

In an effort to reduce the administrative burden of the process, the Spanish Internal Revenue has decided to remove the requirement of submitting the 390 model (VAT return annual summary) for a sector of taxpayers.

Those who may be exempt from having to submit the VAT return annual summary are taxpayers (i) who pay taxes in the simplified VAT scheme and/or (ii) are engaged in the activity of leasing urban property, provided they meet the following requirements:

- They pay taxes exclusively on common territory;
- They are required to submit quarterly settlements (volume of transactions up to circa €6 million);
- They are not required to submit the self-assessment for the last settlement period of the year as a result of taking themselves off the Census of Business Persons, Professionals and Employees before the start of it.
- They complete the following additional information in the 303 model for the final quarter of the year:
 - Total volume of transactions produced during the year.
 - The tax on Economic Activities (IAE) heading which helps identify those activities mentioned in the return.

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations nor should they be considered a substitute for taking legal advice.

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