CLIENT GUIDE

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# Non-Resident Imputed Income Tax on Spanish Property

What it is, who pays it, and how it is calculated

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OVERVIEW

## What is Imputed Income Tax (Renta Imputada)?

If you own property in Spain but are not a Spanish tax resident, the Agencia Tributaria assumes your property generates a notional income — even if it sits empty all year. You are required to declare and pay tax on it annually.

The rationale: by owning a property available for personal use, you enjoy an economic benefit equivalent to the rent you could charge. Spain taxes that theoretical benefit.

**Note:** This tax applies only to properties that are NOT rented out. If you rent your Spanish property — even for part of the year — different rules apply and you must declare actual rental income.

WHO MUST PAY

## Who is affected?

**1**
**You are not a Spanish tax resident**
Fewer than 183 days per year in Spain.

**2**
**You own property in Spain**
A house, flat, or other urban real estate.

**3**
**The property is not rented out**
During the period being declared.

THE CALCULATION

## How is the tax calculated?

**STEP 1**
**Valor Catastral**
Take the rateable value from your IBI bill (from the local council).
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**STEP 2**
**Apply Imputation %**
Multiply the valor catastral by the imputation percentage.
**1.1% if revised after 1994**
**2% if not revised**

**STEP 3**
**Apply Tax Rate**
Multiply the imputed income by the applicable rate.
**19% EU/EEA residents**
**24% UK, USA, Canada, Australia**

UK **Post-Brexit — UK Owners:** Since 1 Jan 2021, UK nationals are no longer EU residents for Spanish tax purposes. The applicable rate for UK owners is 24%, not 19%. This is one of the most significant tax changes Brexit brought for British property owners in Spain.

WORKED EXAMPLE

## A practical example — valor catastral €80,000, revised after 1994

| Valor catastral | Imputed income (1.1%) | Tax at 24% (UK) | Tax at 19% (EU/EEA) |
|---|---|---|---|
| €80,000 | €880 | €211 | €167 |
| Revised after 1994 | Taxable base | Annual tax due | Annual tax due |

FILING — MODELO 210

## When and how to file

1. Declared on a calendar year basis (1 January to 31 December).
2. Filed and paid by 31 December of the following year (e.g. 2024 return → due 31 Dec 2025).
3. Each property requires its own separate Modelo 210. Two properties means two returns.
4. Part-year ownership: imputed income is calculated pro-rata for the days of ownership.

**Late Filing:** Attracts surcharges of 5%–20% plus interest. The Agencia Tributaria is increasingly active in identifying non-compliant non-residents. Unpaid taxes can affect future property sales through the 3% retention mechanism.

IMPORTANT CONSIDERATIONS

## Things to keep in mind

**No deductions available.**
Unlike rental income, no expenses — mortgage interest, maintenance, or community fees — can be deducted. The tax is calculated on the gross imputed figure.

**Rustic land generally excluded.**
The imputed income regime applies to urban properties. Agricultural land (finca rustica) is treated differently.

**Find your valor catastral**
on your annual IBI (rates) bill from the Ayuntamiento, or through the Sede Electronica del Catastro online.

**Double tax treaties**
exist with the UK, Ireland, USA, Canada and Australia. Imputed income is usually only taxed in Spain and credited or exempted in your country of residence — verify with a tax adviser.


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