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abogados y asesores tributarios

ALLIOTT
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abogados y asesores tributarios
Solicitors and Tax Consultants

BUSINESS IN SPAIN

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SPAIN

KNOWN FOR ITS STRATEGIC
LOCATION

ITS ART,

ITS HISTORY,

ITS ANCIENT CULTURE

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Traditionally associated with produce
and tourism.

However, Spain offers much more
than that....

as it may easily be observed in its
diverse offer of industrial goods,
consumer goods and services

With an outstanding strategic location

505,000 sq km,
2nd largest country in Western Europe
Balearic Islands in the Mediterranean,
Canary Islands in the Atlantic,
Two North African enclaves, Ceuta and Melilla

Largest Cities:

Madrid (capital), Abbantia //Alliott office

Barcelona, Bilbao, Abbantia //Alliott office

Seville Abbantia //Alliott office

With an outstanding strategic location

Region	OECD
Income Category	High income
Population	46.754.784 (July 2011 est.)
GNI Per Capita (US\$)	31,870.00

With an outstanding strategic location

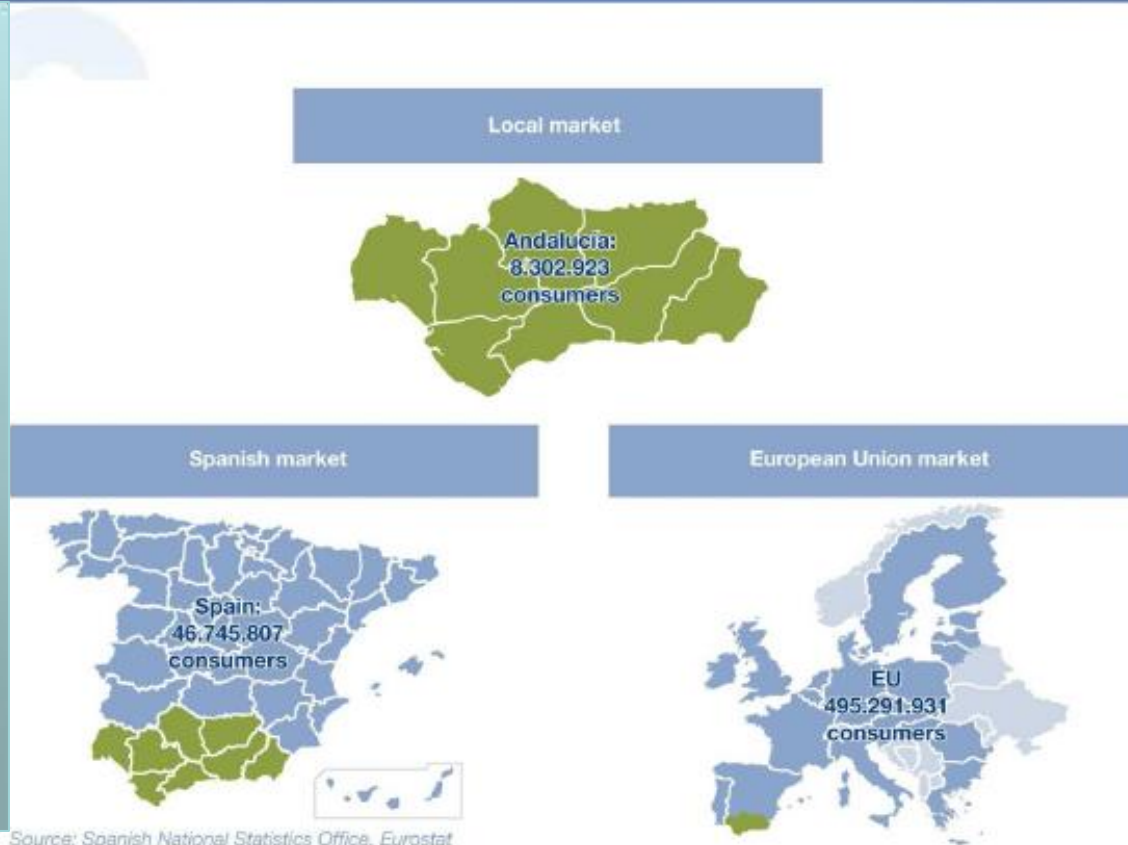
Point of Europe and separated from Africa
by the 9.32 miles of the Straits of Gibraltar,
where the Atlantic Ocean and
the Mediterranean Sea meet

Member of the EU

AN OUTSTANDING STRATEGIC LOCATION

Access to a 47 million consumers pool

TAKE A LOOK
INVEST IN SPAIN



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With an outstanding strategic location

GATEWAY TO LATIN AMERICA

A shared language, historical ties and cultural familiarity have given Spanish companies an advantage in the Latin American market, which in recent years has received almost half of Spain's investment abroad.

