



How to constitute a

Limited Company Telematically

Steps to create a company in Spain **telematically**



ICEX

INVESTIN
SPAIN



**Guide to
Business**
in Spain
2020

1

Obtaining the Tax Identification Card (NIF) for non-residents

(When applicable)



A >

If the partners are non-resident **legal persons**

The NIF must be requested using the official declaration of start of activity registered in the Census of Businessowners, Professionals and Withholders (Form 036) unto the Spanish State Tax Administration Agency (AEAT).



FORM 036 >

B >

If the partners are non-resident **physical persons**

The NIF is the same as the Foreigner Identity Number (NIE). From within Spain, the NIE may be obtained from the Directorate-General of the Police and Civil Guard. From abroad, it may be obtained at the Spanish diplomatic mission or consular office corresponding to the partner's place of residence.



The official declaration registered in the census must also include the name and surname(s) or corporate address or complete name and tax identification number of the legal representatives of the applicant legal person. Therefore, a Spanish NIF must also be obtained by any directors of the foreign entity who will assume legal representation of the company unto the State Tax Administration Agency.

2

Visiting the Entrepreneur Service Point

[Entrepreneur Service Points >](#)

The **Entrepreneur Service Points (PAE)** simplify the new company creation process. The following procedures may be completed through the PAE.



A > The applicant must complete the **Single Electronic Document (DUE)**. As of that moment, the electronic procedures system (STT-CIRCE) will remit to each body involved in the process, the corresponding section of the DUE for that body's processing of the procedure for which it is responsible.

B > The applicant must request the **reservation of the company name in the Central Mercantile Register (RMC)**. Up to 5 choices of business names may be included, based upon which the RMC will issue the corresponding clearance certificate for each, in the order of the names proposed by the applicant. The name may be one of those included in the Reserved Company Names List in compliance with the Law on Companies with Share Capital.

C > The **date of the company's articles of incorporation** will be immediately reserved, obtaining the contact information, date and appointment time for signing said articles of incorporation at the Notary Public.

3

Opening of a bank account in the Company's name

at a credit entity that operates legally within Spain.



4

Appointment at the Notary Public



A > On the date given in the PAE, the Notary Public authorizes the articles of incorporation, attaching the certificate of payment of social capital. Proof of payment of the capital contributions is unnecessary if the founders declare in the articles that they are jointly and severally liable in relation to the company and unto any of its real creditors.

B > The Notary requests the assignment of a provisional NIF unto the Tax Administration by remitting a copy of the articles of incorporation.

C > The census declaration must be accompanied by a document certifying the existence of a foreign legal person. This document may be the articles of incorporation in their country and the corporate by-laws registered in any official register in their country or certification by a Notary Public or a tax authority proving the existence of the company. This document must be submitted together with its official translation, and must be duly legalized*.

*Apostilled if the country issuer of the document is a member of the Hague Convention, dated October 5, 1961 or legalized through a diplomatic channel, if the country issuer of the document is not a member of the Hague Convention.

D > Also the Notary Public will remit a copy of the articles of incorporation to the corresponding Autonomous Region for payment of the Capital Transfer Tax and Stamp Duty on corporate transactions, from which it is currently exempt.

E > And the Notary Public, remits the articles of incorporation and corresponding documentation (provisional NIF assigned and certification of exemption of Capital Transfer Tax and Stamp Duty) to the Provincial Mercantile Register.

5

Final procedures completed

without involving the Entrepreneur



A > Unto the Mercantile Register:

- > Upon receipt by CIRCE of the electronic copy of the articles of incorporation, if the Company has used the generic model of statutes set forth in legislation, the Mercantile Register will proceed to classify and register the Company within 6 working hours upon the electronic reception of the articles of incorporation.
- > When the Company has not used the generic model of statutes, the 6-hour time limit granted to the Mercantile Register for registration is limited to basic corporate information (name, address, corporate purpose, capital and chosen administrative body). With this initial registration, the company is considered legally incorporated. As regards the remaining information, a 15-day period is granted for its inclusion, as a modification of statutes.
- > Through CIRCE, the Mercantile Register will request the definitive NIF of the Tax Administration.
- > Likewise, the Mercantile Register will remit to CIRCE, the same day of incorporation, certification of the completed registration. The Notary Public receives the information from the Provincial Mercantile Register and includes the data from the definitive registration in the original of the articles of incorporation.

B > The **Tax Administration (AEAT)** electronically notifies the CIRCE electronic procedures system of the definitive nature of the NIF and immediately forwards it to the company founders.

C > Finally, through the **PAE**, the procedures associated with the start of the corporate activity are processed by remitting the information contained in the DUE:

- > To the corresponding tax authority, if applicable, **registration in the Tax on Economic Activities (IAE)**, for census-related purposes.
- > To the **National Social Security Treasury**, for purposes of registering the businessowner, activating the Social Security contributions account code (CCC), and affiliating and registering employees in the Social Security system.

6

Declaration of foreign investment



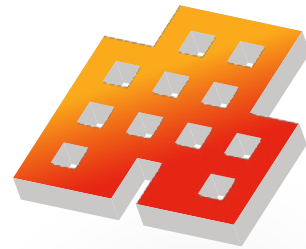
→ This is a mandatory document (Form D-1A) which, though merely informative, must be presented to **the Foreign Investment Registry (RIE) of the Ministry of Industry, Trade and Tourism**. It must be presented within one month as of the incorporation of the New Company. The Notary Public may complete this procedure for you.

Furthermore, when the investment originates in a territory classified as a fiscal paradise in accordance with Spanish tax regulations, an informative declaration must also be presented prior to the incorporation of the company (Form DP1).

 **FORM D-1A** >

7

Communicating the opening of a workplace



→ **Prior to the start of the activity or within thirty days following the opening of a workplace**, the Company, when applicable, must notify the **Ministry of Labor of the corresponding autonomous region** of the opening of the workplace, for purposes of controlling Occupational Health and Safety conditions.

A workplace is defined as any area, whether within a building or not, at which employees must remain or which they must access for purposes of performing their jobs.

> In the autonomous regions of **Madrid and Murcia**, this procedure may be completed through the DUA.





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