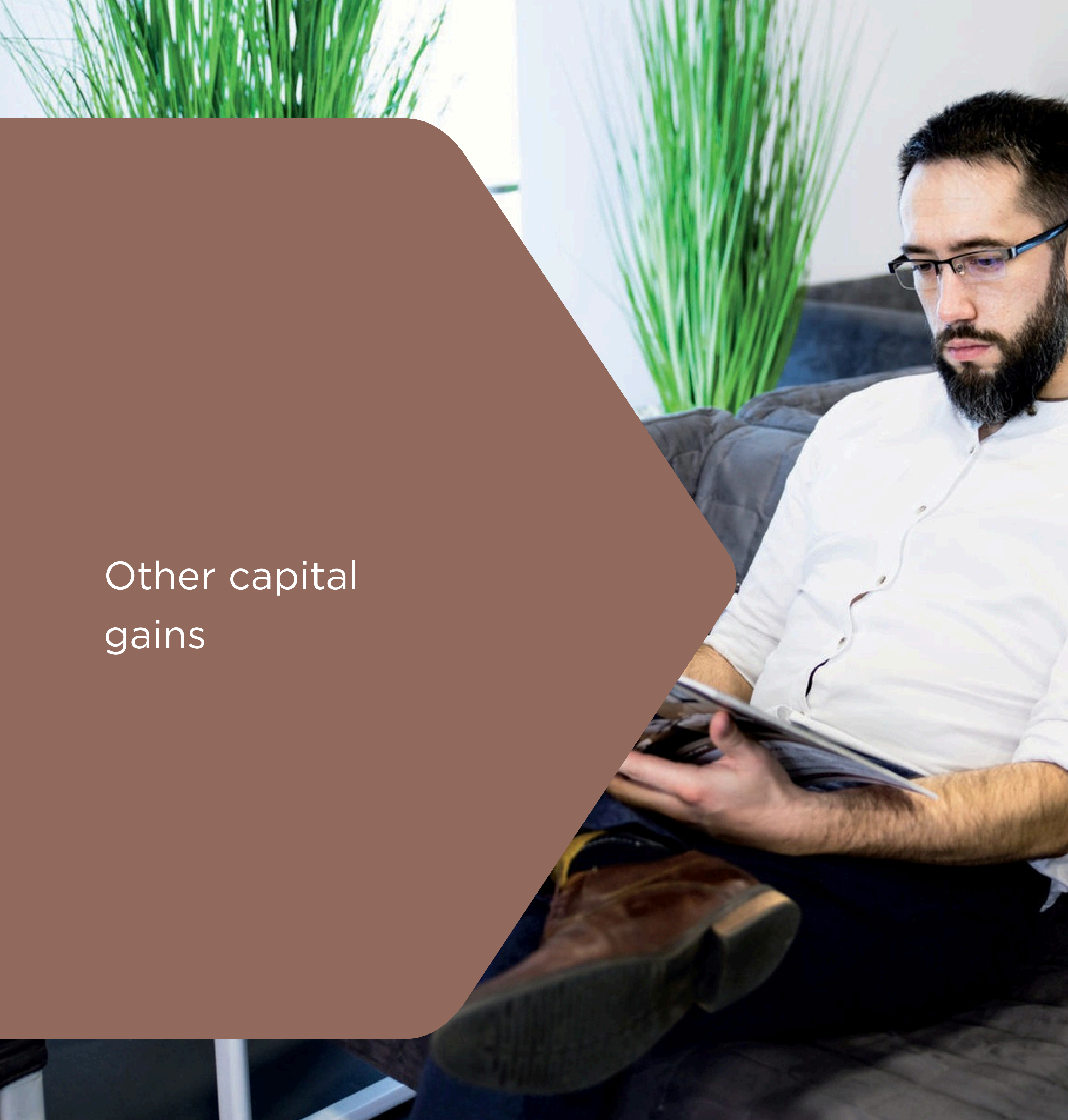
In the case of mortgaged properties, debts associated with their acquisition may be deducted, provided there is a direct link and this can be substantiated with supporting documentation.