More than a outstanding strategic location

Besides its attractive geo-strategic location,
renewed infrastructures and
high market potential,
Spain offers foreigners an
excellent opportunity
to establish themselves
and expand in southern Europe

... more innovation, more
entrepreneurial spirit, more
competitiveness, more sustainability...

and also more business opportunities

Spain =international reference
in cutting-edge technologies.

Despite the global economic situation,
innovating sectors such as
aeronautics, biotechnology,
renewable energies
and IT and communication technologies,
among others,
maintain a
sustained economic growth rate.

100 % foreign ownership of equity permitted
capital movements completely liberalised.
wide range of economic incentives offered,
for companies that set up operations in Spain.

Financial subsidies, preferential access to official credit,
bonuses for the acquisition of certain material,
real estate grants, incentives for research
and development, tax deductions and exemptions,
guarantee of dividends, bonuses and incentives for
hiring and training workers and low interest loans.

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Ranked as the least expensive
of the EU countries studied for doing business.

Spain has low cost labour and transport,
(European market has eliminated exchange
rate fluctuations and reduced overall transaction costs).

The structural reforms implemented should mean that
Spain continues to offer a competitive,
yet more secure, stable and reliable environment
in which to conduct business

Labour costs in Spain are among
the lowest in the EU -15

Electricity costs are around the average
for the EU-15

Cost of natural gas for industry is among
the lowest in the European Union

Labour costs in 2008 €/mounth

Luxembourg 4800

Belgium 4300

France 4000

Finland 3900

Austria 3850

Spain 2500

Andalucia 2200

Telephone costs in Spain
are among the most
competitive in the OECD countries.

Third cheapest country worldwilde
in telephone call charges
after the USA and Italy.

Spain is one of the cheapest countries
for international
calls to the USA

STRATEGIC SECTORS



Biotechnology



Renewable energies



Aerospace



Agri-food



ICT



Environment

AERONAUTICAL INDUSTRY TOP 5 (2008)

1. UK
2. FRANCE
3. GERMANY
4. ITALY
5. SPAIN

Aeronautical sector profile:

Great tradition and high potential for the future.

Andalusia 2nd region in Spain

130 companies in 2009 -mechanical activities & tooling,

Also engineering and consulting services.

8,786 people and has turned over almost 1,541.20 million Euros.

EADS-CASA and Airbus

Modern infrastructure to support ...

Andalusian Aerospace Technology Park

Bay of Cadiz Technology Park.

2 large aeronautical projects:

the manufacture of part of the Airbus A380 aeroplane Cádiz

the assembly of the military Airbus A400M in Seville.

ANDALUSIAN AEROSPACE SECTOR

Aerospace: Strategic sector with sustained growth

over the past ten years :

- € 1,982 million turnover, 26% growth in 2010
- Andalucía account for 28.43% of the turnover at national level
- 130 companies operate in the Andalusian Aeronautical Sector
- Over 10,270 direct jobs. 13,2% growth in 2010
- One of the European leading regions in aircraft industry
- State-of-the-art infrastructures for research and advanced services
- Aeronautical clusters in Seville and Cadiz
- Strong commitment of the Andalusian Government to provide financial and technological support to enhance the competitiveness of aerospace companies



RENEWABLE ENERGIES

ANDALUCIA, AN ADVANCED REGION IN CLEAN ENERGIES

- More than 1,000 companies involved in renewable energies
- Workforce 26,000
- Climate and geography make Andalusia the most suitable place to develop renewable energies
- Pioneer region in solar thermal and solar PV R&D
- Leader in biomass in Spain
- 2nd Region in wind energy development
- First silicium factory built in Spain
- International reference in terms of solar energy generation

Source: Andalousian Agency of Energy

How to establish a company in Spain?

