



SHOOTING IN SPAIN

*A Comprehensive
Guide*



THE FIRST THING YOU NEED TO KNOW ABOUT SHOOTING IN SPAIN:

Spain is a European Union country with a harmonised regulatory framework.

It is a small but decentralised country.

We have been attracting film shoots from all over the world for more than 70 years.

Why?

Because we have:

- Highly qualified professionals
- A variety of locations
- Transport and communications
- Accommodation and catering
- Climate
- Quality of life
- Security



IF YOU HAVE ALREADY DECIDED TO SHOOT IN SPAIN, THESE ARE THE MOST IMPORTANT STEPS TO FOLLOW:

- **CHOOSE A SPANISH PRODUCTION SERVICE COMPANY TO SHOOT WITH:**
- In order to benefit from the tax incentives for shooting in Spain, it is essential to hire a Spanish production service company:
 - In addition to guaranteeing excellence in shooting, the local production company is familiar with the applicable legislation, procedures, suppliers, etc.
 - You will have your own counsel to help make the process as easy as possible, before, during and after the shoot.
- **Contact with the network of film commissions and film offices in Spain is advisable.**



You must sign a Production Service Agreement (PSA) between your production company and the Spanish production service company.



• **MONEY: HOW TO BENEFIT FROM TAX INCENTIVES (*)**

- Eligible audiovisual works: feature films and audiovisual works recognised as being of a cultural nature.
- Eligible producers: taxpayers registered in the Administrative Register of Film and Audiovisual Companies.
- **Map of tax incentives for shooting in Spain:**
 - Spain, excluding Basque Country, Navarra and Canary Islands: 25%-30% tax incentive:
 - 30% tax incentive for the first €1,000,000 eligible expenses / 25% onwards.
 - Deduction cap: €10,000,000.
 - The total amount of aid and deductions may not exceed 50% of the production cost.
 - The eligible tax base for the tax incentive must not exceed 80% of the total production cost.
 - Requirements:
 - Minimum production budget: €2,000,000
 - Minimum expenses incurred in Spain: €1,000,000
 - Cultural Certificate issued by ICAA (Ministry of Culture).
 - The credits should include a mention of tax incentives as well as the collaboration of the relevant public bodies.
 - Transfer of rights to use certain materials for the promotion of Spain: title of the production, graphic and audiovisual materials for the press, including specific shooting locations or any other production process carried out in Spain.
 - Check exceptions for Animation and VFX Services.
 - **IMPORTANT:** Verify eligible expenditure:
 - Creative staff with tax residence in Spain or EU, up to a maximum of €100,000 per person, provided that expenditure is incurred in Spain.
 - Technical industries and suppliers provided that expenditure is incurred in Spain.
 - Navarre: 35% tax credit.
 - A minimum amount of shooting time in Navarre is required.
 - Generally speaking, the production service company must have its tax domicile in Navarre.
 - Deduction cap: €5,000,000
 - The tax base eligible for the tax incentive must not exceed 80% of the total production cost.



- Eligible expenditure:
 - Creative staff with tax residence in Spain or EU, up to a maximum of €50,000 per person, provided that expenditure is incurred in Navarre.
 - Technical industries and suppliers provided that expenditure is incurred in Navarre.
- Basque Country:

- Guipuzkoa: 35% tax credit.
 - Minimum €500,000 expenditure in the Basque Country.
 - Minimum total cost of production: €2,000,000
 - Deduction cap: €10,000,000
 - The tax base for the tax incentive may not exceed 80% of the total production cost.
 - Eligible expenditure:
 - Creative staff with tax residence in Spain or EU, up to a maximum of €50,000 per person, provided that expenditure is incurred in Basque Country.
 - Technical industries and suppliers provided that expenditure is incurred in Basque Country.

- Alava: 25% tax credit.
 - Minimum expenditure of €500,000 in Alava.
 - Minimum total cost of production: €2,000,000
 - Deduction cap: €2,500,000
 - The tax base eligible for the tax incentive must not exceed 80% of the total cost of production.
 - Eligible expenditure:
 - Creative staff with tax residence in Spain or EU, up to a maximum of €50,000 per person, provided that expenditure is incurred in Basque Country.
 - Technical industries and suppliers provided that expenditure is incurred in Basque Country.

- Canary Islands: 45%- 54% tax incentive.
 - 50%-54% tax incentive for the first €1,000,000 eligible expenses / 45% onwards.
 - Deduction cap: €18,000,000.
 - Requirements:
 - Canarian audiovisual production certificate.
 - Minimum shooting time in the Canary Islands and requirements for actors and technical equipment.
 - The production service company must be registered in the Registro de Empresas y Obras Audiovisuales de Canarias (Registry of Canary Island Audiovisual Companies and Works).
 - Maximum annual incentive amount for the difference between the national incentive and the Canary Islands incentive: €50 million.



IMPORTANT: The tax incentive is claimed by the Spanish production service company as part of its corporate tax return, which must be completed within 6 months of the end of the tax year in which the last production expenditure was incurred. In general, the incentive is paid between 6 and 18 months after the end of production in Spain.

- **LEGISLATION: ASPECTS TO TAKE INTO ACCOUNT WHEN SHOOTING IN SPAIN (*)**

IMPORTANT: Spanish regulations apply, regardless of whether the production is undertaken by a foreign company.

- Recruitment
 - Applicability of labour mobility legislation.
 - Occupational risk regulations.
 - Working time/rest time regulations
- Other regulations to be taken into account:
 - Work permit for minors
 - Weapons and explosives: import, handling and transport
 - Locations: you need to have into account:
 - Traffic regulations on public roads
 - Image rights (important to transfer the image rights of people, places, companies, etc.).
 - Regulations for shooting in protected areas.
 - The "fair use" rule for shooting does not apply.
 - "Freedom of Panorama" is allowed.

- **Industry friendly visas for shooting in Spain**

- Spain has developed a special law for professionals in the audiovisual industry:
 - Who is eligible: actors, technical crew and family members.
 - Possible scenarios:
 - To work up to 90 days in Spain: no special permission is needed, as long as your country does not require a visa to enter the Shenghen Area. Equivalent to entering as a tourist.
 - To work from 90 to 180 days in Spain. Industry-specific visa. It can be applied for 90 days prior to travel.
 - To work for more than 180 days: ICT long-stay work permit. Special processing of visas for the Audiovisual industry.



• **MONEY II: WITHHOLDING TAXES (*):**

- Tax obligations of personnel moving to Spain:
 - Existence of double taxation treaties between OECD countries.
 - Withholding taxes in Spain:
 - 24% for non-EU citizens.
 - 19% for EU citizens
 - Obligation of the employer who has posted the professionals to Spain. The foreign production company must report it and withhold tax from its workers.
 - Tax returns are filed every month or every 3 months, depending on the obligation of the Spanish supplier.
 - Returns are filed to the AEAT (Tax Authority) in Spain.
- Possible applicability of other tax obligations. Consult country by country.

• **END OF SHOOTING. LAST STEPS TO BE TAKEN BY THE SPANISH PRODUCTION SERVICE COMPANY:**

- For deduction purposes and in general terms, shooting ends when the last production cost is incurred in Spain.
- Closing of accounts.
- Corporate Income tax return filing (in the following tax year).
- In general, after filing the Corporate Income Tax return, the Spanish production company pays the tax incentive to the foreign production company within the timeframe established in the contract, once it has received it from the AEAT..



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