# *Requirements for a Business in Spain*

### *Registration of the Company Name*

An application must be made for a Certificate of Uniqueness, to prove that the name of the company is not already registered. This can be obtained from the Central Commercial Registry for a small fee.

### *Open a Bank Account*

A bank account must be opened and the capital deposited. The amount that will need to be deposited will depend on the type of company that is to be set up. A deposit certificate will then be issued.

### *Obtain a Public Deed of Incorporation*

This will need to be done before a notary. the public deed of incorporation will include the names of the company shareholders, the amount of shares held by each shareholder, the type of administrative body managing the company and the identity of the administrators or directors. The public deed of incorporation must also include the tax identification number of each shareholder as well as the bank deposit certificate and the Certificate of Uniqueness.

### *Apply for a CIF*

An application must be made for a company tax identification code. This can be done at the Tax Office. A provisional number will be given straight away, and a permanent CIF number must be obtained within six months.

### *Pay Transfer Tax and Stamp Duty*

The next step is to pay transfer tax and stamp duty at the local Tax Office of the province in which the company is incorporated. The deed of incorporation and the CIF will need to be presented and the cost is one percent of the company capital share. The payment must be made within 30 days following the public deed of incorporation. *Note:* Companies that are formed in the Canary Islands are not liable to pay stamp duty.

### *Register the Company*

Once transfer tax has been paid the company needs to file the public deed of incorporation with the Central Commercial Registry in order for the company to be registered. Registrations costs will depend on a number of things including the number of shareholders and the capital invested. Registration must take place within two months of the date the public deed of incorporation was granted.

### *Submit a Formal Declaration to Start Activity*

A formal declaration to start company activities needs to be filed at the local Tax Office.

### *Register for Tax*

The company will then need to be registered for tax at the local Tax Office. The Tax Office will need a description of the business activity, business starting date and a description of the business premises. Once the Tax Office has the relevant paperwork the company will be allocated an official activity code in order to pay taxes.

### *Legalise Company Books*

Under Spanish law, companies must keep accounts books, a minutes book and VAT register books. These statutory books must be submitted to the Central Commercial Registry to be certified and stamped before they are used.

### *Obtain an Opening Licence*

A licence to open business premises must be obtained from the Town Hall. The cost of the licence depends on the intended business activities and there may be different requirements depending on the area or district in which the business is located. The only document necessary to present to the Town Hall is the public deed of incorporation.

### *Notify the Regional Work Authorities Office*

Before starting the economic activity, companies must notify the Regional Work Authorities.

Companies must keep a log book at all times. Details of the company, the work place and business activities must be kept in this book. The book must be made available to the Labour and Social Security Inspectorate at all times.

Any foreign investments used to set up a business in Spain will need to be declared at the Spanish Investments Register.

### *Online Company Registration*

A New Enterprise Limited Company and Limited Liability Company can be created with the assistance of the Counselling and Start Process Point. PAIT can provide information and transmit details to various governmental authorities, saving the applicant the task of visiting each office separately. A notary must complete the Deed of Incorporation, but theoretically, PAIT can assist with the rest of the proceedings.

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