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MOVING TO
SPAIN

Residence, company formation and taxation for non-EU citizens

CLIENT GUIDE

Updated 25 August 2026

For non-EU citizens, internationally mobile families and business owners

Executive overview

A non-EEA national may generally incorporate and own a Spanish company, but company ownership does not by itself provide permission to live or work in Spain. The immigration route, corporate structure and personal extraction strategy should be planned together.

KEY PRINCIPLE Spanish company law and immigration law operate independently. Share ownership or a directorship does not itself create a right of residence or the right to work.

At a glance

Question	General position
Can a non-EEA national own a Spanish company?	Generally yes, subject to company, sanctions, regulated-sector and investment-screening rules.
Does incorporation grant residence?	No. A separate immigration permission is required.
Can the owner work in Spain?	Only if the person holds a permission allowing the intended employment, management or self-employment activity.
Is there a no-work route?	Yes. Spain has a non-lucrative temporary residence route for qualifying applicants who will not work.
Can an entrepreneur use a founder route?	Potentially. Entrepreneur residence under Law 14/2013 may apply where the project meets the statutory innovation/economic-interest criteria.
Main company tax rate?	25% standard. Special 2026 rates apply to microenterprises, qualifying reduced-size entities and certain new companies.

Who this guide is for

- Non-EEA founders planning to relocate to Spain and build a Spanish business.
- International entrepreneurs who want a Spanish company but may continue living abroad.
- Financially independent individuals considering non-lucrative residence.
- Professionals assessing employment, EU Blue Card or highly qualified routes.
- Families assessing employment, study or family-reunification routes.

Important terminology

Spain applies EU free-movement rules to EU/EEA nationals and relevant Swiss arrangements. Third-country nationals normally require a separate immigration basis for residence and, where applicable, work or business activity.

1. Main routes to Spanish residence

The correct route depends on nationality, intended activity, qualifications, salary or business plan, family relationships, funding and whether the person will work locally.

Employment and high-skilled routes

Route	Typical features	Residence implications
Employee / work authorisation	Employment-based route; labour-market and employer conditions depend on the category.	Permission linked to the qualifying job and permit conditions.
EU Blue Card / highly qualified professional	High-skilled employment routes with salary and qualification criteria; 2026 thresholds must be checked at application.	Residence and work permission linked to the qualifying employment.
Intra-company transfer	For qualifying transfers within a corporate group.	Temporary permission linked to the assignment and group relationship.
Entrepreneur / self-employed	Law 14/2013 entrepreneur route or general self-employed route, depending on facts.	Permission linked to the approved project or business activity.
Family / study	Documented relationship or eligible study programme; financial and insurance conditions may apply.	Permission depends on sponsor/programme and may have work conditions.

OWNER-MANAGED COMPANY Forming a Spanish company does not automatically allow its shareholder or director to work in Spain. The immigration basis must authorise the actual role and activity.

Family and study

Family reunification and study routes are available in defined circumstances. Requirements commonly include evidence of relationship or admission, sufficient funds, health insurance and accommodation. Work rights depend on the specific permission.

International teleworkers

Spain also has an international teleworker framework under Law 14/2013. Eligibility depends on the overseas employment or professional relationship, qualifications/experience, social-security position and other statutory conditions.

2. Residence without work / independent means

Spain provides an initial temporary non-lucrative residence authorisation for qualifying third-country nationals who wish to live in Spain without carrying out employment or professional activity.

Practical implications

- The applicant must demonstrate sufficient financial means and qualifying health insurance.
- The route does not permit employment or professional activity in Spain.
- Company ownership should be distinguished from active management, employment or self-employment.
- Tax residence is separate from immigration residence and requires its own analysis.
- The applicable requirements and financial thresholds should be checked immediately before application.

NO-WORK RESIDENCE The non-lucrative route authorises residence without employment or professional activity. Passive investment and active company work should not be confused.

WORK RESTRICTION A person carrying out work, management or professional activity must hold an immigration basis that permits it.

Passive ownership versus active management

Activity	Likely position without work permission
Holding shares as an investment	Potentially possible, subject to company law, sanctions, tax and sector rules.
Receiving dividends / investment returns	Potentially possible, with Spanish and cross-border tax consequences.
Managing daily operations	Work/business activity; an appropriate immigration basis is normally required.
Providing services to the company	Employment/self-employment activity; authorisation should be confirmed.
Drawing salary or management fees for work	Requires immigration, payroll, social-security and tax analysis.

