

**Residence visas and residence permits
for foreign non-EU investors in Spain**

A short overview of the legal framework

The Spanish "Act 14/2013 of 27 September about the support for entrepreneurs and their internationalization" contains important stipulations about the issuance of residence visas and residence permits for foreign non-EU-investors. The basic aspects and requirements will be outlined in the following, particularly regarding real-estate investments.

1) Residence visa for investors

According to article 63 of the Act 14/2013 non-resident foreigners willing to realize a significant investment in Spain may apply for a residence visa in the following cases:

- a) An initial investment of at least 2 million Euros in titles of Spanish public debt or of 1 million Euros in shares or participations of Spanish corporations, or bank deposits in financial institutions;
- b) Investment in an industrial project of general interest, fulfilling at least one of the following conditions:
 - aa) creation of employment (number of employees not mentioned in the law)
 - bb) realization of an investment with social-economic impact
 - cc) contribution to innovation of science or technology
- c) **Acquisition of real-estate in Spanish territory with an investment of at least 500.000,- Euros** for each applicant of visa; regarding 500.000,- Euros the investment in real-estate must be free of charges and encumbrances, while the exceeding part may be mortgaged in case the investment exceeds 500.000,- Euros.

The investment can be realized by either the applicant himself or through a Spanish or foreign company, provided the relevant applicant controls, directly or indirectly, the majority of votes of such company and is entitled to appoint and/or revoke the majority of members of its governing body. Besides, the foreign company must not be resident in a tax haven.

At the same time or after the principal applicant, his or her spouse and children under 18 may also apply for residence visa.

2) Effects of the residency visas for investors and residence permit

Pursuant to Article 65 of Law 14/2013 the issuance of a **residence visa** for investors will be sufficient for residence of **at least one year**.

Investors interested in residence during more than one year are entitled to apply for a **residence permit** which will be of **at least 2 years**, renewable for further 2 years and so on while the investment is maintained, provided the investor complies with the following conditions apart from the general conditions already outlined under point 1).

- Being holder of a residency visa for investors in force or within 90 days after expiry of such visa;
- Having travelled to Spain at least once during the permitted period of residence;
- In case of an investment in real-estate: Presentation of a certification of ownership of the Land Register dated within 90 days before the application for residence permit;
- Having complied with the legal provisions about Tax and Social Security (proof of health insurance)

The residence permit will be issued within a maximum of 20 days after application. In case the permit should not be issued within the aforementioned term of 20 days, the issuance is considered to be done pursuant to the principle of silence in administration law.

Residence permits can also be renewed in case the applicant/investor spends more than 6 months a year outside Spain, e.g. that investors might benefit from the Spanish residence and freedom of travel and stays in the *Schengen area* within the maximum periods authorized for visits by the *Schengen* regulations, while they are tax residents outside Spain.

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