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Questions and Answers on “Working in Spain”

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Question: Who can legally come to Spain & work? What documents are needed to work, pay tax and social security?

An increasing number of people are now moving to Spain to live and work. Thus, for them, the first thing to bear in mind, is that EU citizens can work in Spain without a work permit and without having to apply for “residencia”. All you will need is to get a NIE number, for that you need to go to the *extranjeros* department at your nearest Comisaria (the police station for the national police force, not the local police). You will need to take your passport. The forms are fairly straightforward and you will have your NIE number within 2-6 weeks of applying.

Obtaining a contract of at least 6 months from your employer will guarantee you the same rights as a Spanish employee. Temporary contracts are generally offered for 3, 6 or 9 months . After this contract expires, to keep you on, the employer has to offer a long term contract. They are not allowed to keep offering you short-term contracts.

Spanish Social Security contributions start as soon as you start working in Spain. Employer and employee contributions constitute the main social security financing. However, the employer pays the greater share. Personnel are classified into labour categories for the purpose of determining their social security contributions, and the government establishes the maximum and minimum contribution rate. The Spanish Security System includes benefits for health care, (sickness or maternity), injuries at work, unemployment, pensions, invalidity and death benefits.

To work legally self-employed, it is known as being “*autonomo*”, in which case you’ll be paying all your own taxes and social security payments. To become “autonomo” in Spain you will need the services of a gestor (similar to an accountant). They will register you with Hacienda (tax office) as being self employed and will do your quarterly and annual accounts. Make sure you choose a good, English speaking gestoria as you will be relying on them to work out your IVA (VAT) and tax returns.

In Spain you do not need a VAT number as your NIE number will be your equivalent. There is no exemption from charging IVA, the smallest Company must charge IVA where applicable.



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Each quarter you must present your invoices (payments in and out) to your gestoria so that they can work out your IVA bill and your tax bill. You do this each quarter and at the end of the year everything is totalled up to see whether you owe additional tax or are due a rebate.

One monthly payment you must make every month to be “autonomo” is your social security contribution. Currently this is a minimum EUR 241 per month . This is like your national insurance contribution in the UK but unlike the UK, in Spain it is compulsory. You can opt to pay a higher level, which will give you a higher pension.

Your social security payments will entitle you to the same state services as a Spanish person such as free health care etc.

Should you be dismissed from your Spanish job, and do not agree to the reasons, you can make a demand for conciliation within 20 days of receiving the dismissal. There is no presentation of evidence here and as so relies on an agreement being reached between the two parties. If one is not reached you may then bring a case in the labour court. If your dismissal is found to be unjust you will receive 45 days compensation for every year worked.

Broadly speaking, the wages are lower than those in northern Europe but the cost of living is lower and the overall lifestyle better.

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