QuickStart: to Market Entry

Whether entering the market or simplifying operations, we can give you a QuickStart.
Whether entering Spain for the first time or simplifying existing operations, we can give you a QuickStart.

TMF Group has local experts in Madrid and Barcelona providing accounting, compliance, legal, corporate secretarial and HR and payroll services across Spain.

We can get you set up, provide a single point of contact and take care of those ‘non-core’ elements that keep your business moving, while you can focus on what you do best: selling your products and services.

By taking the burden of the back office and centralising it through a single provider, we work with you to increase efficiency and help strip out any unnecessary costs.

QuickStart: to Market Entry Spain has five main elements:

- **Office premises**: Whether you need a registered address, rented offices or assistance managing your own premises, we can help with both your current and future needs.

- **Accounting and tax compliance**: We take care of Spanish tax registrations, bookkeeping, management reporting, consolidation reporting and statutory accounts and reporting to relevant Spanish and international standards.

- **HR and payroll**: We help you to apply and implement your international policies in employment contracts and handbooks and pay your staff on time in compliance with Spanish law.

- **Corporate secretarial services**: We manage the legal set-up of new or existing operations and then help you stay compliant, manage your risk and stay on the right side of regulators and filing requirements.

TMF Group serves clients of all sizes and from all sectors; everyone from a small start-up to a large multinational. We work with more than 44% of the current S&P 500 and Fortune 500.

What makes us different?

TMF Group is the global expert that understands local needs.

- **KNOWLEDGE**: Based in-country, our independent experts understand the local market and all its associated legal, financial and regulatory compliance requirements.

- **FLEXIBILITY**: We can offer an individual and tailored service that is scalable in line with business needs and is invoiced in whatever currency the client prefers.

- **CONTROL**: Through our worldwide network of wholly-owned offices, we can offer global reporting and one single point of contact to businesses operating across multiple regions.

- **SPEED**: Our local presence helps businesses to take an agile approach and enter new markets more quickly than their competition.

- **RANGE**: We are the only global organisation to offer a complete suite of complementary business solutions.

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We help sort and maintain your legal set-up and structure

We can help you manage your registered address

We help keep you compliant with local regulations and filings

We handle your accounting and tax requirements

We help your staff get paid on time according to local rules
Thinking of doing business in Spain?

The challenges ...

Lack of local knowledge can result in:

- **TAX PENALTIES**
- **LOST BUSINESS**
- **CRIMINAL AND CIVIL LITIGATION**

- **Starting a business:** Spain has been ranked as a complex, bureaucratic country when starting a business. It takes an average of four to five weeks to set up and follow all required procedures, including commercial register, tax and social security registrations. Obtaining a tax identification number for foreign directors or shareholders for example, is just one of the requirements (and relatively unusual by global standards).

- **Paying taxes:** Paying taxes can be a time-consuming procedure and a special certificate is required to submit taxes online. Spain has different tax offices and regimes depending on the region in which the revenue is generated, so local registrations and local tax returns may need to be filed. Also, a tax representative who is a resident of Spain is mandatory for foreign entities operating in the country.

- **Reporting obligations:** There has been an increase in regular reporting obligations, i.e. declaration of foreign investments in Spain and Spanish investments abroad to the Ministry of Economy. Periodic disclosures also need to be made to the Bank of Spain detailing assets and liabilities held abroad, and there are enhanced regulations on corporate governance of entities.

- **Tax authorities:** Over the past few years, Spanish tax authorities have implemented enhanced local compliance requirements; mandatory tax identification numbers for all non-resident shareholders of Spanish companies, foreign identification numbers for all non-Spanish directors (individuals), and businesses are also obliged to set up an electronic mailbox for tax notifications.

... and the opportunities

**Great reasons to invest in Spain:**

- **FOREIGN DIRECT INVESTMENT**
- **LOCATION**
- **DEVELOPMENT OPPORTUNITIES**

- **Foreign Direct Investment (FDI):** Foreign investment has considerable impact on a country’s economic development. Spain is fortunate in this area, ranking among the countries that receive the most FDI in the world, with investment increasing from €3.556m in June 2014 to €6.536m in July 2014.

- **Location:** Foreign investors are drawn to Spain not only for its strong domestic market - which boasts considerable purchasing power - but also for the possibility of operating in third-country markets using Spain as a base. This is due to its privileged geostrategic position as a member of the European Union (EU) and as a gateway to Latin America.

- **Development opportunities:** In order to encourage foreign investment, the government brought in the ‘Entrepreneurs Act’ in 2013. It allows non-EU investors to receive residency visas if they invest €500m or more in Spanish real estate. Many foreign investors have already taken advantage of this offer, with more to follow suit in the coming years. Spain has also approved several tax and legal measures to boost the real estate market.

- **Moderate taxes:** Spain offers favourable income tax for corporates (30%, and 25% for SMEs), which is below the USA and OECD average. Corporate tax is reduced from 30% to 28% for the 2015 tax year, and to 25% in 2016 (20% for SMEs). Spain has signed a large number of double taxation treaties (around 90 in total) and has a favourable fiscal system for foreign investors and research and development activities. In addition, the ETVE (“Entidad de Tenencia de Valores Extranjeros”) regime (for holding companies) is an opportunity for international investors to channel their outbound investments. Due to the Canary Islands Special Zone (ZEC), Spain has a key role as a commercial and logistical hub with Africa. Spain is a country with a relatively moderate ratio between tax revenues (including social security contributions) and GDP (32.5% of GDP). There’s also a favourable tax incentive for foreign workers, with a fixed rate of 24% (up to a maximum of €600,000).
Meet our Spain Managing Directors

Belén Garrigues
With a degree in law from the Universidad Autónoma de Madrid and a Master of Laws in European Law, Belén began her career as a lawyer in the US and the Netherlands. She joined TMF Group in 2001 in the Netherlands, and moved to the Madrid office in 2002 where she took on responsibility for Management and Administrative Services.

In February 2011, Belén was appointed Managing Director of TMF Group Spain, co-managing the company’s Madrid and Barcelona operations with Marc Smeets. She is experienced in the management and administration of international corporate structures, coordination with tax and legal advisors, development of foreign investments in Spain and ensuring local compliance. Belén regularly works in collaboration with large law firms and banking institutions in financing, structuring, implementation and management of cross-border investments and transactions.

Marc Smeets
Marc began his career in 1997 at International Corporate Management Expertise, S.L. in Barcelona - a company specialising in foreign direct investments. When the company was absorbed by TMF Group in 1999, Marc became head of Management Services.

Appointed to Managing Director of TMF Group Spain in February 2011, Marc has assisted many multinational clients in establishing their international group structures and meeting all legal, tax and accounting compliance requirements in various jurisdictions.

Marc has extensive experience in foreign investment services in Spain - and in Spanish investments abroad - working in collaboration with several large law firms and banking institutions in relation to the financing, structuring, re-organisation, implementation and management of cross-border investments and transactions. He is a member of the board of directors of multiple international investments in Spain, representing the interests of institutional investors, private equity and other types of investment funds. He has regularly appeared as a guest speaker for the Master in Corporate Finance at the Universidad of Barcelona, regarding the use of holding companies in Spain.

Get in touch with us to discuss how to grow your Spain business
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