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**Guide to Contracting in
Spain**



COUNTRY HIGHLIGHTS (2017)

Spain – Individual

Currency	Euro (€)
Tax Year	Starts 1 January Ends 31 December
Tax Rates	Progressive Rates ranging from 19% to 48% depending upon the region of Spain the individual resides. The taxation due is reduced by taxation due on a Personal Allowance. A special regime exists that allows individuals that are tax resident and satisfy certain criteria to be taxed at the Non-Resident Tax rate of 24%.
Social Security	Employers Social Security 29.90% (Subject to a monthly cap on earnings of €3,751.20) Employees Social Security 6.35% (Subject to a monthly cap on earnings of €3,751.20)

Tax Residency

An individual becomes Tax Resident in Spain if

- They spend more than 183 days in a calendar year; or
- If the centre of their vital interests is located in Spain, such as family.

An individual who is Tax Resident is taxable on Worldwide Income except if exempt under a double taxation treaty.

An individual who is not Tax Resident is taxable in Spain on Income earned or generated in Spain.

Social Security

Social Security is payable in Spain unless the individual is paying Social Security in the country in which their employer is based and they are habitually resident. A certificate of continuing liability to Social Security is required to exempt the individual from Spanish Social Security.

Right to Work

EU and EEA Nationals have an unfettered right to work in Spain without the need to hold a VISA or Work Permit. However, they must go to a Police station and register in the Central Registry for Foreigners if they intend to stay more than 3 months within the first 3 months of their stay.

Other Nationals, generally, need to have the relevant approval to work prior to their arrival in Spain and cannot work pending the approval being issued by the relevant authority.



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