

Lawyers Specialized in Investments in Spain

Due to our international experience acquired through numerous transactions, our **lawyers specialized in investments in Spain** can advise clients on all legal and tax aspects in an effective and practical manner. We are part of GBL ALLIANCE, an international network of independent law firms which allows us to coordinate legal matters across jurisdictions more efficiently.

LEGAL EXPERIENCE

Our lawyers specialized in investments have been providing legal advice and support to companies, individuals, and institutions on corporate matters for more than 78 years.

MULTIDISCIPLINARY

Over all these years we have handled hundreds of cases in many sectors and areas of legal practice. We have a highly qualified multidisciplinary team of specialized lawyers.

PERSONALIZED

We work alongside our clients, providing them with a direct line to the lawyers specialized in investments who handle their affairs and provide a personalized approach to each case.

INVESTING IN SPAIN DOING BUSINESS IN SPAIN

If you are planning to do business in Spain, our team of **international lawyers specialized in investments**, formed by corporate, tax, employment and real estate specialists, will advise you on the approach that best fits your interests.

Whether it is forming a subsidiary or opening a branch, acquiring an existing company or ongoing concern, or **investing in real estate in Spain**, we will advise you on the structure that is most convenient for you from a legal and tax perspective and will support you throughout the whole investment process and also thereafter.

We provide comprehensive advice and services for your **investments in Spain**:

- Legal
- Tax
- Employment and Social Security
- Real Estate
- Immigration
- Bookkeeping

INCORPORATING A COMPANY IN SPAIN

The first step will be deciding on the **legal form of your company**. The most common legal entity forms in Spain are public limited company ("Sociedad Anónima" or "S.A.") and private limited company ("Sociedad Limitada" or "S.L."), although there are many others.

The S.L. benefits from more flexible corporate procedures, a lower minimum share capital and it is easier to manage from a legal standpoint compared to an S.A. Unless your specific needs and activity require an S.A., the most likely company form that you will be incorporating to do business in Spain will be a "Sociedad Limitada".

Contact to **our lawyers specialized in investments to go step by step safely.**

Company name

The name **must be different from any other company** name already registered in Spain. You can provide our lawyers specialized in investments with some name options. They will advise you on which names are likely to be accepted and which ones may be rejected, and they will submit the shortlist to the Central Mercantile Registry for approval.

Share capital

For an SL the minimum share capital required is €3,000 but it can be higher if needed. Based on your initial business plan and the financial needs of the new company **our lawyers will advise you on how to contribute the capital** that your company will require and how to split it between share capital and other forms of capital contribution. A bank account to the name of the new company must be opened in Spain to transfer the amount of the initial share capital.

Tax identification number

Each shareholder and director (whether they are legal entities or individuals) will need to obtain a Spanish tax identification number. **Our lawyers specialized in investments will help you obtain it.**

Incorporation deed

The lawyers will liaise with the Spanish notary public to prepare and sign the incorporation deed.

VAT number

Prior to initiating its activities, the new company will need to be registered with the Spanish Tax Agency and obtain the VAT number. **We will take care of it.**

Reporting the foreign investment

Our lawyers will prepare and submit the foreign investment form reporting the incorporation of the company by a non-resident.

Company registration

As a final step, we will register the new company with the **Mercantile Registry** and proceed to activate it to carry out its business activity.

No need to come

If you are not planning to come to Spain for the incorporation of your subsidiary or branch, **our specialized lawyers can represent you with powers of attorney** and open the bank account, incorporate the company, obtain the company VAT number, appoint the directors and carry on all the necessary legal steps to have your company registered and ready for doing business in Spain.

Ongoing advice

Once the company is up and running, **our business lawyers will advise you on any matters** related to its business activity (leases, commercial contracts, employment contracts, corporate matters, debt collection, tax matters, etc.). And our associated bookkeeping firm will take care of the day to day compliance work (accounting, annual accounts, VAT payments, etc.).

Branch

A branch is a permanent establishment in Spain of a foreign company, it is not a separate or legally independent

company. The branch will have the same name as the foreign parent company adding the words “Sucursal en España”. The branch does not require a minimum share capital but the foreign parent company will be responsible for any liabilities of the branch.

The formalities for opening a branch in Spain will not be so different than those for incorporating a subsidiary in Spain; a resolution from the foreign parent company approving the opening of the branch, obtaining a tax identification number, opening a bank account, preparing a notarial deed, obtaining the branch VAT number, registration with the Mercantile Registry, etc.

Although most international clients choose to incorporate a “Sociedad Limitada” to do business in Spain, some companies prefer to open a branch. **Once we know more about your business plans, we will advise you on whether opening a branch may be a suitable option** for your company.

BUYING A BUSINESS IN SPAIN

Acquisitions in Spain are commonly structured through the purchase of shares (if the acquired company is a “Sociedad Anónima” or a “Sociedad Limitada”) or through the purchase of assets or ongoing concern.