Long-term residence caution

Temporary residence, long-term residence, citizenship residence and tax residence are separate tests. Whether time under a particular permit counts toward a longer-term objective depends on the rules in force and the applicant’s facts.

3. Entrepreneur and founder routes

Entrepreneur residence - Law 14/2013

Spain’s mobility framework includes residence for entrepreneurs whose project is assessed as innovative and of particular economic interest to Spain. Incorporating an ordinary company is not enough; the project and founder must satisfy the statutory criteria.

Core planning requirements

- A credible business plan and evidence of the project’s innovative or economic-interest characteristics.
- Appropriate funding and clear source-of-funds documentation.
- Founder skills, qualifications, experience and commercial track record.
- A residence permission that expressly authorises the proposed founder or business activity.
- Evidence of genuine operations and a realistic Spanish economic rationale.

More likely to support a founder application	Generally weaker case
Innovative or scalable venture with documented funding	Passive investment or holding company
Business plan showing market need and economic benefit	Company formed only to obtain residence
Founder capability and lawful source of funds	Unclear activity, funding or local rationale

Permit duration and limits

- Founder permissions remain conditional on satisfying the qualifying project and personal requirements.
- Material changes to the project, ownership, role or activity may require notification or a new application.
- Unrelated employment or activity should not be assumed to be authorised.

CONDITION OF PERMISSION The founder must comply with the conditions of the residence route actually granted. Incorporation alone does not expand work rights.

Digital nomad / international teleworker

The international teleworker route is distinct from the entrepreneur route. It is designed around remote work or professional activity for organisations outside Spain, subject to statutory conditions including the permitted extent of Spanish client activity, qualifications/experience and social-security compliance.

4. Establishing a Spanish private limited company

The usual owner-managed vehicle considered in this guide is the Sociedad de Responsabilidad Limitada (S.L.). It has separate legal personality and shareholder liability is generally limited, subject to statutory exceptions and capital rules.

Coordinated Spain planning sequence

Step	Workstream	Action
1	IMMIGRATION	Choose a permission that authorises the intended activity.
2	COMPANY	Design ownership, management, capital and governance arrangements.
3	REGISTRATION	Complete company, tax, VAT, payroll and beneficial-ownership registrations.
4	REMUNERATION	Model salary, dividends, pension and social-security exposure.
5	COMPLIANCE	Maintain books, annual accounts, tax returns and sector licences.

SEQUENCE MATTERS Immigration, company substance, payroll and personal tax residence are legally distinct, but they interact in practice and should be planned together.

Core formation requirements

Requirement	Practical point
Company form	Sociedad de Responsabilidad Limitada (S.L.).
Share capital	An S.L. can be formed with capital from EUR 1. Where capital is below EUR 3,000, special reserve and shareholder-liability safeguards apply until the threshold is reached.
Shareholder	One or more shareholders are generally possible; foreign ownership is subject to sector and investment-screening rules where relevant.
Management	One or more administrators/directors; governance and representation rules must be documented correctly.
Registered office	A Spanish registered office is required.
Registration	Notarial incorporation and registration with the Commercial Registry, together with tax-identification steps.
Beneficial ownership	Beneficial-owner information must be maintained and disclosed as required.

Registration and ongoing obligations

- Confirm the company name, founders, management and registered office.
- Prepare the constitutional documents and execute the incorporation deed before a notary.
- Obtain tax identification and complete Commercial Registry registration.
- Register for Corporation Tax, VAT, payroll and social-security obligations where relevant.
- Maintain accounting records, annual accounts, tax returns and corporate books.
- Keep beneficial-ownership information and sector licences current.

FOREIGN OWNERSHIP A non-EEA person can generally own a Spanish company, but ownership is separate from immigration permission. Regulated sectors, foreign-investment rules, banking and sanctions may require additional review.

5. Company taxation - 2026

A Spanish resident company is generally subject to Spanish Corporation Tax on its taxable income. Cross-border management, permanent establishments, transfer pricing and treaty residence require specialist analysis.

