



Spain publishes draft order approving new form for reporting related-party and tax haven transactions

Global Transfer Pricing Alert 2017-021

Spain's Tax Agency has published a draft order that would approve a new form – Form 232 -- for reporting related-party transactions and transactions and situations that involve countries and territories deemed to be tax havens.

Because the order is still in draft form, it may be modified before final approval.

The preamble to the draft order indicates the tax authorities' intent to transfer the information on related-party transactions traditionally included in the income tax return (Form 200) to this new form.

The preamble also states that, to ensure the effective reduction of tax compliance burdens, the deadline for filing Form 232 has been set generally in May, so that it does not coincide with the deadline for filing income tax returns. In the case of returns for tax periods commencing in 2016, the filing period would run from November 1 to November 30, 2017. For subsequent years, the filing period would run from May 1 to May 30.

It is still compulsory under Spanish rules to report all controlled transactions with the same related party, regardless of their individual amounts, if the total amount of the transactions exceeds EUR 250,000. In addition, the same type of individual transactions entered into in a given tax period

with the same individual or related entity using the same valuation method and in an amount exceeding EUR 100,000 at arm's length value, also must be reported.

A new development to highlight is that for tax periods commencing in 2016 and onwards, two special rules regarding information traditionally included in Form 200 have been proposed:

- The first rule states that, even if the total amount of related-party transactions does not exceed the threshold mentioned above, taxpayers would still be required to report any transactions of the same type and using the same valuation method if the total amount of the transactions taken as a whole exceeds 50 percent of the entity's revenue.
- Under the second rule, certain “specific transactions” (transactions excluded from the simplified content of the documentation referred to in Article 18.3 of the Spanish Income Tax Law and Article 16.5 of the Spanish Income Tax Regulations) would have to be reported if the combined amount of each transaction type exceeds EUR 100,000. For this purpose, it is not necessary for the same valuation method to be used. Under this rule, each transaction type that exceeds the combined limit must be reported.

The text of the [draft order](#) and [Form 232](#) are found on the website of the Spanish Ministry of Finance and Public Administration.

[Back to top](#)

Contacts

Juan Ignacio De Molina (Barcelona)

Partner
Deloitte Spain
jd Molina@deloitte.es

Ramón López de Haro (Madrid)

Partner
Deloitte Spain
rlopezdeharo@deloitte.es

Josep Serrano Torres (Barcelona)

Partner
Deloitte Spain
jserranotorres@deloitte.es

José Ignacio Box García (Madrid)

Partner
Deloitte Spain
jboxgarcia@deloitte.es

[Back to top](#)

Useful links

Resources

- [2016 Global Transfer Pricing Country Guide](#)
- [Arm's length standard](#)
- [Transfer pricing alerts](#)

Get Connected

- [Deloitte tax@hand](#)
- [Join Dbriefs](#)
- [Follow @Deloitte Tax](#)
- www.deloitte.com/tax

[Back to top](#)



Get in touch



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

Deloitte provides audit, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients’ most complex business challenges. To learn more about how Deloitte’s approximately 245,000 professionals make an impact that matters, please connect with us on [Facebook](#), [LinkedIn](#), or [Twitter](#).

© 2017. For information, contact Deloitte Touche Tohmatsu Limited.

30 Rockefeller Plaza
New York, NY 10112-0015
United States



Official Professional Services Sponsor

Professional Services means audit, tax, consulting, and advisory.

Copyright © 2016 Deloitte Development LLC. All rights reserved.
36 USC 220506

To no longer receive emails about this topic please send a return email to the sender with the word “Unsubscribe” in the subject line.