Value Added Tax (VAT) on leases

The letting of property intended for use other than as a principal resi-dence — such as business premises, parking spaces not attached to dwellings or tourist rentals — generally constitutes a transaction sub-ject to VAT at the rate of 21%. In such cases, the landlord must charge the tax on the relevant invoice and comply with the formal obligations arising from this liability (submission of periodic self-assessments and, where applicable, the annual summary).

To this end, it will be necessary to register with the Tax Agency's regis-ter of business owners, professionals and withholding agents, thereby fulfilling the tax obligations associated with being a landlord.

Conversely, the letting of properties intended exclusively for residen- tial use is exempt from VAT. However, where such properties are let for tourist purposes and services typical of the hotel industry are provi- ded — such as booking management, reception, changing of bed and bath linen, catering services or regular cleaning during the stay — the transaction will be subject to VAT and not exempt, with the reduced rate of 10% applying.



Other capital gains

Taxation under domestic law

Types of capital gains

For the purposes of the IRNR, capital gains are defined as increases in capital arising from a change in its composition, in accordance with the criteria set out in the TRLIRNR. These gains will be subject to taxation in Spain when they are considered income obtained within Spanish territory, in accordance with the rules of attribution set out in domestic legislation, without prejudice to the provisions of the DTAs signed by Spain.

In particular, the following are considered capital gains subject to IRNR:

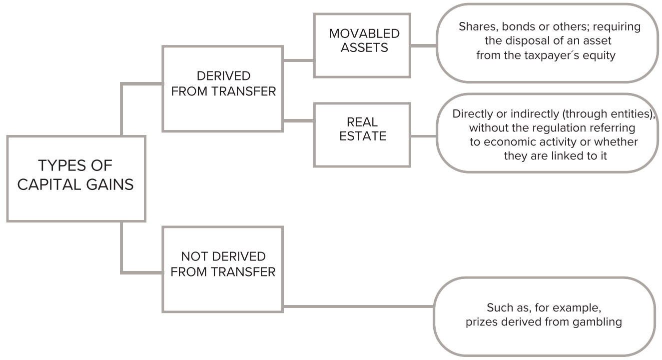
1. Gains arising from the transfer of securities issued by entities resi- dent in Spanish territory, including shares, equity interests, deben- tures, bonds or other financial instruments, regardless of where the transfer is formalised or the residence of the acquirer.

2. Gains arising from rights that must be exercised or fulfilled in Spa- nish territory, such as certain credit rights, options or contractual rights whose execution or e ectiveness takes place in Spain, are subject to taxation in Spain.

3. This also includes gains arising from the transfer of immovable property situated in Spanish territory, whether the transfer takes place directly or indirectly. For these purposes, income derived from the transfer of shares or holdings in entities, whether resi- dent or non-resident, whose assets consist, directly or indirectly, for the most part of immovable property situated in Spain, or whe- re such holdings grant the holder a right of use, enjoyment or exploitation of immovable property located in Spanish territory, is deemed to have been obtained in Spain.

4. Any increases in wealth incorporated into the taxpayer's assets through property situated in Spanish territory or rights that must be fulfilled or exercised in that territory are also considered capi- tal gains subject to IRNR, even if they do not derive from a prior transfer. This category includes, amongst other cases, winnings from gambling, prizes and other similar receipts when they occur in Spain.

Therefore, in more general terms, there are two main types of capital gains:



Finally, it should be noted that capital gains arising from the transfer of shares admitted to trading on o cial secondary markets may be exempt from taxation in Spain, under the terms set out in Article 14.1.i) of the TRLIRNR.

This exemption generally applies where the non-resident transferor has not held a significant stake in the entity, provided that the entity's assets do not consist, directly or indirectly, principally of immovable property situated in Spanish territory, without prejudice to the applica- tion of the relevant double taxation treaty where applicable.

Rates applicable under domestic legislation

The rates set out in Article 25 of the TRLIRNR are as follows:

1. The general rate for non-residents without a permanent esta- blishment, which is 24%

2. For residents of a Member State of the European Union (Ger- many, Austria, Belgium, Bulgaria, Cyprus, Croatia, Denmark, Slovakia, Slovenia, Spain, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, the Czech Republic, Roma- nia, Sweden) is 19%, and in the case of residents of a country within the European Economic Area (comprising the European Union plus Iceland and Norway) with which there is an e ecti- ve exchange of tax information, the rate is also 19%).

