



**GO HOME SPAIN**

**GOLDEN VISA**

**IN SPAIN**



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# What is a Golden Visa?

- A Golden Visa is a **new type of residence visa**, established by Law 14/2013 of the 27<sup>th</sup> September 2013, aimed for non-EU residents who wish to enter Spanish territory in order to carry out a significant capital investment.

# The Benefits of a Golden Visa and Investing in Spain



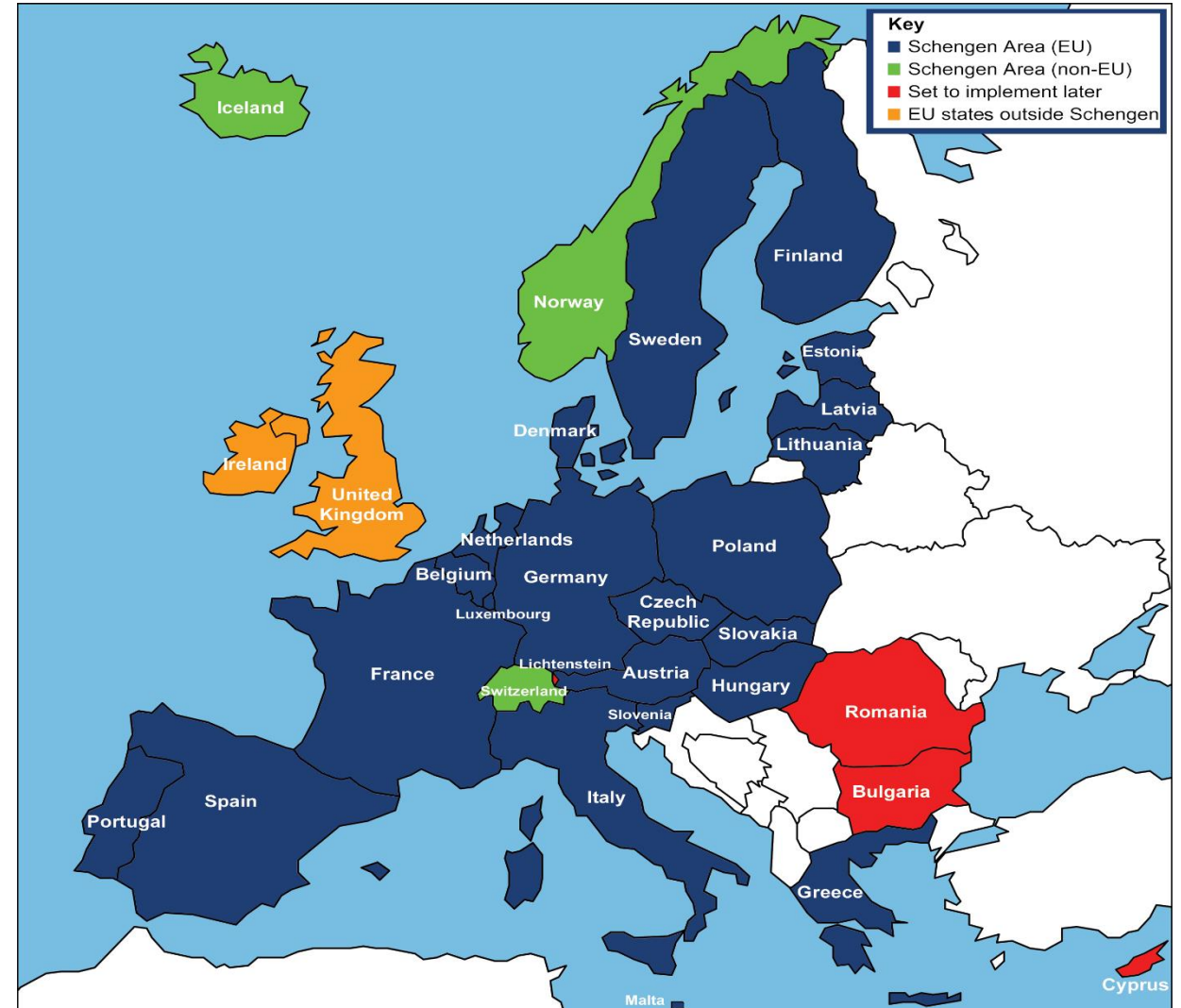
- Immediate visa for one year renewable for two years with subsequent renovations for five years.
- Travel freely within the 26 countries in the Schengen area.
- All properties are freehold.
- Property prices could be up to 40% lower than the market price in 2007.
- Allow to request permit for the family without making further investment: spouse, registered partners, dependant ascendants and children economically dependent of the investor.
- Children under 18 can receive 12 years free education at the local public schools.
- New born baby in Spain could apply for Spanish passport after one year.
- A minimum residence period in Spain of 183 days is not required for the renewal of permit (the permit holder can maintain his fiscal address out of Spain).
- Enjoy a residence in a European country, with a great appeal, stability, security and quality of life.

