

LAWYER SERVICES:

NON RESIDENT BUYERS
FUERTEVENTURA CANARY ISLANDS

PLATINUM ASSOCIATES
GUIDING YOU EVERY STEP OF THE WAY

SUMMARY OF SERVICES

- ADMINISTRATION OF NIE AND REGISTRATION IN TAX AGENCY
- ADMINISTRATION OF RESIDENCE
- TRANSLATION OF POA IN THE NOTARY OFFICE
- ASSISTANCE FOR GRANTING POA IN A FOREIGN COUNTRY
- CHECKING THE LEGAL SITUATION OF PROPERTIES
- ACTING BY POA/TRANSLATION OF THE PUBLIC DEED IN THE NOTARY OFFICE
- COLLECTION AND PAYMENT OF THE PUBLIC DEED AT THE NOTARY OFFICE
- PAYMENT OF TRANSMISSION TAXES
- PAYMENT OF 3% OF NON RESIDENT VENDOR RETENTION
- PAYMENT OF PLUSVALÍA
- PAYMENT OF ANY RETENTION
- STANDING ORDER COMMUNITY, WATER AND ELECTRICITY BILLS
- STANDING ORDER IBI (TRANSMISSION TAX)
- PUBLIC DEED DELIVERY AT THE LAND REGISTRY, PAYMENT AND COLLECTION
- CHECKING OF IBI DEBTS
- CHECKING OF COMMUNITY, WATER AND ELECTRICITY DEBTS
- MORTGAGE CANCELLATION
- NOTIFICATION TO THE COMMUNITY OF THE CHANGING OF THE OWNERSHIP

PRELIMINARY CHECK ON THE PROPERTY

ONCE YOU HAVE CHOSEN THE PROPERTY, THE BEST ADVICE WE CAN GIVE YOU IS TO HIRE A REPUTABLE LOCAL LAWYER TO REPRESENT YOU, SO YOU WILL HAVE ALL THE NECESSARY LEGAL CERTAINTY WHICH REQUIRES INVESTMENT, AND BE SURE TO ACQUIRE OWNERSHIP OF THE PROPERTY WITHOUT LAST MINUTE PROBLEMS.

WITH A [NOTA SIMPLE](#) FROM THE [PROPERTY REGISTRY](#) (REGISTRO DE LA PROPIEDAD), THE LAWYER WILL FIND OUT IF THE PROPERTY IS FREE OF DEBTS, IF IT REALLY BELONGS TO THE SELLER, AND IF THE DESCRIPTION OF THE PROPERTY MATCHES WHAT THE BUYER HAS BEEN TOLD (TO AVOID SURPRISES ABOUT MISSING SQUARE METERS).

IN ADDITION TO THE INFORMATION NEEDED, THE **LAWYER** WILL REQUEST THE SELLER A LAST RECEIPT OF COUNCIL RATES IBI-IMPUESTO SOBRE BIENES INMUEBLES , AS WELL AS A CERTIFICATE ISSUED BY THE ADMINISTRATOR OF THE HOMEOWNERS IN WHICH HE REFLECTS THAT THE PROPERTY IS CURRENT ON ITS PAYMENTS TO THE COMMUNITY. THIS CERTIFICATE IS ALSO INCORPORATED TO THE DEED AS WELL AS THE ECC- CERTIFICADO DE CALIFICACION ENERGETICA. IN THIS WAY , THE LAWYER WILL CHECK THAT THE SELLER HAVE GOOD AND CLEAR TITLE.

SOME OF THE TASKS YOUR LAWYER WILL CARRY OUT INCLUDE:

- VERIFYING THAT THE SELLER IS REALLY THE SELLER AND DOES OWN THE PROPERTY
- CHECKING THAT ALL BILLS AND TAXES ARE UP-TO-DATE OR ENSURING THAT THEY WILL BE PAID BY THE VENDOR
- CHECKING THAT THERE ARE NO OUTSTANDING DEBTS OR MORTGAGES ON THE PROPERTY, OR IF THERE ARE ENSURING THAT THEY WILL BE CANCELLED BEFORE SIGNING
- ENSURING THAT IF IN THE PROPERTY THERE ARE TENANTS, IT HAS BEEN AGREED IN THE CORRECT WAY BY THE PARTIES.
- ENSURING THAT EVERYTHING ON THE PROPERTY IS LEGAL AND HAS THE CORRECT PERMITS, CERTIFICATES AND LICENSES

OBTAINING IDENTIFICATION NUMBER (NIE)

N.I.E. IS AN ABBREVIATION FOR *NÚMERO DE IDENTIFICACIÓN DE EXTRANJERO*, WHICH TRANSLATES AS IDENTIFICATION NUMBER FOR FOREIGNERS, OR FOREIGNERS' IDENTIFICATION NUMBER IF YOU PREFER.

THE N.I.E. IS YOUR ALL-PURPOSE IDENTIFICATION AND TAX NUMBER IN SPAIN. YOU WILL NEED AN NIE NUMBER TO BUY A PROPERTY.