Taxation under the OECD Model Convention

Article 13 of the OECD Model Convention regulates the taxation of capital gains, establishing di erent rules for the allocation of taxing rights depending on the nature of the asset transferred and its territo- rial connection. In particular, the OECD Model Convention distinguis- hes between gains arising from the transfer of immovable property, movable property associated with permanent establishments, ships and aircraft, as well as shares or interests in certain entities, providing a specific taxation rule for each case.

In addition to these categories expressly regulated in Article 13, ac- count must be taken of the residual clause contained in Article 21 of the OECD Model Convention ("Other Income"), which generally grants exclusive taxing rights to the recipient's State of residence in respect of income that cannot be classified under any of the prece- ding articles of the Convention. From the perspective of Spanish do- mestic law, much of this residual income would be treated as capital gains, even though the OECD Model Convention does not expressly classify it as such.

Consequently, where a capital gain, whether arising from the disposal of an asset or consisting of a capital appreciation not arising from a disposal, cannot be classified under any of the specific provisions of Article 13 of the OECD Model Convention, such income shall not be subject to taxation in Spain if the taxpayer is a non-resident, provided that the applicable Convention attributes exclusive taxing rights to the State of residence in accordance with Article 21.

Type of Gain / Transaction	Taxation Rule
Gains derived from the **transfer of immovable property**	Subject to taxation where the property is located.
Gains derived from the **transfer of shares or interests** in entities whose **assets consist of more than 50% immovable property**, or have been so in the last 365 days.	Subject to taxation where the property is located.
Gains derived from the **transfer of movable property of a PE**, or the PE itself.	Subject to taxation at the location of the PE.
Gains derived from the **alienation of ships or aircraft** used in international traffic.	EXCLUSIVE taxation in the State of residence.
Gains derived from the **transfer of shares or interests** in entities.	EXCLUSIVE taxation in the State of residence.

Summary Tables

TRANSFER OF SHARES				
Country of residence	Ordinary share-holders	Parent companies and subsi-diaries	Required sharehol-ding	Listed on the stock exchange
Andorra	0%	19%	25%	0%
Saudi Arabia	0%	19%	25%	0%
Argentina	15%	10%	25%	0%
Australia	0%	19%	10%	0%
Belgium	0%	19%	25%	0%
Brazil	19%	19%		0%
Chile	16%	19/16%	20/50%	0%
China	0%	19%	25%	0%
Cyprus	0%	19%	25%	0%
South Korea	0%	10%	25%	0%
Denmark	0%	19%	25%	19%[1]
Egypt	0%	19%	25%	0%
United States	0%	19%	25%	0%
France	0%	19%	25%	0%
India	0%	19%	10%	0%
Ireland	0%	19%	25%	0%
Iceland	0%	19%	25%	0%
Israel	0%	19%	25%	0%
Mexico	10%	10%	-	0%
Norway	0%	19%	25%	0%
Other countries with an agreement	0%	0%	NA	0%
Panama	0%	19%	10%	0%
Portugal	0%	19%	25%	0%
Other non-EU countries WITHOUT an agreement	19%	19%	19%	19%
Other EU countries	0%	0%	NA	0%
Russia	0%	19%	25%	0%
Vietnam	0%	19%	25%	0%

	National Lottery and Betting	Other gambling winnings	Other unclas-sified earnings
Argentina	20%	24%	24%
Australia	20%	24%	24%
Brazil	20%	24%	24%
Canada	20%	24%	24%
Chile	20%	24%	24%
China	20%	24%	24%
Costa Rica	20%	0%	0%
Denmark	20%	19%	19%
El Salvador	20%	24%	0%
Philippines	20%	24%	24%
Georgia	20%	24%	0%
India	20%	24%	24%
Indonesia	20%	24%	24%
Malaysia	20%	24%	24%
Mexico	20%	24%	24%
Moldova	20%	24%	0%
New Zealand	20%	24%	24%
EU countries	0%	0%	0%
Other coun-tries with an agreement	0%	0%	0%
Other non-EU countries without an agreement Russia	20%	24%	24%
Switzerland	20%	24%	24%
Thailand	20%	0%	0%
UK	20%	24%	24%
Other EU countries	0%	0%	0%
Russia	0%	0%	NA
Vietnam	0%	19 %	25 %
	0%	19 %	25 %

Other issues of interest

The need to appoint tax representatives in Spain

The regulations governing IRNR establish a di erentiated regime re- garding the obligation to appoint a tax representative in Spain, depen- ding on the taxpayer's residence and the income obtained or assets located in Spanish territory.