Can a foreigner incorporate a company
in Spain?

YES : with or without legal residence -
also who reside outside the country.

IT COULD BE DONE BY SOMEONE WITH A POWER OF
ATTORNEY.

TAX IDENTIFICATION NUMBER NIF//NIE

Directors and shareholders of a new company SL/SA need a NIE NUMBER before the process of incorporation can begin.

- NIE =identification number in Spain for everyone who is not a Spanish citizen.
- Both EU citizens and non-EU citizens.
- NIE is not a fiscal residency Identification you can have a NIE and be fiscal resident in another country.

How to establish a company in Spain?

NEGATIVE NAME CERTIFICATE :

A certificate should be requested from the Central Companies Register to confirm the desired name and which indicates that this is available and may be utilized.

Once the certificate have been issued, the corporate name will be registered in favor of its beneficiary

For the incorporation deed, the negative name certificate will be in force for a period of 3 months,

INCORPORATION BEFORE A SPANISH NOTARY PUBLIC:

The authorized representative should appear before a Spanish Notary Public to execute the deed of incorporation, submitting all necessary documents, including:

The bylaws, with the minimum content required by Spanish Law+ negative name certificate+bank certification (The amount to be paid in cash at the time of incorporation shall be deposited/transferred in a bank account open in Spain in the name of the new company) **Non-monetary contributions? yes**

+ original PoA deed executed by the shareholders to their representatives, including The Hague Apostille and sworn translation+ identification documents

+ provisional tax identification number (C.I.F.)

Duly-completed declaration of foreign investment.

Solely informative, but obligatory document that should be submitted to the Register of Foreign Investments of the Ministry of Economic Affairs and Finance, within 1 month of the incorporation.

The Notary may be entrusted with this, if so requested of him. (Model D-1A,)

PAYMENT OF I.T.P/A.J.D.

1% tax share capital or notarial proceedings. (Temporary exemption)

Model 600 for the ITP/AJD is presented, together with the deed of incorporation of the company, a copy of this and the tax identification number (C.I.F.) in the corresponding office of the Autonomous Region within 30 business days of the execution of the public deed.

REGISTRATION IN THE COMPANIES REGISTER.

Grants legal personality,
whereby as of that moment the company legally exists.

Should be made within 2 months
of the execution of the deed.

Deed +Negative Name Certificate
+ receipt for Mod 600,
+ provisional C.I.F.

TAX PROCEDURES

- **Census Declaration:** to indicate the start of the activity, to deduct any fees in which it incurs prior to initiating the activity (no more than 1 year –effective commencement)
- **Final C.I.F.:** apply for **NON PROVISIONAL** tax identification number (C.I.F.)

Accounting and tax filing in Spain

All companies registered in Spain: present their accounting books and file quarterly and annual corporate tax forms.

- SA//SL, required to do accounting and present various quarterly and annual tax forms// also present annual accounts at the Mercantile Registry or Companies Register.
- System more into line with accounting systems in the other EU countries. accounting must conform to Spanish GAAP; not perform accounting using UK or USA GAAP.

VAT registration in Spain

There are several reasons you might want to get a Spanish non resident VAT number for your international company, such as:

- to claim a VAT refund
- to import goods into Spain
- to open a corporate bank account
- to acquire shares of a Spanish company
- to buy properties

OCCUPATIONAL PROCEDURES

http://www.seg-social.es/Internet_6/TramitesyGestiones/index.htm

If the company is going to hire one or more employees, it must be registered in Social Security. In the course of the same registration, the company may opt to provide its employees with coverage in the event of Occupational Accidents or Professional Illnesses with Social Security (National Institute for Social Security) or by a specialized employer's mutual insurance company.

OCCUPATIONAL PROCEDURES

This registration is performed in the General Treasury Office of Social Security prior to the commencement of activities. Upon the presentation of form TA6, with the original and one copy of the deed of incorporation, the document that verifies registration with the Tax on Commercial and Professional Activities and the contract with the Mutual Insurance Company, the company is given a Social Security Membership or Social Security Account Number.

Notice of Opening of a work center

Each time a work center is opened, we shall proceed to provide notice of the opening of the work center in the Regional Commission of Labor always 30 days prior to the commencement of the activity.

Registration of contracts of employment

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