



# GETTING STARTED IN SPAIN

## A SHORT TALK

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# **BASIC BUSINESS STRUCTURES**

- **SOLE TRADER OR AUTONOMO**
- **LIMITED COMPANY (LTD) OR OFF THE SHELF COMPANY, OR SOCIEDAD DE RESPONSABILIDAD LIMITADA NUEVA EMPRESA**
- **LIMITED COMPANY OR SOCIEDAD DE RESPONSABILIDAD LIMITADA**



# HEALTH WARNING

- SEEK PROFESSIONAL ADVICE FOR YOUR PARTICULAR CIRCUMSTANCES, THESE NOTES ARE A GENERAL GUIDE ONLY.



# PLEASE NOTE

- REFERENCES TO THE UK ARE  
CONFINED TO THE LAW OF ENGLAND  
AND WALES



# GETTING STARTED I

- Q. HELP I AM THE NEW KID ON THE BLOCK  
WHAT DO I DO ?
- A. DEPENDS ON THE TYPE OF BUSINESS  
OR PROFESSION
- A. I AM AN EVENTS ORGANIZER WITH MY  
PARTNER
- A. I AM A COMPUTER PROGRAMMER  
/BUSINESS ANALIST



# GETTING STARTED II

- 1. IN SPAIN AN NIE (FOREIGNERS IDENTIFICATION NUMBER) OR FISCAL NUMBER IS REQUIRED FOR PAYING TAXES AND IN SOME WAYS IS SIMILAR WITH LIMITATION TO THE UK NATIONAL INSURANCE NUMBER

# GETTING STARTED III

- 2. AN APPLICATION FOR A TAX LICENSE FOR THE PARTICULAR ECONOMIC ACTIVITY NEEDS TO BE MADE.
- 3. A FORM **036** NEEDS TO BE COMPLETED TO INFORM THE TAX OFFICE OF YOUR PAYMENT METHODS FOR TAX.
- 4. YOU ARE OBLIGED BY LAW TO MAKE BOTH AN INCOME TAX AND VAT DECLARATION IN SPAIN.



# GETTING STARTED IV

- 5. IN THE UK BUSINESSES ARE NOT REQUIRED TO MAKE VAT DECLARATIONS BELOW THE CURRENT THRESHOLD OF VAT, ALTHOUGH VOLUNTARY REGISTRATION IS PERMISSIBLE.
- 6. TAX DECLARATIONS IN SPAIN CAN BE SUBMITTED EITHER BY “THE DIRECT ESTIMATIONS METHOD” OR BY PAYMENT OF A FIXED QUARTERLY AMOUNT KNOWN AS THE “MODULOS SYSTEM”, THIS APPLIED FOR AUTONOMOS (SELF-EMPLOYED ONLY).



# SOCIAL SECURITY

- REGISTERING FOR SOCIAL SECURITY IS OBLIGATORY FOR THOSE WORKING AS SELF-EMPLOYED IN SPAIN
- ONCE REGISTRATION HAS TAKEN PLACE THE PERSON WILL ENTITLED TO STATE MEDICAL CARE, ADDITIONALLY A SPOUSE & CHILDREN OF THE FAMILY WILL ALSO BE ABLE TO CLAIM MEDICAL CARE PROVIDED AN APPLICATION IS MADE



# THE COMPANY STRUCTURE

- IN BOTH JURISDICTIONS THERE IS AN OBLIGATION FOR DISCLOSURE
- IN ENGLAND AND WALES DIRECTORS ARE DEEMED OFFICE HOLDERS AND ARE EMPLOYEES OF THE COMPANY. IN SPAIN THE SHARE HOLDING ARRANGEMENT DETERMINES THE SOCIAL SECURITY REGIME AND THE AMOUNT OF SOCIAL SECURITY PAYABLE.

# QUOTES

- “SUCCESS IS NEVER FINAL, FAILURE IS NEVER FATAL, IT IS COURAGE THAT COUNTS” Winston Churchill
- “TAKE CARE OF THE SENSE AND THE SOUNDS WILL TAKE CARE OF THEMSELVES” The Duchess in Alice In Wonderland
- “READ THE DIRECTIONS AND DIRECTLY YOU WILL BE DIRECTED IN THE RIGHT DIRECTION” The Door knob in Alice In Wonderland.