

**NEW SPANISH VISA AND RESIDENCE PERMIT PROGRAM
FACILITATES ENTRY INTO EUROPE**

October 2013

Summary

Recently enacted Spanish law 14/2013 would allow nationals of third countries which comply with certain investment requirements (such as maintaining a deposit of EUR 1 million with a Spanish bank or investing EUR 500 thousand in Spanish real estate properties) to freely enter or even reside in Spain. It would also allow freely traveling into other European countries of the Schengen Area (during a maximum period of 90 days every 6 months), avoiding existing administrative burdens and waiting periods to obtain authorization from the European Embassies.

Introduction

Law 14/2013, of September 27, for the support of entrepreneurs and their internationalization, entered into force on September 29, 2013. Between other relevant measures, it is aimed to facilitate entry visas and residence permits to qualifying individuals. Immigration regulations shall be previously adapted to determine the specific procedures to obtain such authorization.

Third country nationals may obtain a Spanish visa valid for a term of one year which may be converted into a residence permit in Spain for a term of two more years; and renewable for a subsequent term of two years. The visa and residence permit can simultaneously (or subsequently) be requested for the spouse and children.

This would also allow the free entry into other countries of the Schengen Area (currently formed by 26 European countries) for a maximum term of 90 days every 6 months, without the need to request an entry visa for any such other countries.

The new legislation does not require to spend a minimum amount of time in Spain, so **investors can remain tax resident outside of Spain, whilst benefiting from Spanish residency and the freedom of unlimited travel and circulation in Europe.**

Authorization shall be obtained within 20 days or, otherwise, it shall be understood as granted (positive silence).

General requirements

- Targeted to certain categories of individuals - investors, entrepreneurs, highly skilled professionals, researchers and intragroup seconded personnel.
- Currently not living in Spain without a visa or residence permit.
- Not being an EU, EEA or Swiss citizen.
- Have no record of criminal offences in Spain or other countries of residence during the previous 5 years.
- Have no entry prohibition records in Spain or other countries with which Spain has concluded a convention in such respect.

- Being publicly covered for medical insurance or privately covered by an insurance company licensed to operate in Spain.
- Have sufficient economic resources to support themselves during their period of residence.

Specific requirements for investors

The major novelty of the law is that the visa and residence permit can be obtained through a qualifying investment. Any of the following shall be considered as a qualifying investment to be maintained either by the individual or through a corporate structure:

- A deposit of at least EUR 1 million in an account opened with a Spanish financing institution (a Spanish bank); or
- Holding shares in a Spanish company for a value of at least EUR 1 million; or
- Acquire Spanish public debt for an amount of at least EUR 2 million; or
- Invest in Spanish real estate for an amount of at least EUR 500 thousand free of any liens and debts (any exceeding amount may bear liens and debts). This minimum amount can be invested in one or more properties; or
- Develop a business or entrepreneurial project of national interest, which shall be resolved by taking into consideration the amount of jobs to create, relevance of the investment or of the scientific or technical innovation.

How can we help?

A team led by Carlos Gabarró, a partner with 19 years of international experience, having held leading positions within Ernst & Young and with Garrigues, the largest Spanish tax and legal practice. He is assisted by David Buxó, our Immigration lawyer, counting with an experience of 17 years exclusively dealing with immigration matters.

About us

ALTALEX is a boutique firm based in Barcelona (Spain) of tax and legal advisors providing corporate groups and individuals with comprehensive advice in all manner of tax, legal and economic affairs. Our firm's philosophy is aimed at providing unexceptionable tailored professional services.

In achieving that goal, our firm counts with highly experienced professionals, some of which have held leading positions in the Big Four accounting firms and the largest Spanish tax and law firms. Internally, our organization is structured in different areas of expertise:

Tax	Immigration	Accounting
Commercial	Employment	Real Estate
International	New Technologies	HNWI

Our Firm counts with some twenty professionals and collaborators which would be happy to assist on your Spanish tax and legal concerns. For more information, please visit our website: www.altalex.es