



Special regime for workers, professionals, entrepreneurs and investors posted to Spanish territory, known as the Beckham Law.

Updated to 1 January 2025

What is normally known as the Beckham Law - also known as the Impatriates Law - is technically known as “régimen especial de los trabajadores desplazados a territorio español” (the special regime for workers posted to Spanish territory).

This special tax regime is mainly regulated in article 93 of the Personal Income Tax Law and articles 113 to 120 of its Regulations and whose last legal modification took place in 2023, without prejudice to the modification introduced by the 7th Additional Provision of Law 7/2024 of 20 December 2024.

This regime, which is optional, applies to workers, professionals, entrepreneurs and investors who have moved to Spanish territory and who, as a result of their move to Spain, acquire tax residence in Spain (they are therefore IRPF taxpayers) and who

are allowed to pay IRPF tax in accordance with the rules of the Non-Resident Income Tax (IRNR), provided that certain circumstances are met.

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Basic content of the scheme

As mentioned above, this regime is optional, and the applicant must meet a series of requirements. Anyone wishing to opt for the special regime will have to submit an application to the Tax Agency in which they must demonstrate that they meet the requirements. Once the Tax Agency has reviewed the documentation, it will decide whether to approve the application. If approved, the regime will apply for 6 years, although it may be terminated earlier.

The impatriate who chooses to apply this regime will determine the IRPF tax liability only for the income obtained in Spanish territory, applying the rules for IRNR (Non-Resident Income Tax) taxation, i.e. in a similar way to non-residents, which implies lower tax rates and, as mentioned above, taxation only for income generated in Spain, provided it is without the intermediation of a permanent establishment (basically meaning that the applicant cannot have a self-employed activity (such as a self-employed person).

However, it should be borne in mind that the rules governing certain exemptions do not apply under this regime, although since 1/1-2023 the income from work in kind regulated in article 42.3 of the Personal Income Tax Act is exempt.

Taxation is carried out taking into account the following **rules**:

- 1) It is understood that all of the income from work obtained by the posted person during the application of the system has been obtained in Spanish territory, as well as, from 1-1-2023, all of the income from economic activities classified as an entrepreneurial activity.

- 2) Income obtained in Spanish territory during the calendar year is taxed cumulatively. Compensation between incomes is not possible
- 3) The taxable base is made up of all income obtained in Spain during the calendar year, including all earned income. However, for the purposes of the application of different tax scales, two blocks are distinguished:
 - one comprising dividends and other income derived from equity holdings, interest and other income derived from the transfer to third parties of equity capital, and capital gains obtained on the transfer of assets; and
 - the other is made up of other income.
- 4) The full amount is determined by the sum of the full amounts resulting from applying the following scales to each of the income blocks indicated:
 - a. From 1-1-2023, scale applicable to the part of the taxable base made up of dividends and other income derived from the participation in own funds, interest and other income derived from the transfer to third parties of own capital, and capital gains obtained in the transfer of capital assets

Part of the net base/Up to EUR	Full fee/EUR	Base neta restante/hasta EUR	Applicable rate/%
0	0	6.000	19
6.000,00	1.140	44.000	21
50.000,00	10.380	150.000	23
200.000,00	44.880	100.000	27
300.000,00	71.880	En adelante	28 (*)

(*) From 1-1-2025, the percentage applicable to income making up the net savings tax base from 300,000 euros will increase from 28% to 30%.

- b. Scale applicable to the part of the taxable base made up of the rest of the income:

Base/€	Applicable rate /%
From 600.000 euros	24
From 600.000,01 euros and upwards	47

- 5) The differential tax liability is obtained by reducing the gross tax liability by the deduction for donations, withholdings and payments on account, the deduction for international double taxation, and the tax paid on account of the IRNR.

Eligibility requirements

It should be noted that the Beckham Law is an option for the displaced person, however, if he/she opts for the Beckham Law, he/she must comply with the following requirements:

1. Not to have been resident in Spain during the 5 tax periods prior to that in which they move to Spanish territory.
2. That the move to Spain takes place, either in the first year of application of the regime or in the previous year, as a result of:
 - a) An employment contract, i.e. when an employment or statutory relationship is entered into with an employer based in Spain. This requirement is deemed to be fulfilled when the posting is at the employer's order provided that there is a letter of posting from the employer or when (applicable from January 2023), without there being a prior order from the employer, the work activity is performed remotely, through the exclusive use of computer, telematic and telecommunication means and systems (visa for teleworking).
 - b) From January 2023, being appointed as a director of a company, irrespective of the percentage shareholding in the company's capital.

However, if the company is classified as an asset-holding company, the director may not have a shareholding of more than 25%.