Taxpayers resident in the EU or the EEA

Taxpayers resident in another EU Member State, as well as in an EEA Member State that is not an EU Member State, provided that in the latter case there are regulations on mutual assistance regarding the exchange of tax information and tax collection, are not obliged to ap- point a tax representative resident in Spain.

These taxpayers may deal with the Spanish tax authorities directly or through persons acting on their behalf in accordance with the general rules on legal or voluntary representation, without being required to appoint a specific tax representative for the purposes of IRNR.

Taxpayers resident in third countries

Conversely, taxpayers resident in third countries, that is, those not re- sident in another EU Member State or in an EEA State with mutual assistance regulations, will be obliged to appoint a tax representative resident in Spain, before the deadline for declaring income obtained in Spanish territory, where any of the following circumstances apply:

- Where they operate in Spain through a permanent establishment.
- Where they provide services, technical assistance or installa- tion or assembly work arising from engineering contracts or, in general, from economic activities or operations carried out in Spain without the involvement of a permanent establishment, provided that the duration does not exceed six months.
- Where the entities are under the income allocation regime, incorporated abroad and have a presence in Spanish territory.
- Where, in view of the amount or nature of the income ob- tained, or the ownership of immovable property situated in Spain, the tax authorities expressly so require.
- In the case of taxpayers resident in countries or territories classi- fied as non-cooperative jurisdictions, in accordance with current regulations, who are owners of assets situated in Spanish terri- tory or of rights that must be fulfilled or exercised in that territory, excluding securities traded on o cial secondary markets.

	EU/ EEA	**EEA No Exchange Others**
EP	NO	YES
PROPERTY	NO	YES, subject to conditions
ECONOMIC A CTIVITIES	NO	YES
RESIDENCE IN A TAX HAVEN	YES	
TRANSPARENT ENTITIES WITH A PRESENCE IN SPAIN	NO	YES
REQUESTED BY THE TAX AUTHORITIES	NO	YES

Summary table: appointment of a tax representative

The appointment of a tax representative may be made using the standard forms approved by the tax authorities or by means of a power of attorney executed before a notary. Where such a power of attorney has been executed abroad, it must be accompanied by a certified translation into Spanish and be duly legalised or apostilled in accordance with the Hague Convention, unless an international convention exempting such requirements applies.

Obtaining a NIE

Foreign nationals who, for economic, professional or social reasons, have dealings with Spain must, for identification purposes, hold a Foreigner's Identity Number (NIE). The NIE is a personal, unique and exclusive sequential number that identifies the foreign national to the Spanish authorities.

This number must appear on all documents issued or processed in Spain, as well as on any endorsements made in their passport or, where applicable, on the relevant identity card.

Applications for the allocation of an NIE on the grounds of economic, professional or social interests may be submitted via any of the fo- llowing channels:

1. In person in Spain, by the person concerned.
2. In Spain, through a duly authorised representative.
3. Abroad, through Spanish diplomatic missions or consular o ces corresponding to the applicant's place of residence.

To obtain a NIE, the following documents must be submitted:

1. For EU citizens, the following must be provided:
    - A valid and duly completed EX15 form.
    - Passport.
    - Power of attorney or representation, where applicable, *in the form of an a davit* (which requires the foreign natio- nal to appear in person before a competent authority) or a notarised power of attorney granted to a solicitor, pro- vided that the document expressly states that it includes the power to apply for the NIE.
2. For non-EU citizens, the following must be provided:
    - A valid EX15 form.
    - A complete passport, duly certified by a notary.
    - Proof of entry into Spain.
    - Power of attorney or representation, under the same terms as those indicated for EU citizens.
    - Justification of the reason for applying for the NIE.
3. For minors, the following must be provided:
    - Form EX15 completed with the minor's details and sig- ned by the father, mother or legal guardian.
    - The minor's passport or identity card.
    - Passport or identity card of both parents.
    - Proof of parentage by means of an international birth certificate.
    - *A formal declaration* made in the presence of both parents or by means of a power of attorney.
    - For non-EU minors only, an explicit justification of the reason for applying for the NIE will be required.

