



REGULATION SUMMARY REGARDING RESIDENCE AND WORK PERMIT IN SPAIN

Firstly it is necessary to purchase a property and secondly to constitute a Spanish company S.L to justify activities in Spain. It is important that you have a title deed of a property close to the company address.

General Information Regarding Residency in Spain

A residence card (residencia) is required by anyone wishing to live in Spain more than six months out of the year.

Contrary to what some people believe, irrespective of whether you have a residence card or not, if you remain in Spain for more than 182 days in a calendar year you will be regarded as a resident for tax purposes, thus liable to pay income tax on your world-wide income.

A residence card is useful to have as it is often requested as identification when purchasing goods with credit card or setting up a contract with a utility company. The card however is no longer obligatory for EU nationals and others.

According to the ROYAL DECREE 178/2003 14/02/03 as published in the B.O.E. No 46 of 22/02/03 the following persons may reside in Spain without a Residence Card:

- Citizens of Members States of the EU (Germany, Austria, Belgium, Denmark, Spain, Finland, France, Greece, Holland, Ireland, Italy, Luxemburg, Portugal, United Kingdom and Sweden) or countries, which are part of the European Economic Area Agreement (EEA) (Norway, Iceland, Liechtenstein and Switzerland) who are employed or self employed or who are entitled to the right to reside permanently.
- Relatives of those mentioned in above paragraph, as well as family members of citizens. Family members of citizens of EU countries (Husbands/wives, and the descendant and ancestors of either) providing they are citizens of a Member State of the EU.
- The citizens of Members States of the EU or of countries, which are part of the E.E.A. Agreement who work in Spain but reside in another EU country and return, every day or, at least, once a week.

To reside in Spain the following persons must apply for a Residence Card:

- Citizens of Members States of the EU or of countries included in the EEA Agreement who are retired and entitled to a pension, but who have not resided in Spain for more than three years.



- ✦ The citizens of Member States of the EU or of countries included in the EEA Agreement who are not engaged in remunerated activities.
- ✦ Family members of citizens of Member States of the EU (Husbands/Wives and the descendants and ancestors of either).
- ✦ Relatives of Spain nationals, of third countries, will be provided with a 5-year residence card.

How to Apply

Residence cards are applied for at the national police station (comisaria de policia nacional) with a foreigner's department (departamento de extranjereros). This must be done within the first month of entering Spain.

Documents:

EU citizens

- ✦ Proof of support (bank statements/work contract/pension)
- ✦ Medical insurance. (either form E-121) or private medical insurance
- ✦ Passport valid for a minimum of 6 months, plus a photocopy of the relevant pages.
- ✦ Three passport size photos.
- ✦ Completed application.
- ✦ Bank receipt for the fee, payable at any Unicaja bank, approximately 6€.
- ✦ Proof of address (empadronamiento) certificate, obtainable from your local ayuntamiento (Town Hall)
- ✦ In the case of the relative of a Resident in Spain, proof of the family ties.

Non EU citizens will also need to produce:

- ✦ Title deeds (ownership certificate) to a Spanish property or a rental contract, with photocopy.
- ✦ Consular inscription from your own nation's consulate in Spain.
- ✦ Proof of income (same as EU, but higher. Generally a minimum of 600€)
- ✦ If you are a non EU citizen and are requesting a work permit, there will be various other documents to present relating to your employment.
- ✦ Dependants require evidence of their relationship and proof that they are wholly maintained by the applicant if they are over 21 years of age.

If you don't have the required documents, you will be sent away to obtain them, including photocopies. If you have forgotten to take photocopies or your photo, don't worry, there are usually plenty of places to take care of these requirements close to the comisaria - but you will have to queue again!



When your application is accepted, you are issued with a receipt as proof of your application. The cards are actually issued by the Governments provincial sub-delegation and collected from the office where the application was made. The offices do not usually contact you when they are ready so be prepared to go back every few weeks to check.

Your residence card bears a fiscal number (NIE) (Numero Identificación Extranjero) which must be quoted when opening a bank account or paying Spanish taxes. All residents and non-resident homeowners must have a NIE. Spaniards have a NIF (Numero Identificación Fiscal).

It is useful to apply for a NIE which takes a few days before applying for a Residence Card which takes a few months so that it is easier to open bank accounts and set up contracts.

Some banks still operate two types of account. Non Resident Accounts and Residents account. This stems from the old days when non residents were not subject to the same currency exchange controls as Spaniards. Nowadays a non resident account is more inconvenient and attracts higher charges.

The Residence card is often called a Residence Permit which is not correct. It is not a permit nor is it a national identification card which can be used to pass international borders.

The application for the renewal of a residencia must be made at least one month before its expiry date. The procedure is the same as for the initial application, although the documents required include proof of Spanish income tax payment and social security, if applicable.

Information regarding constitution of a limited company

1. CONSTITUTION OF A LIMITED COMPANY

- A. Power of attorney signed in a Notary. (To facilitate the work at official Departments, you must have a legal representative in Spain who acts on your behalf)
- B. To constitute a limited Company the following must be provided:
 - Names for the Company (three names, in the order in which you prefer them.)
 - Certification negative issued by Central Registry in Madrid.
 - Transferring a Minimum 3006 Euros to a Spanish bank.
 - A bank statement confirming a deposit of minimum 3006 Euros in the name of the new Company.
 - A bank statement vindicating importation of the mentioned sum for the social capital of the company.
 - To get the Company Fiscal Number.
 - Taxes liquidation for the public document.
 - Official registration of the constituted Company.

NOTE: Expenses calculated, including Notary, taxes, registration, are approximately 2.000 Euros.

2. RESIDENCE AND WORK LEGAL AUTHORIZATION

The following documents are required for an application:

- A. A copy of the company title deed (ownership certificate), passport copy, six photos, for applying for work permit at the Spanish Government Delegations in Malaga.
- B. Book an appointment at the Authorities at the above-mentioned Department.
- C. When all of the documents are in order, within two to three months, you will get the will get the Work Permit. Three month you can get your Residency Visa from the Spanish Consulate in your country. Finally, after approximately another two months, you will have the legal Residency and Work Permit Card.

References:

Lawyer's document 2004 nov. 26
www.andalucia.com 2004 dec. 01