



## Remote working in Spain

### Living in Spain but working for an overseas company

Legal and tax requirements:

#### **Social Security.**

General rule: workers must pay social security contributions in the country of work (Spain).

Exception 1: social security contributions can be maintained in the company's registered country only when less than 25% of the work is performed in Spain.

Exception 2: social security contributions can be maintained in the company's registered country when up to 50% of the work is performed in Spain for the following countries only: Germany, Austria, Belgium, Croatia, Slovakia, Spain, Finland, France, Liechtenstein, Luxembourg, Malta, Norway, Netherlands, Poland, Portugal, Czech Republic, Sweden y Switzerland.

#### **Tax**

General rule: workers who remain in Spain for more than 183 days will become Spanish tax residents and therefore taxed under the general regime or the special tax regime for remote workers. 6 months are given for remote workers to opt for the 5 year (+1) long special tax regime, if not the general tax regime is automatically applied. Key differences:

General tax regime	Special tax regime
<ul style="list-style-type: none"><li>- Progressive tax rate.</li><li>- Worldwide income.</li><li>- Worldwide wealth.</li></ul>	<ul style="list-style-type: none"><li>- 24% flat rate (up to 600.00 euros).</li><li>- Income earned in Spain but worldwide salary only.</li><li>- Wealth located in Spain.</li></ul>

Note: there is a risk to the employer that a remote worker can inadvertently create a permanent establishment in Spain.

## Immigration

EU members who plan to work remotely in Spain for more than 90 days must be registered.

Non-EU members can obtain a visa by fulfilling these main requirements:

- High professional: A university degree or 3 years' related experience.
- The employer must have a minimum of 1 year's real activity.
- Demonstrate that remote work is possible.
- Employment with the company for a minimum of the previous 3 months.