To obtain a definitive NIE from the immigration authorities in Spain, it is an essential requirement that the foreign national is physically present on Spanish territory. Consequently, an application made by power of attorney granted before a foreign notary will not be admissible if the applicant is not in Spain. In such cases, the application must necessa- rily be processed through the Spanish consular o ces or embassies in the country of residence.

Furthermore, certain professional groups (lawyers, economists, amongst others) may facilitate these procedures through their res- pective professional bodies; however, in practice, the foreign na- tional may still be required to appear in person to grant power of attorney.

Obtaining a NIE for non-residents for tax purposes

To obtain a Tax Identification Number for a company incorporated abroad, we must first have the authorisation of a director with power of representation for the company. For this first step, depending on whether the applicant is a national of an EU Member State, the fo- llowing will be required:

1. A certified photocopy of the first page of the passport (in the case of EU nationals), or of the entire passport (in the case of third-country nationals), bearing a Hague Apostille.
2. A power of attorney, signed before a notary and bearing a Ha- gue Apostille, appointing the representative who will handle your application in Spain.

Following the registration of the natural person, the legal entity may be registered by providing the following legalised, apostilled and sworn-translated documentation:

- A certified photocopy of the company's articles of association, bearing a Hague Apostille, and, if the articles do not specify this, a document certifying the appointment as sole or joint director or as a person with su cient authority to represent the company.

- Power of attorney from the company, signed before a notary and bearing a Hague Apostille, stating that the representative has su cient authority to represent the company and designating the representative who will handle the application in Spain.

KRESTON IBERAUDIT

IMPORTANT NOTE TO THE READER

It should be emphasised that, due to the wide variety of situations that arise in practice, this is a guide only, and it is essential to seek individual advice from an expert in international taxation; this guide does not constitute legal advice nor does it create any obligations between the reader or recipient and the firm.

Appendices

TABLES OF TAXATION LIMITS ESTABLISHED IN THE AGREEMENTS SIGNED BY SPAIN RELATING TO DIVIDENDS, INTEREST AND ROYALTIES RESPECTIVELY

Country	Maximum % condition
Albania	6 / Exemption
Germany	Exemption
Andorra	5 / Exemption
Saudi Arabia	5 / Exemption
Algeria	5 / Exemption
Argentina	12 / Exemption
Armenia	5
Australia	10
Austria	5
Azerbaijan	8 / Exemption
Barbados	No taxation
Belgium	10 / Exemption
Belarus	5 / Exemption
Bolivia	15 / Exemption
Bosnia-Her.	7 / Exemption
Brazil	15 and 10 / Exem.
Bulgaria	No taxation
Cabo Verde	5 / Exemption
Canada	10 / Exemption
Qatar	No taxation
Chile	5 and 15
China	10 / Exemption
Cyprus	No taxation
Colombia	10 / Exemption
Korea	10 and 8 / Exem.
Costa Rica	10 and 5 / Exem.
Croatia	0
Cuba	10
Ecuador	10 and 5
Egypt	10 / Exemption
El Salvador	10 / Exemption
United Arab Emirates	No taxation
Slovakia	3 / No taxation
Slovenia	5 / Exemption
USA	10 / Exemption
Estonia	10 / Exemption
Philippines	15 and 10 / Exem.
Finland	No taxation
France	10 / Exemption
Georgia	No taxation
Greece	8 / Exemption
Hong Kong	5 / Exemption
Hungary	No taxation
India	15 / Exemption
Indonesia	10 / Exemption
Iran	7.5 / Exemption
Ireland	No taxation
Iceland	5 / Exemption
Israel	10 and 5 / Exem.
Italy	12 / Exemption
Jamaica	10 / Exemption
Japan	0 / 10
Kazakhstan	10 / Exemption
Kuwait	No taxation
Latvia	10 / Exemption
Lithuania	10 / Exemption