Principal 2026 company tax rates

Taxpayer / item	Indicative 2026 treatment
General corporation tax rate	25%
Microenterprise - prior-year net turnover < EUR 1m	19% on the first EUR 50,000 of taxable base; 21% on the balance, subject to statutory rules.
Qualifying reduced-size entity (art. 101 LIS)	23% for periods beginning in 2026, subject to eligibility.
Qualifying new entity / start-up	15% may apply under the relevant statutory regime and conditions.
VAT	21% general rate; reduced rates include 10% and 4%, with 0% applying to specified transactions.
Withholding / cross-border	Depends on payment type, recipient, domestic rules and treaty/EU relief.

Trading-profit illustration

Calculation	Amount
Illustrative taxable company profit	EUR 100,000
Corporation Tax at standard 25%	EUR 25,000
Profit after corporation tax	EUR 75,000

This simplified illustration ignores payroll taxes, VAT, withholding taxes, local taxes, incentives and cross-border adjustments. The actual taxable base and effective rate can differ materially.

6. Personal Income Tax - 2026

Spanish personal taxation combines a state scale with an autonomous-community scale. The final liability depends on tax residence, region, family circumstances, income type, deductions, social-security status and treaty relief.

Key personal-tax considerations

Component	2026 planning point
Employment / business income	Progressive taxation applies. The combined marginal rate varies by autonomous community and can exceed 50% at high income levels in some regions.
Savings income	Interest, dividends and many capital gains are taxed under the savings-income scale; confirm the 2026 bands and rates at filing.
Social security	Employee, employer or self-employed contributions may apply depending on classification and activity.
Wealth-related taxes	Wealth Tax and the Temporary Solidarity Tax on Large Fortunes may be relevant depending on assets, region and exemptions.
Special inbound regime	The special regime for qualifying inbound workers/professionals may be available in defined cases and requires separate eligibility analysis.

PERSONAL TAX Do not use a single headline rate as a personal forecast. Region, residence, deductions, social contributions and family position can materially change the result.

Dividends and investment income

Dividends paid to individuals are generally taxable as savings income. Spanish withholding may apply, with the final result depending on residence, treaty relief and the shareholder’s circumstances.

Tax residence is separate from immigration

An immigration permission does not by itself determine Spanish tax residence. Residence may arise from physical presence and other statutory connecting factors, and treaty rules can affect the result. A pre-arrival tax-residence review is important for internationally mobile founders.

7. Salary, director remuneration and dividends

Owner-directors commonly extract value through salary, director remuneration, dividends, pension contributions or a combination. Each route has different company, personal-tax, social-security, cash-flow and immigration consequences.

Salary / employment remuneration

- Normally deductible for the company where commercially supportable and incurred for the business, subject to tax rules.
- Subject to payroll withholding and applicable social-security obligations.
- The employment or management activity must be permitted by the person's immigration status.

Director / management remuneration

Director remuneration requires corporate-law, tax and payroll analysis. The company's bylaws, shareholder approvals and the nature of the role should be aligned with the intended payment structure.

Dividends

- Paid from distributable profits after corporation tax and proper corporate approval.
- Not deductible when calculating company taxable profit.
- Withholding and final personal taxation depend on the shareholder's residence and circumstances.
- A dividend is a return on capital, not remuneration for work.

IMMIGRATION CHECK Changing the extraction method does not create an immigration entitlement. Salary or management activity requires a permission that authorises the underlying work.

8. Combined company and shareholder illustration

Stage	Illustrative amount
Company taxable profit	EUR 100,000
Standard Corporation Tax at 25%	EUR 25,000
After-tax amount before distribution	EUR 75,000
Personal tax on distribution	Depends on savings-income bands, withholding, residence and treaty rules
Net amount personally retained	Case-specific

EFFECTIVE RESULT The combined company-and-shareholder burden cannot be stated reliably from the corporate-tax rate alone. Personal tax must be modelled separately.

9. Recommended planning sequence

The sequence matters. Incorporating first and addressing immigration or tax residence later can create a company that the founder is not legally permitted to operate in Spain, or can create unintended cross-border tax exposure.

- Confirm nationality, current residence and whether an entry visa is required.
- Identify the immigration route before committing to relocation, employment or active company management.
- Test non-lucrative, entrepreneur, teleworker, highly qualified, family or study routes against the actual facts.
- Define ownership, management, registered office, share capital and banking arrangements.
- Prepare business-plan, funding, source-of-funds and operating evidence.
- Incorporate and complete tax, VAT, payroll, social-security and beneficial-ownership registrations.
- Agree a compliant salary, dividend, pension and payroll strategy with Spanish advisers.
- Review personal and company tax residence, treaty exposure and continuing obligations elsewhere.
- Complete post-arrival immigration and tax formalities and comply with the permission conditions.

