



What is the real cost of owning your Spanish property as a non-resident?

Congratulation for your purchase, now let's check the annual costs of owning your property.

You'll have those divided into five different groups: Taxes, Insurance, Utilities (Electricity, Water, Gaz, Television, Internet, Telephone), the charges of your own property and eventually Community Charges.

Let's have a look at a concrete example: a two bedroom apartment in Barcelona of 100 m² with a market price mid-2017 of 440.000€ and a "valor Catastral" of 60.000€. We assume a rental value of 19.200€.

I. Taxes

A. Local Tax: IBI, "Impuesto sobre Bienes Inmuebles":

What is it? A local tax on any Spanish property.

Who has to pay for it? Any owner of a Spanish property, local or foreigner.

How do you know? You'll get a letter after June of any year but some local authorities don't send it. You owe this tax

Who is the beneficiary? The tax is payable to your local Town Hall. Those are for infrastructure, waste collection,...

If you pay too late, you will have to pay a penalty.

Where can I pay it? Your local Town Hall, a few of them are available online.

Our tip: A few of them allow domiciliation of payment: very easy, they will take the amount from your account every year. A very good solution if you are living abroad. Make sure your account balance is sufficient: some banks would refuse to pay or would charge you a high interest if the account would fall into negative territory.

How is the Tax Calculated? The IBI is based on the “**Valor Catastral**”. The “Valor Cadastral” can be legally adjusted if needed by any Town Hall.

Our tip: by working with a lawyer, he will make sure that **the previous owner paid for it**, if it is not the case, you’ll have to pay for him!

What if your property is empty? You owe the tax!

Our tip: After buying a property, register your property with the Town Hall within **two months**. Take all the official documents with you. Most of the time, your lawyer will do this for you.

If you forgot it, your local town hall could recoup the amounts due for the last 5 years + penalties... So, now you know!

The IBI for the apartment in Barcelona is under 0.6% of the “Valor Catastral”: i.e. 360€

B. State Tax: You are renting it. You are not renting it... Modulo – Form 210

- a. You are renting your apartment => Quarterly filling, before the 15th of the month following the end of the quarter.

The State tax for the apartment in Barcelona is 19% of the “Rental Value”: i.e. 3648€ on an annual basis and 912€ on a quarterly basis.

Our Tip: you have items that could reduce this amount, check with (y)our lawyer.

- b. Apartment is not rented => Yearly filling

The State tax for the apartment in Barcelona is under 0.2% of the “Valor Catastral”: i.e. 120€

[Where can you find the Spanish form 210 directly in English?](#)

[Where can you find the official information for filing your Spanish Form 210 in English?](#)

[Have a look at the help guide written in English by the Spanish Authorities.](#)

Our Tip: Pay attention, if you bought the property with someone else (spouse, kids,...), everybody needs to do one filling for the taxes!

Our Tip: Take advantage of our network and get your filling done by someone on the ground.

II. Insurance

The insurance should be around 0.05% of the price of your property.

The insurance for the apartment in Barcelona is under 200€.

Our Tip: Many insurance brokers in Spain speak foreign languages, find one speaking your mother tongue. Ask us if needed.

III. Utilities

If your apartment in Barcelona is empty, you'll have a few charges just to have accounts open and running:

+/- 15€ / month for water

+/- 20€ / month for electricity

+/- 6€ / month for gas

For a total of 41€ / month if your apartment in Barcelona is not rented.

If your apartment in Barcelona is rented, charges may increase up to 150€ / month.

Our Tip: If your Gas meter needs to be reopened, you'll have to get a technician to certify that your installation standards is fine. Count about 150€ for this.

IV. Community Charges

This charge depends on the property you bought:

- Is there a lift in the building?
- Is the property new? Does it need more or less of maintenance?
- Are many properties empty?
- Do you have a swimming pool?
- How often is the property cleaned?

For your apartment in Barcelona count between 50€ and 100€ per month.

Our Tip: Ask for the last Assembly documents before buying. Your lawyer will do this in general. You will get a much better picture on those costs and on the costs carried on the property in the past or to be done in the future.

V. Charges of your own property

- Do you have a private garden?
- Do you have your own private pool?
- The paintwork needs doing?

To sum up: 0.7% per year:

- 0.1% Local tax,
- 0.02% National tax(not rented),
- 0.05% Insurance,
- 0.1% Utilities (empty),
- 0.3% Community charges,
- 0.1% Property charges

All those information are from reliable sources. We advise you to check those with your fiscal and legal agent in order to get all those costs up to date and adjusted to your specific situation.

