

Our Beckham Law Guide

Special tax regime for individuals relocating to Spain

Individuals relocating to Spain who become tax residents may opt to apply a special tax regime that allows them to be treated as non-residents for tax purposes during the year of relocation and for the next five years, if specific requirements are met.

This means that qualifying individuals who opt for this special regime will be taxed on employment income at a flat rate of 24% on income up to €600,000, and 47% on any amount exceeding that. Spanish-sourced dividends, interest, and capital gains are taxed progressively between 19% and 30%.

Unlike the general regime, taxpayers under the Beckham Law are only taxed on income obtained in Spain, not on their worldwide income, even though they are considered tax residents.

This regime also affects other taxes such as the Wealth Tax and the Solidarity Tax on Large Fortunes, and reporting obligations (Forms 720 and 721). Taxpayers are only liable for assets and rights located, exercisable, or enforceable in Spain.

Application requirements

Eligibility Requirements

Individuals may apply if:

1. They have not been tax residents in Spain during the five tax years prior to their relocation.
2. The relocation occurs in the current or previous year as a result of one of the legally established circumstances.
3. They do not earn income via a Permanent Establishment in Spain.

Qualifying Circumstances for Relocation

- Employment in Spain (excluding professional athletes): this applies both to those signing a Spanish employment contract and those assigned via secondment. Includes remote workers employed by a foreign company.
- Appointment as a director of a Spanish entity (provided they hold less than 25% if the entity is considered a holding company).
- Engagement in entrepreneurial activity recognized as such under Spanish law.
- Provision of highly qualified services to start-ups, or engaging in R&D or innovation activities, with at least 40% of income from these activities.

Extension to Family Members

As of 2023, family members* of the main taxpayer can also benefit, if:

- They have not been tax residents in Spain in the last 5 years.
- They do not earn income via a Permanent Establishment in Spain.
- Their taxable income is less than that of the main applicant.
- They relocate with or shortly after the main applicant during the first applicable tax year.

This extension seeks to prevent situations where different members of the same family unit are subject to varying tax treatments, thereby promoting greater fairness and facilitating the attraction of international talent together with their families.

*Family members include: the spouse or other parent of the taxpayer's children, and children under 25 (or any age if disabled).

Required Documentation

General

- Official application form.
- Passport or ID copy.
- Spanish Tax Identification Number (NIF).
- Tax residency certificate from the country of origin proving non-residency in Spain for the past 5 years.

Specific (depending on applicant type)



Employees:

Employment contract or assignment letter from Spanish employer.



Remote workers:

International remote work visa and employment contract stating remote work from Spain.



Directors:

Appointment documentation.



Highly qualified professionals / entrepreneurs:

Certification of status (e.g., ENISA or DGC favorable report).



Family members:

Family book or equivalent document proving relationship and shared residence..

The application of the regime must be assessed on a case-by-case basis, as its suitability will largely depend on the type of income received, the country of origin, and the specific Autonomous Community to which the individual relocates.

Frequently Asked Questions

<p>Why is it called the “Beckham Law”?</p>	<p>Although its official name is much more technical (Special tax regime for inbound taxpayers), this regime became popularly known as the “Beckham Law” because footballer David Beckham was one of the first high-profile individuals to benefit from it when he signed for Real Madrid in 2003.</p> <p>The legislation was introduced in 2005 with the aim of attracting international talent to Spain by offering favorable tax treatment to professionals relocating to the country. However, in subsequent years, professional athletes were expressly excluded from the regime.</p>
<p>When is it advisable to apply for the Beckham Law regime?</p>	<p>This special tax regime is not automatically beneficial for everyone moving to Spain for work. Whether it is convenient or not depends on multiple personal, professional, and financial factors. That said, it can be particularly attractive in the following scenarios:</p> <ol style="list-style-type: none"> 1. High-income professionals relocating to Spain who expect to earn a gross annual salary above €60,000. 2. Individuals with significant wealth who want to limit their tax exposure in Spain, particularly with respect to Wealth Tax or the Solidarity Tax on Large Fortunes. 3. Individuals holding unrealized capital gains abroad, such as foreign investments, who want to avoid these gains being taxed in Spain as part of their worldwide income.
<p>Is the regime only available to foreigners?</p>	<p>No. Nationality is not a relevant criterion. The Beckham Law is open to both Spanish and non-Spanish nationals. What matters is whether the individual meets the legal requirements, particularly the condition of not having been a tax resident in Spain during the previous five tax years.</p>
<p>What tax rates apply under the regime?</p>	<p>Under the Beckham Law, employment income is taxed at a flat rate of:</p> <ul style="list-style-type: none"> • 24% on income up to €600,000 per year, and • 47% on income exceeding that amount. <p>Other Spanish-sourced income, such as interest, dividends, and capital gains, is taxed at progressive rates ranging from 19% to 30%, depending on the amount. Importantly, income earned outside Spain — other than employment income — is not subject to tax in Spain under this regime.</p>
<p>How long does the regime apply?</p>	<p>The regime applies for six years in total:</p> <ul style="list-style-type: none"> • The first year in which the individual becomes a tax resident in Spain, plus • The five following tax years, provided all eligibility requirements continue to be met.
<p>Can professional athletes apply for the regime?</p>	<p>No. Professional athletes are expressly excluded from the Beckham Law under the Royal Decree 1006/1985.</p>
<p>Can remote workers (digital nomads) benefit from the regime?</p>	<p>Yes — provided they are employees working remotely from Spain using digital means, and hold a valid international remote work visa as provided for under Spanish Law 14/2013. Freelancers or self-employed individuals are not eligible for the Beckham Law if their income is earned through a Permanent Establishment in Spain.</p>

What happens if I am self-employed or operate through a Spanish Permanent Establishment?

If your income is derived from self-employment or via a Permanent Establishment (PE) in Spain, you are not eligible to apply for the Beckham Law. This applies to freelancers and entrepreneurs who offer services independently or through a local business presence in Spain.

What is the deadline to apply for the Beckham Law?

The application must be submitted within six months from the official start of activity in Spain. This is generally counted from:

- The registration with Spanish Social Security, or
- The document that proves the continuation of home-country social security coverage, or
- In cases where Social Security registration is not required, the document that evidences the start date of the activity in Spain.
- Missing this deadline can disqualify the applicant from accessing the regime.

Can my spouse or children benefit from the regime as well?

Yes — since 2023, certain family members of the main applicant can also apply for the Beckham Law, even if they do not work in Spain. This includes:

- The spouse or the other parent of the applicant's children (even without a marriage tie), and
- Children under 25 years of age (or of any age if they have a recognized disability).

To qualify, they must:

1. Relocate to Spain with or shortly after the main applicant, during the first year of the regime's application.
2. Become tax residents in Spain as a result of the move.
3. Not have been tax residents in Spain during the past five tax years.
4. Have a lower taxable base than the main applicant in each applicable tax period.

Can I opt out of the Beckham Law later on?

Yes, you can voluntarily renounce the regime, but only during November or December of any given year. The renunciation will take effect from the following tax year. It is therefore recommended to reassess your financial and personal situation each year to decide whether remaining under the regime continues to be beneficial.

Can the regime be lost involuntarily?

Yes — if you fail to meet any of the eligibility requirements, you may lose the right to continue under the regime.

However, losing your job or changing employers does not automatically disqualify you, as long as:

- The change occurs for reasons beyond your control, and
- You start a new job within a reasonable time, and
- The new employment still satisfies the legal requirements of the regime.
- Even voluntary changes of employment may be allowed, provided all conditions remain met.



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