

# Spain

Effective since 1 of January 2015.

According to the Order HAP/460/2015, of March 10, approving model 368 of Statement-periodic settlement of special regimes, digital services provided B2C by foreign entities are subject to Spanish VAT if the location of the customer is Spain.

## VAT Standard rate

21%

## VAT Reduced rate

There is no reduced rate established for digital sales.

## VAT calculation peculiarity

VAT= Total revenue \* 21/121

## Threshold

Tax threshold is €0 for digital goods.

## Pieces of evidence

To identify customer location merchant has to collect at least two items on non-contradictory evidence. And if two of them are in Spain, the customer may be determined as Spanish:

- Billing address (bank or electronic payment operator)
- IP address
- Telephone number
- The location of the customer's fixed land line through which the service is supplied to him
- Other commercially relevant information

## E-services list

A digital product is any product that's stored, delivered, and used in an electronic format. These are goods or services that the customer receives via email, by downloading them from the Internet, or through logging into a website, in particular:

- E-books, images, movies, and videos, whether buying a copy from Shopify or using a service like Netflix. In tax language, these products are in a category usually called, «Audio, visual, or audio-visual products»
- Downloadable and streaming music, whether buying an MP3 or using a service like Sound Cloud or Spotify. Of course, these products also fall in the audio category
- Cloud-based software and as-a-Service products, such as Software-as-a-Service (SaaS), Platform-as-a-Service (PaaS), and Infrastructure-as-a-Service (IaaS)
- Websites, site hosting services, and internet service providers
- Online ads and affiliate marketing

## Registration procedure

Steps for registration for VAT MOSS in Spain:

- 1 Request an individual identification code. Email the Spanish Tax Agency and request your identification code.
- 2 The agency will issue your code via email and give you specific instructions to retrieve a certificate.
- 3 Fill out form 034, the version titled «System outside the Union».
- 4 Access Spain's tax portal.

## Keeping records

Records about performed transactions must be kept in order to check the correctness of tax returns and payments. These records must be made available to The Tax Agency of Spain or the responsible central authority of the other EU Member States by electronic means on request. The retention period for the records is ten years.

## VAT payment date

The VAT due should be paid by a filing deadline for the VAT return (no later than the 20th day of the month after the end of the tax period – month/quarter) to which it relates.

As a general rule, Spanish VAT returns must be submitted and paid by the 20th day of the month following the reporting period.

Regarding bank holidays in Spain, as there are several differences per region, we suggest taking into account only those bank holidays that apply in the whole Spanish territory. In any case, the due date calendar published by the authorities every year includes all these dates.

## Filing VAT returns

EU VAT returns are due quarterly. At the end of each quarter, you have 20 days to file and pay whatever you owe:

- 20 April, for the first quarter ending 31 March
- 20 July, for the second quarter ending 30 June
- 20 October, for the third quarter ending 30 September
- 20 January, for the fourth quarter ending 31 December