# Schengen Area



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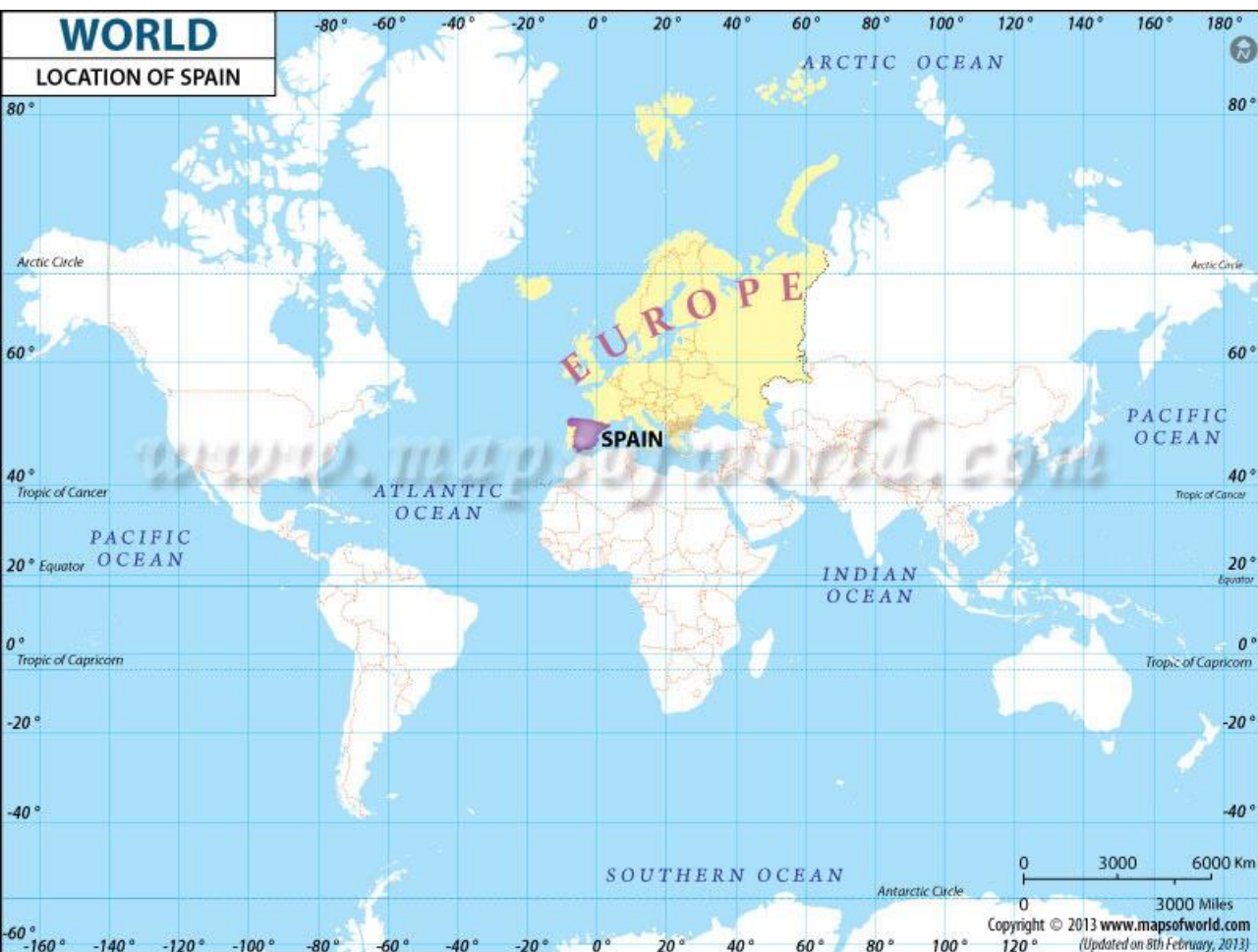
- Austria
- Belgium
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Iceland
- Italy
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Norway
- Poland
- Portugal
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland



# Location and Map of Spain



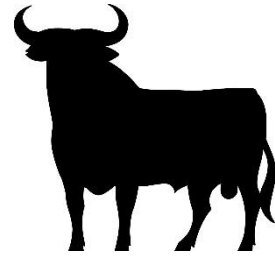
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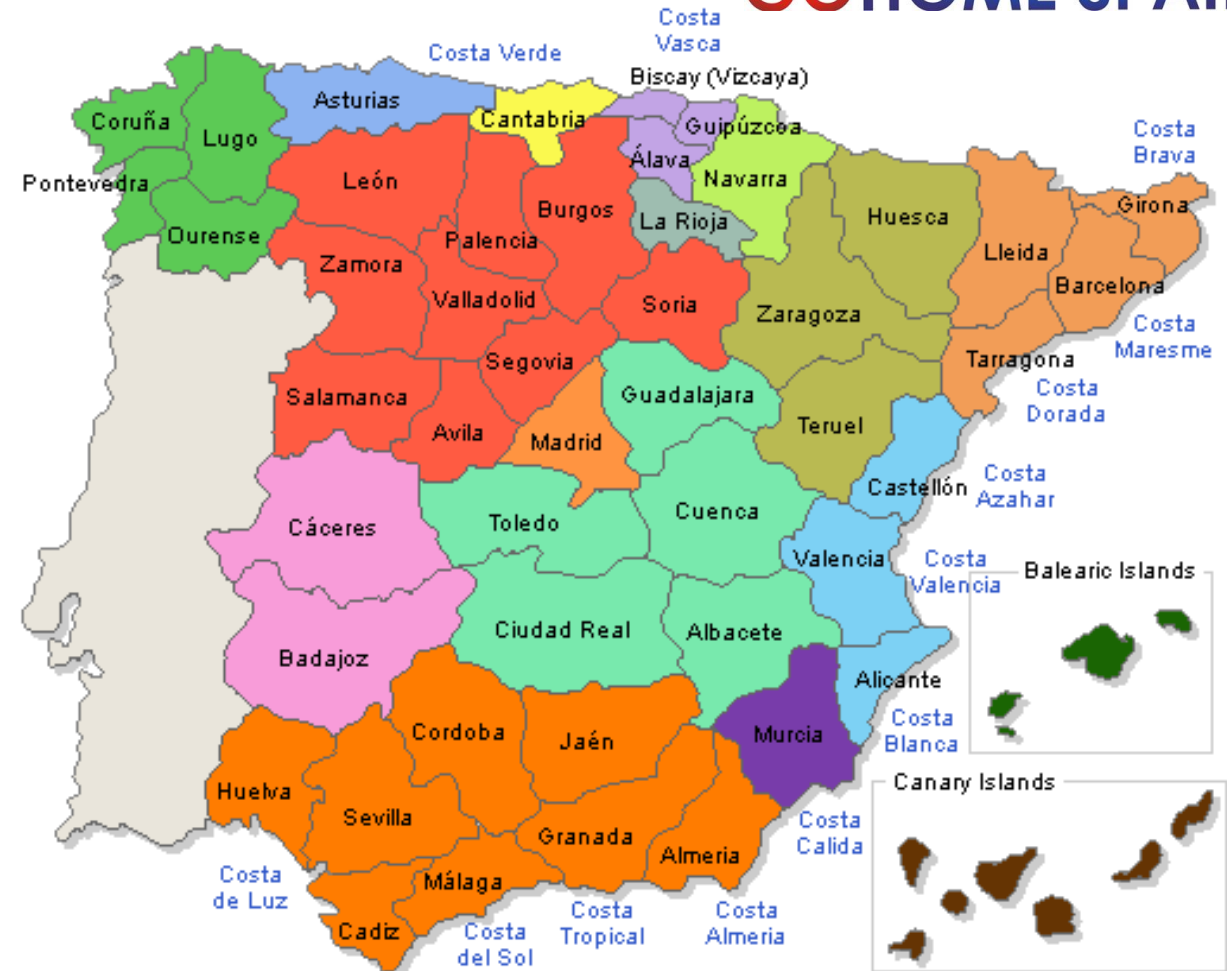