Luxembourg	10 / Exemption
Macedonia	5 / Exemption
Malaysia	10 / Exemption
Malta	No taxation
Morocco	10
Mexico	10 and 4.9 / Exem.
Moldova	5 / Exemption
Nigeria	7.5 / Exemption
Norway	10 / Exemption
New Zealand	10 / Exemption
Oman	5 / Exemption
Netherlands	10
Pakistan	10 / Exemption
Panama	5 / Exemption
Paraguay	5 / Exemption
Poland	No taxation
Portugal	15
United Kingdom	No taxation
Czech Rep.	3 / No taxation
Dominican Rep.	10 / Exemption
Romania	3 / Exemption
Russia	5
Senegal	10 / Exemption
Serbia	10 / Exemption
Singapore	5 / Exemption
South Africa	5 / Exemption
Sweden	15
Switzerland	No taxation
Thailand	15 and 10 / Exem.
Trinidad and Tob.	8 / Exemption
Tunisia	10 and 5
Turkey	15 and 10
Uruguay	10 / Exemption
USSR	No taxation
Uzbekistan	5 / Exemption
Venezuela	10 and 4.95 / Exem.
Vietnam	10

Dividends

Country	Spanish dividends to non-residents		Foreign dividends to residents in Spain	
	PF	PJ	PF	PJ
Albania	10	10, 5, 0	10	10, 5, 0
Germany	15	15, 5	15	15, 5
Andorra	15	15.5	15	15.5
Saudi Arabia	5	5.0	5	5, 0
Algeria	15	15.5	15	15.5
Argentina	15	15.10	15	15, 10
Armenia	10	10, 0	10	10, 0
Australia	15	15	15	15
Austria	15	15, 10	15	15, 10
Azerbaijan	10	10, 5	10	10.5
Barbados	5	5, 0	5	5, 0
Belgium	15	15, 0	15	15, 0
Belarus	10	10.5	10	10, 5, 0
Bolivia	15	15, 10	15	15, 10
Bosnia and Herzegovina	10	10, 5	10	10.5
Brazil	15	15	15	15
Bulgaria	15	15.5	15	15.5
Cape Verde	10	10.0	10	10, 0
Canada	15	15.5, 0	15	15.5, 0
Qatar	5	5, 0	5	5, 0
Chile	10	10.5	10	10.5
China	10	10, 5, 0	10	10, 5, 0
Cyprus	5	5, 0	5	5, 0
Colombia	5	5, 0	5	5, 0
Korea	15	15, 10	15	15, 10
Costa Rica	12	12.5	12	12.5
Croatia	15	15.0	15	15, 0
Cuba	1	15.5	1	15.5
Ecuador	5	15	5	15
Egypt	1	12, 9	1	12, 9
El Salvador	5	12, 0	5	12, 0
United Arab Emirates	1 2	15.5	1 2	15.5
Slovakia	1 15	15.5	1 15	15.5
Slovenia	2 15	15.5	15.5 2	15
United States	1 15	15, 5, 0	1 15	15, 5, 0
Estonia	5 15	15, 5	5 15	15, 5
Philippines	15	15.10	15	15, 10
Finland	15	15, 5, 0	15	15, 5, 0
France	15	15, 0	15	15, 0
Georgia	1	10, 0	10	10, 0
Greece	0	10.5	10	10.5
Hong Kong	1	10, 0	10	10, 0
Hungary	0	15.5	15	15.5
India	1	15	15	15
Indonesia (and Timor)	0	15, 10	15	15, 10
Iran	15			
wIreland	15 10	10, 5	10	10, 5
Iceland	15 15	15.0	15, 0	15, 0
Israel	15	15.5	15	15.5
Italy	10	10	10	10
Jamaica	15	15	15	15
Japan	10	10.5	10	10.5
Kazakhstan	5	5, 0	5	5, 0
Kuwait	15	15.5	15	15.5
Latvia	5	5.0	5	5.0
Lithuania	10	10.5	10	10.5
Luxembourg	15	15.5	15	15.5
Macedonia	15	15.10	15	15.5
Malaysia	15	15.5	15	15.5
Malta	5	5.0	5	5, 0
Morocco	5	5.0	-	-
	15	15, 10	15	15, 10