- c)** Likewise, from January 2023, carrying out in Spain an economic activity classified as an entrepreneurial activity (see FAQs).
 - d)** Also from January 2023, carrying out in Spain an economic activity by a highly qualified professional (Vid frequently asked questions) who provides services to emerging companies, or who carries out training, R&D&I activities, receiving remuneration that represents more than 40% of the total business, professional and personal work income.
 - e)** e) As a new feature, individuals who become IRPF taxpayers as a result of travelling to Spanish territory for the finals of the UEFA Women's Champions League 2024 and the UEFA Europa League 2025 may opt to pay tax under the special regime for workers travelling to Spanish territory.
- 3.** That the impatriate applying for the regime does not obtain income through a permanent establishment located in Spanish territory, unless the activity is classified as entrepreneurial or as a highly qualified professional.
 - 4.** The application for inclusion in the regime is made using form 149. It must be submitted within a maximum period of 6 months from the date of commencement of the activity as stated in the registration with the Social Security or, if registration with the Social Security is not compulsory, on the date of commencement of the activity as stated in a supporting document. Please note that late applications are not effective.

Frequently asked questions

When is it advisable to use the Beckham Law and what are the advantages and disadvantages of this special regime?

As it is an optional system, the displaced person will have to assess when using this system is more beneficial than paying personal income tax. To do this, it will be necessary to look at the specific case and calculate the cost of paying tax in each of the two ways in order to find out which is the most economical. Therefore, the calculation will depend on the volume of income obtained in Spain and that obtained in other countries.

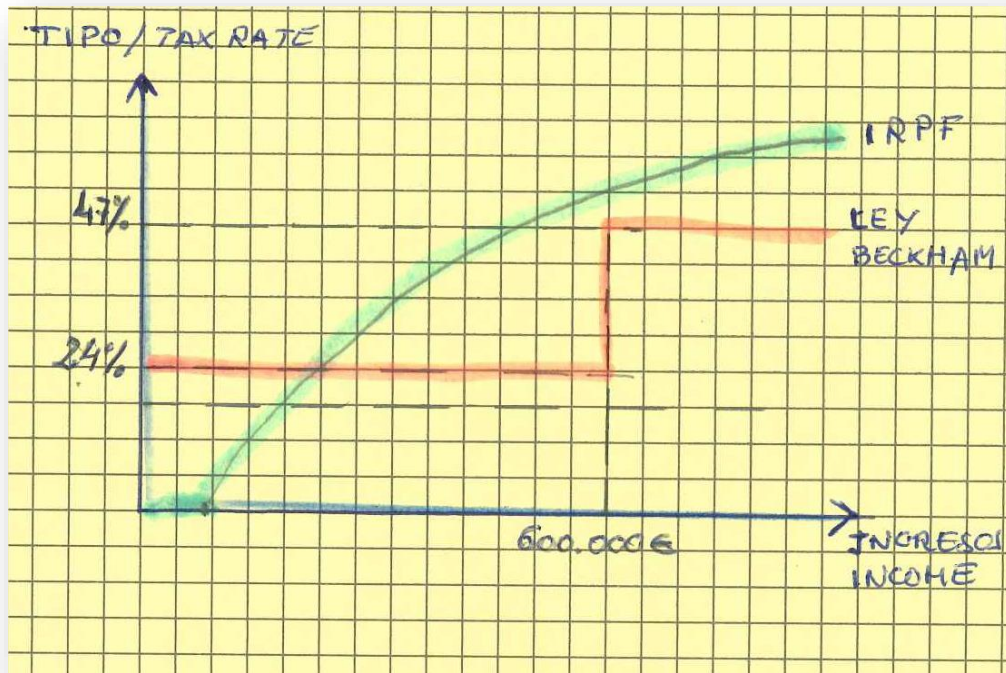
The Beckham Law is a special tax regime under which you can be taxed in a similar way to non-residents, which essentially means that you are taxed at lower rates and taxed only on income generated in Spain.

Without prejudice to a prior and detailed analysis of the circumstances of each case and each person, in general, the Beckham Law could be beneficial for those people who move to Spain with an annual income of more than €60,000, as well as those who move to Spain with significant wealth located abroad or impatriates who plan to obtain capital gains on assets located abroad.

We will now refer to certain advantages:

UP TO €600,000.00, FLAT RATE AT 24%. The main advantage of this special regime is that the general taxable base (which includes earned income, rents, etc.) is taxed at an almost flat rate of 24%, up to a maximum of €600,000.

Whatever exceeds this amount is taxed at 47%. In contrast, if the Beckham Law did not apply, the same general taxable base would be taxed at a progressive tax rate of up to almost 50%.



