

TAXES AND COSTS GUIDE



At **Domsol Inmobiliaria**, we specialize in working with international clients who wish to buy or sell property in Spain.

We understand that the Spanish legal and tax system may be different from what you are used to in your home country. For this reason, we have prepared this clear and concise guide to explain the main taxes and costs involved in a property transaction.

The purpose of this guide is to give you a general overview of the process. Each transaction is unique, so we always recommend personalized advice.

1. Buyer's costs (non-resident)

Resale property (second-hand)

- **Impuesto de Transmisiones Patrimoniales (ITP)**
 - **7% in Andalusia**
 - This is the main tax when buying a resale property.
- **Notary**
 - Official signing of the purchase deed before a notary.
- **Land Registry**
 - Registration of the property under the buyer's name.
- **Gestoría (administrative service)**
 - Handles all administrative procedures in Spain.

New property (off-plan or developer purchase)

- **Impuesto sobre el Valor Añadido (VAT)**
 - **10%**
 - Applies when buying directly from a developer.
- **Actos Jurídicos Documentados (AJD)**
 - **1.2% in Andalusia**
 - Tax for formalizing the purchase in a public deed.
- **Notary, Land Registry and Gestoría**
 - Same additional costs as for resale properties.

If you apply for a mortgage

- **The buyer pays:**
 - Property valuation (valuation report required by the bank)
 - Opening fee (if applicable)
- **The bank pays:**
 - Notary, registry and administrative costs of the mortgage
 - Mortgage-related taxes

This means that, under current law, most mortgage-related costs are covered by the bank.

Estimated total purchase cost

- Resale property: **8% – 10% of the purchase price**
- New property: **11% – 13% of the purchase price**

2. Seller's costs (non-resident)

Impuesto sobre la Renta de no Residentes (Non-Resident Income Tax – IRNR)

- Tax applied to the profit obtained from the sale.
- Calculated on the gain, not on the full sale price.

Mandatory 3% retention

- The buyer must retain **3% of the sale price**
- This amount is paid directly to the Spanish tax authorities on behalf of the seller

The seller can later regularize their tax situation and potentially recover part of this amount.

Impuesto sobre el Incremento de Valor de los Terrenos de Naturaleza Urbana (Municipal Capital Gains Tax / “Plusvalía”)

- Local tax charged by the town hall
- Depends on the length of ownership and the value of the land

Other seller's costs

- Mortgage cancellation (if applicable)
- Energy efficiency certificate (mandatory)
- Real estate agency fee (if applicable)

3. Requirements for non-residents

To buy or sell property in Spain, you will need:

- **NIE (Foreigner Identification Number)**
 - Required for all legal and tax-related transactions in Spain
- **Spanish bank account**
 - Necessary to manage payments, taxes, and utilities

4. Important considerations

- Taxes may vary depending on:
 - Region (Autonomous Community)
 - Municipality
 - Personal circumstances
- This guide is for informational purposes only and does not replace professional legal or tax advice.

At **Domsol Inmobiliaria**, we provide full support to international clients throughout the entire process:

- NIE application
- Bank account setup
- Legal and tax advice
- Full assistance until completion and key handover

Our goal is to make buying or selling property in Spain simple, secure, and transparent.