Mexico	10	10, 0	10	10, 0
Moldova	10	10.5	10	10.5
Nigeria	10	10, 7, 5	10	10, 7, 5
Norway	15	15, 10	15	15, 10
New Zealand	15	15	15	15
Oman	10	10, 0	10	10, 0
Netherlands	15	15.10	15	15.5
Pakistan	10, 7.5; 5	10, 7.5; 5	10, 7.5; 5	10, 7.5: 5
Panama	10	10, 5, 0	10	10, 5, 0
Paraguay	10	10, 5, 0	10	10, 5, 0
Poland	15	15, 5	15	15, 5
Portugal	15	15.10	15	15, 10
United Kingdom	15, 10	15, 10, 0	15, 10	15, 10, 0
Czech Republic	15	15, 5	15, 5	15
Dominican Republic	1 0	10.0	10	10, 0
Romania	5	5.0	5	5.0
Russia	15	15, 10, 5	15	15, 10, 5
Senegal	10	10	10	10
Serbia	10	10.5	10	10.5
Singapore	5	5.0	5	5, 0
South Africa	15	15.5	15	15.5
Sweden	15	15.10	15	15, 10
Switzerland	15	15, 0	15	15, 0
Thailand	10	10	10	10
Trinidad and Tobago	10	10, 5, 0	10	10, 5, 0
Tunisia				
Turkey	15	15, 5	15	15, 5
USSR	15	15.5	15	15.5
Uruguay	18	18	18	18
Uzbekistan	5	5, 0	5	5, 0
Venezuela	10	10.5	10	10.5
	10	10, 0	10	10, 0
Vietnam	15	15, 10, 7, 5	15	15, 10, 7, 5

Fees

Country	Maximum %
Albania	No taxation
Germany	No taxation
Andorra	5
Saudi Arabia	8
Algeria	7, 14
Argentina	3, 5, 10, 15
Armenia	10, 5
Australia	10
Austria	5
Azerbaijan	10, 5
Barbados	No tax
Belgium	5
Belarus	5
Bolivia	15 No taxation
Bosnia and Herzegovina	7
Brazil	10, 15
Bulgaria	No taxation
Cape Verde	5
Canada	10 No taxation
Qatar	No tax
Chile	5, 10
China	10
Cyprus	No taxation
Colombia	10
Korea	10
Costa Rica	10
Croatia	0
Cuba	5 No taxation
Ecuador	5, 10
Egypt	12
El Salvador	10

United Arab Emirates	No taxation
Slovakia	No taxation
Slovenia	5
United States	No taxation
Estonia	5, 10
Philippines	10, 15, 20
Finland	No taxation
France	5 No taxation
Georgia	No taxation
Greece	6
Hong Kong	5
Hungary	No taxation
India	10, 20
Indonesia (and Timor)	10
Iran	5
Ireland	5, 8, 10
Iceland	5
Israel	7.5
Italy	4, 8
Jamaica	10
Japan	No tax
Kazakhstan	10
Kuwait	5
Latvia	5, 10
Lithuania	5, 10
Luxembourg	10
Macedonia	5
Malaysia	7.5
Malta	No taxation
Morocco	5, 10
Mexico	10 No taxation
Moldova	8
Nigeria	3.75, 7.5
Norway	5

New Zealand	10
Oman	8
Netherlands	6
Pakistan	7.5
Panama	5
Paraguay	5
Poland	10 No taxation
Portugal	5
United Kingdom	No taxation
Czech Republic	5 No taxation
Dominican	10
Republic Romania	3
Russia	5
Senegal	10
Serbia	5, 10
Singapore	5
South Africa	5
Sweden	10
Switzerland	5 No taxation
Thailand	5, 8, 15
Trinidad and	5
Tobago Tunisia	10
Turkey	10
USSR	5 No taxation
Uruguay	5, 10
Uzbekistan	5
Venezuela	5
Vietnam	10

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