ONLY INCOME OBTAINED IN SPAIN IS TAXED. However, it is understood that all of the income from work obtained by the posted person during the application of the regime has been obtained in Spanish territory, as well as, from 1 January 2023, all of the income from economic activities classified as an entrepreneurial activity.

WEALTH TAX IS ONLY LEVIED ON ASSETS LOCATED IN SPAIN. The displaced persons under this regime pay Wealth Tax by real obligation, i.e. not on the totality of their worldwide assets, as would be the case of resident taxpayers not under the Beckham Law, but only on the assets and rights they own when they are located, can be exercised or have to be fulfilled in Spanish territory.

Wealth tax is a tax levied on the net value of the taxpayer's wealth at a global level. The advantage of the Beckham Law is that only the net value of assets located in Spain would be taxed.

As regards the Wealth Tax/High Wealth Solidarity Tax applicable in Spain, this tax will not be levied on the taxpayer's wealth located abroad.

THERE IS NO OBLIGATION TO FILE FORM 720 Taking into account that in this case the impatriate taxpayer is treated as if he were a non-resident for tax purposes, consequently, he will not have to file form 720 for the declaration of assets located abroad.

However, anyone wishing to use this scheme must also consider the **DISADVANTAGES** that may arise, including the following:

DOUBLE TAXATION. Taxpayers using this regime will not be able to apply most double taxation treaties.

NON-APPLICATION OF CERTAIN TAX BENEFITS. Taxpayers will not be entitled to apply the tax benefits provided for other taxpayers under the normal regime. In this respect, the following benefits may not be applied:

- The deduction of social security expenses from the taxable base.
- You will not be entitled to exemption for severance pay.
- They will not be entitled to the deduction for the minimum deduction for descendants or family members.
- The deduction for large family or disabled persons is not applicable.
- In case of transfer of the main residence, the taxpayer under this regime cannot apply the reinvestment exemption.

- Nor are maternity or paternity benefits received from the Social Security exempt for taxpayers under this regime.
- Likewise, taxpayers subject to this special regime cannot apply the exemption for income received for work carried out abroad.
- Nor is a reduction in the tax base allowed for contributions to pension plans.

Is it possible to re-apply the special regime after having previously benefited from it?

Yes, provided that in the 5 tax periods prior to the one in which the new move to Spanish territory takes place, you have not been a tax resident in Spain and you meet the rest of the requirements.

For the purposes of meeting the requirements, what is understood by entrepreneurial activity, highly qualified professionals and training, research, development and innovation activities?

Entrepreneurial activity is classified as that which is innovative and/or has a special economic interest for Spain and for this purpose has a favourable report issued by the National Innovation Company, being necessary to have the residence permit for business activity prior to moving to Spanish territory. In the case of EU citizens and in the case of those foreigners to whom EU law applies because they are beneficiaries of the rights of free movement and residence, they must have a favourable report issued by ENISA, classifying such activity as entrepreneurial, which will be requested by the taxpayer from ENISA, through the General Directorate of Industry and Small and Medium-sized Enterprises, prior to moving to Spanish territory. This report, which is mandatory, must be issued within ten working days from when ENISA receives the corresponding request.

Highly qualified professionals are understood to be those professionals who have the qualification referred to in Law 14/2013 art.71 as amended by Law 11/2023.

Training, research, development and innovation activities are considered to be carried out when any of the assumptions indicated in Law 14/2013 art.72.1.a), b), c) and d) occur.

Can a displaced person benefit from the Beckham Law if the displacement is a consequence of his or her appointment as a director of an entity (corporate administrator)?

Yes, if the transfer to Spain is a consequence of the acquisition of the status of director in a company with tax domicile in Spain. In any case, there must be a causal relationship between the transfer to Spain and the acquisition of the status of director.

In the event that the activity consists of the purchase and sale of real estate on one's own account, the capital of which belongs 100% to the in-patriate, without employees, it is essential that the Spanish company is not considered to be an asset-holder. In the latter case, its participation in the capital may not exceed 25%.

Can a person displaced in Spanish territory benefit from the Beckham Law if he is also a partner in the company he works for?

Yes, because what is required is that there exists an employment relationship, and it does not matter whether one owns or acquires a package of shares/interests in the company for which one works.

In order to be eligible for or remain in the special regime, can a worker who moves to Spanish territory have several employment contracts or change employers?

The displaced person in Spanish territory, in fact, can have several employment contracts that are compatible with each other, and can start different employment relationships with different employers. The fact that there is a change of employer does not mean expulsion from the regime, and the person can even remain unemployed or inactive for a short period of time between the termination of the employment relationship.

