

## Residency in Spain - The Golden Visa Scheme

1. What is the Golden Visa and what are the requirements to obtain it?

The Golden Visa is a residency permit that gives the holder the right to stay and work in Spain. The basic requirement is that the interested applicant makes an investment in Spain, the most common investment being the purchase of at least 500.000 euros in real estate.

The Golden Visa can, also, be granted on the basis of an investment in a Spanish company or financial products. In these cases, the minimum investment is 1.000.000 euros.

As for real estate investments, any type of real estate will qualify (residential, commercial, vacant land, parking spaces, etc.). As well, the investment may consist of several smaller investments and, once the total of 500.000 euros has been reached, qualification for the Golden Visa is ascertained.

2. How much does the Golden visa really cost me?

The minimum investment requirements are net investment amounts. In other words, in addition to the minimum euro amounts, you will need to pay transactional costs associated with the acquisition or investment.

In the case of a real estate investment, these costs consist of the following:

- property transfer tax ("ITP"): 6% – 10%, depending on the autonomous community
- stamp duty ("AJ D"): 0% – 1.5%, depending on the type of property and the autonomous community.
- notaries, registries and banking fees, legal fees and miscellaneous costs: in total, approximately 2% of the purchase price
- in practice, in the most expensive autonomous communities, the applicant seeking a Golden Visa through investment in real estate should anticipate having approximately 570.000 euros to satisfy the investment hurdle

3. What is the difference between the Golden Visa and other Spanish residency permits?

The Golden Visa differs radically from traditional Spanish residency permits in a number of aspects:

- the renewal of a Golden Visa does not require a minimum annual stay in Spain
- the Golden Visa has an easier and faster application procedure. If the minimum investment is made and the applicant does not have a criminal record, the visa is practically always granted provided the application has been properly prepared and submitted
- the Golden Visa includes a working permit, the holder is automatically granted the right to work in Spain along with the right to reside in Spain
- the Golden Visa allows the investor to bring along his or her immediate family

4. For how long can I stay in Spain on my Golden Visa, and can it be extended upon expiry?

The initial investor's residency permit is valid for two years and can be extended upon expiry for periods of five years, as long as you maintain the minimum level of investment.

5. Is there a limit to the number of times that I can extend the Golden Visa?

No, there is no limit to the number of times that the Golden Visa can be extended, but it is necessary to maintain the minimum investment at all times. A holder of a Golden Visa, however, is allowed to switch between types of investments, for example, from one property to another or from an investment in real estate to the holding of the minimum amount in a bank deposit.

6. Can the Golden Visa be used to become a long-term resident or a citizen?

Yes, if you actually live in Spain permanently with your Golden Visa (which is not obligatory), your status can change to one of a long-term resident after five years. The main effect is that you do not have to maintain the investment to keep your resident status, and you can apply for a change of residency to another EU country.

If you live in Spain permanently, you can obtain the Spanish citizenship after 10 years, including the right to a Spanish passport. Latin American citizens and certain other countries, however, can seek to attain citizenship after two years.

The option to seek nationality applies only to investors who actually reside in Spain. Investors who come to Spain only occasionally with their Golden Visa are not eligible for citizenship.

7. Does the Golden Visa make it easier to visit other European countries?

Yes, a Golden Visa works as a tourist visa for the rest of the countries that belong to the Schengen area. This means that the holder of the Golden Visa has the right to remain in Spain for an unlimited period of time, plus in the rest of the Schengen area for three months within each period of six months.

8. Do I have to stay for a minimum of time in Spain in order not to lose my visa?

No, there is no minimum time period that has to be spent in Spain in order to keep the Golden Visa. If you voluntarily choose to spend more than six months in a year in Spain, however, you will become a tax resident in Spain for that particular year obligating you to declare and pay taxes in Spain on your global income.

9. Can I work in Spain with my Golden Visa?

Yes, the Golden Visa automatically confers you and your immediate family members work permits.

10. Can I bring my family into Spain on a Golden Visa?

Yes, you can bring along your spouse or partner and your children under the age of 18, as well any children over the age of 18 and parents if such persons are economically dependent on the visa holder. The visas for the family members are identical to the investor's visa and can be obtained at the same time or upon subsequent petition, whichever is more convenient.