Documents commonly required

Immigration and personal	Company and commercial
Passport and civil-status documents	Constitutional / incorporation documents
Police clearance and insurance evidence	Business plan and financial forecasts
Proof of income, funds and accommodation	Funding and source-of-funds evidence
Employment, family, study or founder evidence	Director, shareholder and registered-office details
Qualifications / professional evidence	Tax, VAT, payroll and beneficial-owner registrations

DO NOT RELY ON INCORPORATION A company-registration certificate proves that the company exists. It does not prove that a non-EEA founder may enter Spain, live there, work for the company or manage it.

10. Cross-border and advisory considerations

Tax residence is separate from immigration residence

A Spanish immigration permission does not determine the person's tax residence. Conversely, a person can become Spanish tax-resident without permanent immigration status. Domestic residence rules, autonomous-community rules and double-taxation agreements can materially affect the final result.

Operating from another country

A Spanish company managed from abroad can create dual-residence, permanent-establishment, payroll, social-security and VAT issues. The individual's home country may also tax salary, director fees, dividends or capital gains. Treaty relief and reporting should be reviewed before trading begins.

Remote work and foreign employers

Working physically in Spain for a foreign employer can create Spanish payroll, social-security or permanent-establishment exposure. The teleworker residence framework does not eliminate the need for tax and social-security analysis.

Regulated and professional activities

Company registration does not replace professional licences or regulatory permissions. Financial services, insurance, legal work, healthcare, recruitment and other regulated activities may require separate Spanish or EU authorisation.

Questions to resolve before proceeding

- What is the applicant's nationality and current country of tax residence?
- Will the person work actively in Spain or remain only a passive shareholder?
- Which immigration route best matches the real activity?
- How will the company be managed and where will strategic decisions be taken?
- How will profits be retained, paid as salary, contributed to pension arrangements or distributed as dividends?
- Does the person have continuing tax, company or social-security exposure elsewhere?

PROFESSIONAL REVIEW Immigration, corporate, tax, payroll, social-security and regulatory advice should be coordinated. A structure that works for tax may not satisfy immigration conditions, and a residence route may restrict the intended company role.

About the Founder - Gary Day

Founder and Senior Wealth Advisor

A DISCIPLINED INTERNATIONAL PERSPECTIVE Gary combines military discipline with decades of experience helping internationally mobile clients navigate cross-border financial decisions.

Gary Day is the Founder and a Senior Wealth Advisor at Elysium Wealth Advisors, bringing over 25 years of international financial-services experience across the United Kingdom, Europe and the Middle East. His work focuses on bringing clarity and coordination to complex, multi-jurisdictional financial arrangements.

Core areas of expertise

- Cross-border financial planning
- Estate and succession planning, including UAE wills
- Pension structuring and transfers
- Investment portfolio design and analysis
- Individual and corporate protection planning

Professional qualifications and specialist education

Area	Background
Professional qualifications	Level 4 Diploma in Financial Services; Financial Planning Certificate; CF2 Investment and Risk.
Specialist advice	Mortgage Advice; Equity Release; Long-Term Care; Level 6 Award in Pension Transfers.
Investment & markets	Hedge Funds, Equity Portfolio Management and Fixed Income Portfolio Management - New York Institute of Finance.
International study	Programmes through KU Leuven, HarvardX and the IMF, together with specialist Islamic banking, insurance and investment certifications.

Official sources and further information

- Spanish Ministry of Inclusion, Social Security and Migration - residence and work authorisations.
- Unidad de Grandes Empresas y Colectivos Estratégicos - Law 14/2013 mobility routes.
- Agencia Tributaria - Corporation Tax rates and 2026 tax guidance.
- Agencia Tributaria - VAT rates and personal-tax guidance.
- Registro Mercantil / CIRCE guidance - company registration and corporate formalities.

Important notice

This guide provides a general overview based on official information reviewed for 2026. It is not legal, immigration, tax, accounting, investment or regulatory advice. Rules, thresholds and administrative practices may change and individual outcomes depend on facts not covered here. No action should be taken without advice from appropriately qualified Spanish immigration, legal and tax professionals. Elysium Wealth Advisors does not warrant that an application will be approved or that a particular tax treatment will apply.

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