# About Spain



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|                                |                         |
|--------------------------------|-------------------------|
| Capital                        | Madrid                  |
| Area                           | 504,645 km <sup>2</sup> |
| Population                     | 46.7 million            |
| Currency                       | Euro                    |
| Member of EU and Schengen Area | Yes                     |
| Official Language              | Spanish                 |
| Climate                        | Mediterranean climate   |



# Significant Capital Investments Qualified for Golden Visa



1. An investment equal or higher than **2 million euros** in Spanish public debt titles.
2. Acquisition of shares of Spanish companies, or bank deposits in Spanish financial entities, for an amount equal or higher than **1 million euros**.
3. Investment for a value of 1 million euros in an investment fund, investment funds of closed nature or venture capital funds incorporated in Spain.
4. **Acquisition of a real estate asset in the amount of 500,000 euros or more. The investor could buy one or more properties as long as the total value is 500,000 euros or more.**
5. Developing a business project in Spain which is considered as being of general interest of the society, fulfilling one of the following requirements:
  - create work positions;
  - carry a positive socio-economic impact;
  - contribute to the scientific and/or technology innovation.



# Specific Requirements: Real Estate Investment



- Investment of 500,000 euros free of charges and encumbrances (the amount that exceeds the required investment can be subject to charges and encumbrances).
- The investment can be made by a married couple in a community regime without having to duplicate the investment. The investment will be considered carried out with an investment of 500.000 euros by one of the spouses being the other spouse able to request the visa as a family member.
- Submission of certificate including the information of the possession and charges of the Land Registry Office corresponding to the property or properties.



# General Requirements

- Not having entered or stayed illegally in Spain
- To be a spouse, registered partner, dependant ascendant or a child economically dependant of the investor.
- No criminal records in Spain and in the countries where the applicant has lived during the last 5 years
- Not appear as refused in any country which has a valid agreement with Spain in this sense
- Have a health insurance with an authorized entity to operate in Spain
- Have sufficient economic resources for the person and for the members of his family during his residence period in Spain
- Visit Spain at least once during the valid period of the visa or permit
- Pay the tax for the authorization process



# Timeline: From Year 0 to Year 5



\* The investor can apply for 2 years Residence Permit during the effective period of his 1 year Investment Visa or at the end of the one year of Investment Visa. It is also possible to apply directly for the residence authorization for a period of two years in the case that the investor is legal in Spain and is not a holder of a visa.