As there are numerous options and alternatives to structure the acquisition of a business in Spain depending on the nature of the transaction and the needs of the parties, a preliminary analysis, both legal and fiscal, is essential to determine the most appropriate and efficient structure for each transaction. Our **M&A lawyers advise clients and help them determine the structure that best suits their transaction.**

Letter of Intent

We provide advice from the very beginning and draft the documents required to initiate a transaction (letter of intent, confidentiality agreement, etc.) to set the basis of the common understanding between the parties.

Due Diligence

We have a multidisciplinary **team of lawyers with extensive experience** in conducting a **due diligence** process for the acquisition of companies and assets in Spain, covering the corporate, commercial, tax, labor, administrative, competition and litigation areas.

Negotiation

We are actively involved in the negotiation process, helping to overcome any language and cultural gaps, and adding value throughout the whole acquisition in order to achieve our client's objective.

Sale and Purchase Agreement

We draft the sale and purchase agreement and all other related legal documents required to complete the transaction (shareholders' agreements, non-competition agreements, incentive plans for retention of strategic managers, earn-outs, purchase and sale options, licenses, leases, etc.). Thanks to our extensive M&A experience and to our multidisciplinary team, we can cover all the aspects to carry out the transaction effectively.

Closing and Post-Closing

We advise our clients throughout the whole transaction process, obtaining any necessary authorizations, liaising with the notary public and carrying out any required filings, including the foreign investments report. We prepare the resolutions for the replacement of directors and any other modifications of the bylaws of the target company and file them with the Mercantile Registry.

BUYING REAL ESTATE IN SPAIN

If you are planning to buy a property in Spain, as an individual or as a company, for your own use or as an investment, our real **estate lawyers will advise and help you throughout the whole transaction**. We will represent your interests and will coordinate the required steps and documents with the real estate agent intermediating in the property transaction.

If you have not yet found a property to buy in Spain, we can recommend some trusted real estate agents who can help you find the right property.

Our **tax lawyers will also assess your personal or company situation** and will advise you on the tax costs related to the acquisition and any potential efficiencies.

Verification of the property status

We will check with the Real Estate Registry to verify the legal status of the property and identify any potential threats.

Reservation Agreement

The first step will be entering into a reservation agreement ("Contrato de Arras") whereby the parties set their intention to transfer the property at an agreed price and the buyer makes a down payment. We will draft or review the "Contrato de Arras" and ensure it covers all the required aspects.

Transfer deed

Our lawyers will work alongside the notary to draft the property transfer deed and will verify it includes all the necessary aspects from your perspective.

Taxes

Our tax lawyers will handle the tax filings that are required as a result of the transaction.

Registration

We will ensure that your ownership is recorded in the Real Estate Registry.

Golden Visa

If your acquisition of a property in Spain is related to obtaining a Golden Visa (when you purchase property for 500.000€ or more) our associated firm Orience International will help you with filing and obtaining it, and with any subsequent renewals.

Property rental

If you wish to rent the property you just acquired, our business lawyers will advise you and will draft the lease agreement. If you receive income derived from the lease of real estate in Spain, our tax lawyers will help you with your tax returns.

TAX RESIDENCY

Whether you are considering becoming a **tax resident** in Spain, or you want to ensure that you will not be considered a tax resident in Spain, our tax lawyers will advise you on this matter.

As a general rule, in Spain, as in many other countries, resident tax payers are subject to tax on their worldwide income whereas non-resident tax payers are taxed only on Spanish source income (subject to the provisions of an applicable tax treaty).

Taxpayers are deemed tax resident in Spain in the following cases:

For companies, when they meet any of the following criteria:

- Companies that are incorporated under Spanish law.
- Companies that have their registered office in Spain.
- Companies with their effective management in Spain.

For individuals

If they spend more than 183 days of the tax year in Spain or if the main center of their business activities or economic interests is in Spain. Additionally, there is a presumption that individuals are tax **resident in Spain** if their spouse -not legally separated- and their dependent minor children reside in Spain. This presumption can be rebutted by the tax payer.

Resident companies are subject to corporate income tax. Resident individuals are subject to personal income tax and non-residents are subject to the non-resident income tax. Our tax lawyers will advise you on the specific taxes that may apply in your case.

Our lawyers specialized in investments in Spain offer personalized advice and comprehensive support to our international clients. They are specialists in all the different legal areas and have extensive experience in advising international clients with their investments in Spain (legal, tax, employment, social security, real estate, immigration, etc.). And our associated bookkeeping firm can provide ongoing support to our clients established in Spain on the day to day accounting and tax compliance matters.

We are part of GBL ALLIANCE, an international network of independent law firms that allow us to coordinate legal matters with other jurisdictions more efficiently.

Whether you reside abroad, are an expat in Spain or already are an investor, if you are planning to invest or expand your investments in Spain, we will advise you on the structure that is more convenient for you from a legal and tax perspective and will support you throughout the whole investment process and also thereafter.