

FISCAL SITUATION

When a physical person is considered a resident in Spain? And when is it a non-resident?

A physical person is a resident in Spanish territory when any of the following circumstances occurs:

- That they remain more than 183 days, during the calendar year, in Spanish territory. To determine this period of stay in Spanish territory, sporadic absences will be counted unless the taxpayer proves his tax residence in another country. In the case of countries or territories of those classified as tax havens, the tax administration may require proof of permanence in it for 183 days in the calendar year.
- That the main nucleus or the base of its activities or economic interests resides in Spain, directly or indirectly.
- That the spouse not legally separated and the minor children who depend on this natural person reside habitually in Spain. This third assumption admits proof to the contrary.

Natural persons of Spanish nationality who prove their new tax residence in a country or territory classified as a tax haven will not lose their status as taxpayers for the Personal Income Tax. This rule will be applied in the tax period in which the change of residence takes place and during the following, four tax periods.

On the contrary, a natural person will be considered a non-resident in Spain when none of the above requirements is met.



It should be noted that a person who has decided to spend an important part of his life in Spain is ready to become its tax resident.

Although he retains the status of tax resident of his country, a foreigner in Spain only pays taxes on the income received in Spain, including on the property he owns.

Between Russia and Spain there is a convention of 12/16/1998 "On the avoidance of double taxation and the prevention of tax evasion with respect to taxes on income and capital". The convention establishes the rules for the payment of taxes on various types of income: from work, from business, from real property, etc. Thanks to this document, foreign citizens can better plan the distribution of their income, as well as optimize taxes.