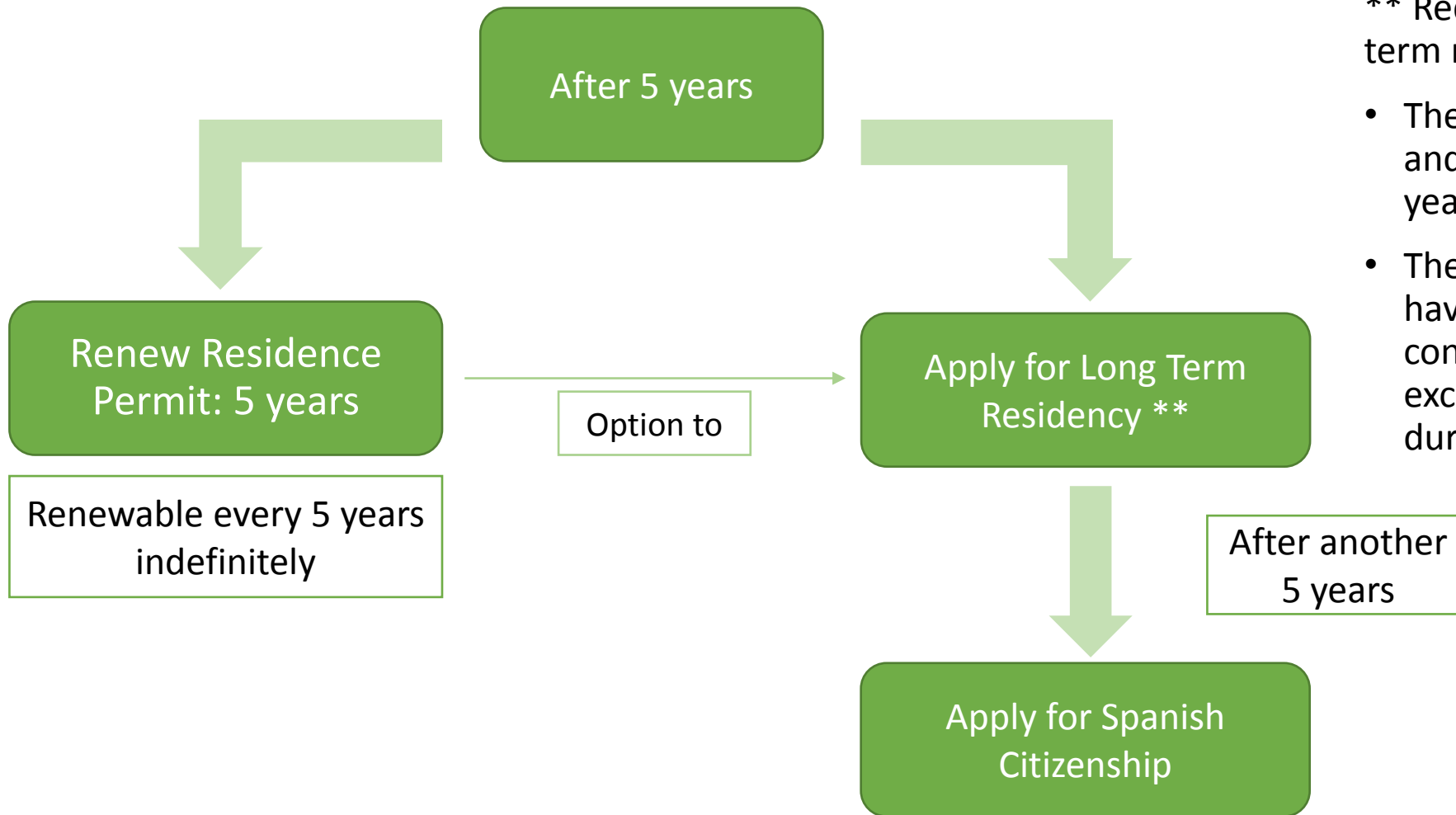
# Timeline: After Year 5



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\*\* Requirements to apply for long term residency:

- The applicant have lived legally and effectively in Spain for 5 years.
- The absence periods in Spain will have to be less than 6 consecutive months and not exceed a total of 10 months during the said 5 years.



# Taxes – at the time of Purchase



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## Taxes at the Time of Purchasing a Property Directly from the Building Developer

|            |                        |      |
|------------|------------------------|------|
| VAT        | Dwelling House         | 10%  |
|            | Non-built Plot of Land | 21%  |
|            | Non-built Plot of Land | 21%  |
|            |                        |      |
| Stamp Duty |                        | 1.5% |
|            |                        |      |

## Taxes at the Time of Purchasing a Property from a Resale

|              |                                  |     |
|--------------|----------------------------------|-----|
| Transfer Tax | First €400,000                   | 8%  |
|              | Between €400,000.01 and €700,000 | 9%  |
|              | From €700,000.01 onwards         | 10% |
|              |                                  |     |

## Purchase a Property with a Spanish Mortgage

|            |  |      |
|------------|--|------|
| Stamp Duty |  | 1.5% |
|------------|--|------|



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# Other Taxes and Costs

|  |                                |
|--|--------------------------------|
| <b>Other Costs – at the time of purchase</b>   | <b>1%</b>                      |
| Public Notary and Land Registry fee  | 1%                             |
| Additional Public Notary and Land Registry fee in the case of purchase with a Spanish mortgage | 1%                             |
| Lawyer's fee   | 1% + VAT (21%)                 |
| <b>Yearly taxes on being a property owner in Spain</b>   |                                |
| Municipality Tax   | Varies – less than 1%          |
| Bins and Waste Collection Tax  | Varies – less than 1%          |
| Income tax on using the property as an owner – known as “Legal rent”                           | 24 % x (2% x property's value) |



# Taxes – Rental and at the Time of Sale



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## Rental received from third party

|  |      |
|--|------|
| Income tax on rental received from third party | 24 % |
|--|------|

## Taxes at the time of sale of a property

|                  |               |
|------------------|---------------|
| Capital Gain Tax | 20% on profit |
|------------------|---------------|