THIS NUMBER IS A PERSONAL, UNIQUE, AND EXCLUSIVE.

IF YOU ARE BUYING PROPERTY IN SPAIN, THEN YOU NEED TO HAVE A NIE NUMBER BY THE TIME YOU SIGN THE DEEDS OF PURCHASE BEFORE NOTARY, AN EVENT KNOWN IN SPANISH AS THE *ESCRITURA*.

POWER OF ATTORNEY

IT IS VERY CONVENIENT, ESPECIALLY TALKING ABOUT NON-RESIDENTS, THAT THEY ARE NOT FLEXIBLE TO TRAVEL , TO GRANT THE LAWYER A POWER OF ATTORNEY, SO THAT HE CAN TAKE TITLE IN YOUR NAME.

THIS POWER CAN BE AWARDED IN SPAIN OR THE COUNTRY IN WHICH THE GRANTOR IS LOCATED.

A POWER OF ATTORNEY CAN BE AS WIDE OR AS NARROW AS YOU WANT IT TO BE. YOU DEFINE EXACTLY HOW MUCH 'POWER' YOU ARE ALLOCATING. THE DOCUMENTATION CAN CLEARLY INDICATE THE LIMITATIONS. FOR EXAMPLE, IF YOU ONLY WANT A SOLICITOR TO BE ABLE TO ACT IN YOUR INTERESTS FOR THE PURPOSE OF SIGNING THE DOCUMENTATION FOR A HOUSE PURCHASE

PROPERTY REGISTRY

IN SPAIN, YOU SHOULD REGISTER YOUR DEED AT THE LOCAL OFFICE. THIS GUARANTEES THAT YOUR OWNERSHIP RIGHTS TO THE PROPERTY ARE FULLY PROTECTED. AS SOON AS THE BUYING/SELLING PROCEDURE HAS BEEN FINALIZED AND EVERYTHING HAS BEEN SIGNED, THE NEW OWNER SHOULD ALWAYS REGISTER THE PROPERTY AT THE REGISTRY OFFICE (REGISTRO DE LA PROPIEDAD) AS SOON AS POSSIBLE.

IT IS NOT OBLIGATORY BUT IT IS ABSOLUTELY ADVISABLE AS IF THERE ARE ANY FUTURE PROBLEMS RELATING TO UNPAID BILLS, TAXES OR EVEN DOUBT OVER THE OWNERSHIP OF THE PROPERTY, THE FACT THAT IT HAS BEEN REGISTERED IN THE NEW OWNER'S NAME WILL GUARANTEE HIM AGAINST ANY OF THESE PROBLEMS.

PAYMENTS, NOTARY, REGISTRY AND TAXES

WHEN YOU BUY A PROPERTY, BETWEEN 10% AND 12% OF THE PURCHASE PRICE OF THAT PROPERTY WILL BE PAID ADDITIONALLY TOWARDS COSTS, FEES AND TAXES. SO, IF THE PROPERTY THAT YOU WANT TO BUY COSTS 100,000 EURO, ENSURE THAT YOU HAVE 112,000 EURO FOR THE EXTRA COSTS.

SOME OF THIS MONEY WILL GO TOWARDS TAXES, LAWYER'S AND NOTARY'S FEES, TOGETHER WITH PAYMENT TO REGISTER THE SALE ETC. ANYTHING THAT INVOLVES DRAWING UP A DOCUMENT OR SOME KIND OF ADMIN WORK WILL USUALLY HAVE A FEE ATTACHED TO IT.

GENERALLY, EXPENSES RELATING TO A PURCHASE ARE THE FOLLOWS:

- NOTARY FEES : IN PROPORTION TO THE VALUE OF THE PROPERTY AND THE PAPERWORK, AND IS APPLIED AS PREVIOUSLY ESTABLISHED TARIFFS.
- EXPENSES OF REGISTRATION OF THE PROPERTY.
- IGIC WHETHER IT IS FIRST TRANSMISSION, 7%
- ITP IF THIS SECOND TRANSMISSION, IN CANARY ISLANDS 6.5 %
- STAMP DUTY TAX : IF APPLICABLE
- MUNICIPAL TAX ON THE INCREASE IN VALUE OF URBAN LAND (KNOWN AS PLUSVALIA) PAYED BY THE VENDOR.

SPANISH INCOME TAX RETENTION ON PROPERTY SALES BY FISCAL NON-RESIDENTS

IF THE SPANISH TAX AUTHORITIES CONSIDER A VENDOR NON-RESIDENT IN SPAIN FOR TAX PURPOSES, THE BUYER / THEIR LEGAL REPRESENTATIVE HAS TO WITHHOLD 3% OF THE SALE PRICE TO COVER THE VENDOR'S TAX LIABILITIES RESULTING FROM THE SALE.