Exclusion from the special regime does not occur either in the case of a displaced person who voluntarily ceases the previous employment relationship and, after a short period of time, starts a new relationship as director of a new company in Spain.

Can a displaced person with a scholarship contract apply for the scheme?

No, a person displaced in Spanish territory with this type of contract cannot opt for the benefits of the Beckham Law as it is not considered an employment contract.

Is the Beckham Law applicable to people with Spanish nationality?

Yes, since nationality is not a determining factor when applying for the Beckham Law. Both Spanish and foreign citizens can benefit from this special tax regime, the only thing that must be met are the requirements to be eligible.

Can family members who travel with the expatriate opt for this regime?

Family members who move with the expatriate - the spouse and their children under 25 years of age or whatever their age in the case of disability, or in the case of non-existence of a marital bond, the parent of these children - may choose to pay taxes under this regime, provided that the following conditions are met:

- a) That they move to Spanish territory before or after the taxpayer moves, provided that, as a result of the aforementioned move, if earlier, they do not acquire tax residency in Spain before the first tax period in which the special regime is applicable to the taxpayer or, if later, the latter has not ended.
- b) That they have not been resident in Spain during the 5 tax periods prior to the one in which they move to Spanish territory.
- c) That they acquire their tax residency in Spain.
- d) That they do not obtain income that would be classified as obtained through a permanent establishment located in Spanish territory.
- e) That the sum of the taxable bases of family members calculated in accordance with the special regime is lower, in each of the tax periods in which this regime applies to them, than the taxable base of the taxpayer.

How to apply for the Beckham Law?

The application for inclusion in the scheme is made using form 149. It must be submitted within a maximum period of 6 months from the date of commencement of the activity as stated in the registration with Social Security or, if registration with Social Security is not mandatory, on the date of commencement of the activity as stated in a supporting document or from the moment of entering the territory, if the taxpayer is the spouse, children or parent of the latter.

Please note that an application submitted after the deadline has no effect.

How long can the Beckham Law be used?

The duration of this special regime is 6 years, that is, you can pay taxes under this special regime during the first 6 years in which you are a tax resident in Spain.

How do you waive the Beckham Law?

It is advisable that the interested party, in light of the circumstances and economic-asset forecasts for the following year, review at the end of each year whether it is convenient for him to continue in the special regime.

In the event that he is not interested in remaining in the Beckham Law, the expatriate can renounce it.

The renunciation of this tax system is carried out by submitting the completed form 149 in this sense.

It must be submitted to the Tax Agency in the months of November and December prior to the year in which it must take effect.

Can you be excluded from the special regime?

In fact, exclusion occurs due to non-compliance, after the option has been exercised, with any of the conditions determining its application, and takes effect in the tax period in which such non-compliance occurs.

If the tax authorities discover that the expatriate does not comply or ceases to comply with the requirements, they may exclude them from this special regime, as well as make a settlement demanding payment of the taxes that would have been due if the special regime had not been applied, plus late payment interest and penalties.

Does the Beckham Law have any implications if you receive a donation or inheritance?

The special regime does not have any special features regarding the Inheritance and Gift Tax.

How is the declaration made and within what period?

Displaced persons applying this regime must submit their declaration using a specific form - model 151 - electronically via the Internet.

The submission period coincides with the same period approved in each fiscal year, in general, for the declaration of personal income tax, normally from the beginning of April to 30 June. However, for the direct debit of the payment of tax debts resulting from the declarations, this must be done five days before the submission period ends.

And what about the benefits of the Golden Visa? Are they still valid?

Organic Law 1/2025, of January 2, on measures regarding the efficiency of the Public Justice Service, puts an end to the so-called Golden Visas as of April 3, 2025.

The Golden Visas have been offering a residence visa to foreign citizens who make significant capital investments in Spain, with the aim of promoting investment in strategic sectors and contributing to economic development, with the following being understood as significant investment:

Financial investments: in Spanish public debt: 2 million euros; in shares or equity interests: 1 million euros in companies with a real activity in Spain; in investment funds or venture capital: 1 million euros and in bank deposits: 1 million euros in bank deposits in Spanish financial institutions.

Real estate investment: purchase of real estate in Spain for at least 500,000 euros.

And business projects of general interest with the fulfilment of certain requirements

However, the Law includes transitional provisions to protect current visas and those in the process of being applied for.

In relation to current visas, they will remain valid until their expiration date, and renewals may be managed in accordance with the regulations applicable at the time of the original grant.

For those applications that are currently in process and those submitted before the law comes into force (before 02/04/2025), they may continue the visa obtaining process.

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