ANNUAL TAXES AND FEES

REMEMBER THAT ONCE YOU HAVE PURCHASED A PROPERTY IN SPAIN THAT IS NOT THE END OF IT. AS WELL AS PAYING FOR ELECTRICITY, WATER , ETC. THE BUYER WILL ALSO HAVE TO PAY THE IBI TAX (ANNUAL REAL-ESTATE TAX) ON AN ANNUAL BASIS AND MONTHLY COMMUNITY FEES IF THE PROPERTY IS IN A BLOCK OF APARTMENTS OR ON AN URBANIZATION.

THESE ARE ALL SERVICES THAT PLATINUM ASSOCIATES CAN ASSIST YOU WITH THROUGH OUR QUALIFIED GESTORIA SERVICES

CONNECTIONS OF WATER AND OR ELECTRICITY

IMMEDIATELY AFTER BUYING A PROPERTY , YOU MUST SIGN A CONTRACT WITH THE LOCAL ELECTRICITY AND WATER COMPANY. THIS USUALLY ENTAILS A VISIT TO THE COMPANY'S OFFICE TO REGISTER. PLATINUM ASSOCIATES ALSO OFFER YOU THIS SERVICE.

SPANISH HOUSING RATES AND ANNUAL PROPERTY TAXES

THE IMPUESTO SOBRE BIENES INMUEBLES (KNOWN AS IBI) IS FIXED BY THE LOCAL AUTHORITIES, DEPENDING ON BOTH THE VALUE OF THE LAND AND OF THE PROPERTY ITSELF. THIS SPANISH TAX IS PAID YEARLY, AND YOU CAN EITHER GO TO THE LOCAL TAX OFFICE AND PAY IT DIRECTLY WHEN YOU RECEIVE THE YEARLY NOTICE IN YOUR POSTBOX, OR YOU CAN ARRANGE FOR IT TO BE PAID AUTOMATICALLY FROM A SPANISH BANK ACCOUNT (THE BEST OPTION THAT WE WILL RECOMMEND YOU).

ONE OF THE PAPERS REQUIRED BY LAWYERS IN ANY PROPERTY SALE IN SPAIN IS PROOF OF PAYMENT OF THE PREVIOUS YEAR'S PROPERTY TAX WHICH MUST BE PRODUCED IN THIS CASE BY THE VENDOR, AS AFOREMENTIONED.

WILLS

WE ADVISE THE OWNERS OF PROPERTIES IN SPAIN TO ORGANIZE THEIR INHERITANCE THROUGH A WILL IN WHICH WILL BE STATED THEIR LAST WISH, SPECIALLY AFTER THE NEW EUROPEAN REGULATION IN THIS REGARDS.

PLATINUM ASSOCIATES COULD HELP YOU IN THIS PROCESS.

OTHER SERVICES / ANNUAL TAXES

INCOME TAX FOR NON-RESIDENTS WHO DO NOT RENT OUT THEIR PROPERTY / STANDARD DECLARATION

IF THE PROPERTY IS OWNED BY A MARRIED COUPLE OR BY VARIOUS INDIVIDUALS, EACH PERSON IS TREATED AS A SEPARATE TAXPAYER, BUT COULD FILE RETURNS SEPARATELY **OR JOINTLY**.

YOU PAY THIS VERSION OF INCOME TAX IN SPAIN IF THE FOLLOWING CONDITIONS APPLY:

- 1) YOU DO NOT RESIDE IN SPAIN,
- 2) YOU OWN PROPERTY IN SPAIN,
- 3) THE PROPERTY IS EXCLUSIVELY FOR PERSONAL USE AND YOU DO NOT RENT IT OUT,
- 4) YOU HAVE NO OTHER SOURCE OF TAXABLE INCOME IN SPAIN.

ALTHOUGH YOU DO NOT EARN AN INCOME FROM THE PROPERTY, IN THE EYES OF THE SPANISH TAX AUTHORITIES YOU STILL DERIVE A BENEFIT FROM OWNING A PROPERTY IN SPAIN AND THEREFORE HAVE TO PAY AN IMPUTED INCOME TAX.

AGAIN OUR EXPERIENCED TEAM IN PLATINUM ASSOCIATES CAN ASSIST WITH THIS SERVICE

OTHER SERVICES / INSURANCE

IT IS HIGHLY RECOMMENDABLE TO INSURE YOUR PROPERTY. INSURANCE COMPANIES NORMALLY SEPARATE THE CONTENT (FURNITURE) OF THE PROPERTY AND THE PROPERTY STRUCTURE.

FOR CONTENT INSURANCE YOU PROVIDE THE INSURANCE COMPANY WITH A VALUE FOR THE FURNITURE YOU WANT TO INSURE.

THE VALUE OF THE BUILDING IS USUALLY CALCULATED USING THE SURFACE OF THE PROPERTY, APPLYING OFFICIAL VALUES/SQM. INSURANCE FEES ARE NORMALLY PAID ANNUALLY BY DIRECT DEBIT.

PLATINUM ASSOCIATES COULD ALSO ASSIST YOU IN THIS MATTER.

**TO CONTRACT OUR SERVICES OR TO ASK FOR A
QUOTATION CONTACT OUR TEAM ON**

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