

Barcelona, 12 January 2022



INFORMATIVE DECLARATIONS OF ASSETS AND RIGHTS LOCATED ABROAD January 2022

During the month of January begin the obligations to file the informative declarations related to the assets that are located abroad, whether owned or that some power, title or right on it is held. In this circular we review the obligations, the form of presentation and the deadlines.

- ETE Form
- Form 720
- Form D-6
- Form 117

ETE FORM

ETE FORM - Notification by residents in Spain of economic transactions and balances of assets and liabilities abroad

» **FILING:** Electronic filing with the Central Bank of Spain.

The ETE model shall contain information on outdoor movements and positions, in particular:

1. **Own-account transactions with non-residents**, whatever their nature and irrespective of how they are settled, i.e. whether they are settled by external transfers, by crediting or debiting bank or inter-company accounts, by clearing or by delivery of cash.
2. **Balances and changes in external assets or liabilities**, whatever their form (accounts with banks or financial institutions, inter-company accounts, cash or securities deposits, equity investments, debt instruments, derivative financial instruments, real estate, etc.).

The information to be included in the form should be provided at the following frequency:

Conditioning factor	Frequency	Deadline for submission
Receivables from and payables to non-residents in the previous year o Balances of assets and liabilities at 31-Dec of the previous year \geq EUR 300 million.	Monthly	20th day of the following month
Receivables from and payables to non-residents in the previous year o Balances of assets and liabilities at 31-Dec of the previous year \geq EUR 100 million.	Quarterly	20th day of the month following the end of the quarter
Receivables from and payables to non-residents in the previous year, or Balances of assets and liabilities at 31-Dec of the previous year \geq €1 million.	Annual	20 January of the following year

The **minimum threshold for derogation** is therefore **EUR 1 million**, but this threshold refers both to the annual volume of external transactions and to the amount of the balances or positions.

FORM D-6

Form D-6.- Declaration of holders of Spanish investments abroad in negotiable securities

» **FILING:** to the Directorate General for Trade and Investment - Ministry of Economy and Competitiveness.

The purpose of this is to declare negotiable securities deposited abroad, even if the issuers are Spanish, both fixed income and equity securities, provided that they are considered negotiable securities, as well as units in collective investment institutions (investment funds, SICAVs, etc.). There are two types of declaration:

- "Declaration of deposits", provided that the investor holds 10% or more of the capital, or of the voting rights, of the company in which the investment is held.
This declaration is annual, and the deadline for submitting it is during the month of January in relation to the position as at 31 December of the previous year.
- "Flow disclosure", provided that the investor's holding is 10 per cent or more of the capital, or of the voting rights, of the company in which the investment is made before or after the transaction.
The deadline for filing the tax return in this mode is one month, to be calculated from the date of the operation, and all the operations carried out in a period not exceeding one month may be accumulated in a single tax return.

FORM 117

Form 117.- Withholdings and payments on account in IRPF, IS and IRNR. Income from the transfer or redemption of shares or holdings in UCIs and from the transfer of subscription rights.

A quarterly form that is usually filed by the management entities of collective investment institutions to pay the AEAT the corresponding withholding tax derived from the redemption of units in investment funds, shares in SICAVs and other collective investment institutions. However, when these assets are deposited outside Spain and the financial institutions that manage them are not obliged to do so under Spanish law, it is the investor himself who is obliged to pay the withholding tax that would have been payable if these financial assets had been located in Spain. There is no minimum exemption threshold. Likewise, in certain cases it is also necessary to file the annual summary, form 187.

» **DEADLINE:** The deadline for filing the self-assessment of form 117 corresponding to 4Q-2021 is 20 January 2022, while the annual summary for 2021 (form 187) can be filed until 31 January 2022.

FORM 720

Form 720.- Declaration of assets and rights located abroad.

» **FILING:** Telematic filing to the Tax Administration State Agency (AEAT).

For the purposes of **determining the obligation** to file the return, the return is **divided into three blocks** which are treated separately: bank accounts, other financial assets and real estate.

The submission of the declaration shall be **compulsory** in any of the following situations:

- ✓ **Having not previously filed a 720 tax return** for any of the blocks, the threshold of 50,000 euros is exceeded in any of them.
- ✓ **Having previously filed a 720 tax return** for any of the blocks, there is a **joint increase in them of more than 20,000 euros** with respect to the value that determined the filing of the last return.
- ✓ **By cancellation of an investment that has previously been the subject of a declaration.**

» **DEADLINE:** 31 March 2022.

COMMON NOTE

Independently of the above declarations, it is appropriate to **include the ownership of assets abroad in the case of individuals in the Wealth Tax return** (form 714), the deadline for which is 30 June 2022, together with the Personal Income Tax return, which we will inform you about in due course.

In order to **be able to guarantee the submission of the obligations within the legally and regulatory deadlines established**, we kindly ask you to request the financial institutions in each case to provide us with the **information relating to the 2021 financial year**, in addition to the rest of the documentation necessary for this purpose.

ANNEXES: INFORMATION/DOCUMENTATION REQUIRED

PROPERTY	
1	Identifying details of all owners
2	Identifying details of beneficial owners
3	Identifying details of other forms of title
4	Percentage holding in case of shared title
5	Name of street and number
6	Town/city, province, country
7	Postal code and country code
8	Type: urban or country
9	Acquisition date
10	Acquisition value
11	Date and value in case of disposal during 2021

SECURITIES, BONDS, HOLDINGS IN COLLECTIVE INVESTMENT SCHEMES, ETC.	
1	Identifying details of all owners
2	Identifying details of other forms of beneficial ownership
3	Percentage stake in the case of shared title
4	Name of the company object of the investment
5	Address of the company object of the investment
6	Tax/VAT number of the company object of the investment
7	Number of securities
8	Class of securities
9	ISIN
10	Value at 31/12/2021 (or, in the case of securities, average value over last quarter)
11	Acquisition date
12	Disposal date (in case of disposal during 2021)
13	Date and balance in the case of termination of declared ownership

CURRENT ACCOUNTS	
1	Identifying details of all account holders
2	Identifying details of all representatives
3	Identifying details of all authorised parties
4	Identifying details of all beneficiaries
5	Identifying details of those holding powers of use
6	Identifying details of other beneficial owners
7	Percentage holding in case of shared title
8	Name of banking establishment
9	Address of banking establishment
10	Tax/VAT number assigned to the bank in the country in question
11	Account type (current, savings, term deposit, etc.)
12	Business Identifier Code (BIC)
13	International Bank Account Number (IBAN)
14	Date of opening of account
15	Balance at 31/12/2021
16	Average balance over last quarter of 2021
17	Date of closure of account, as the case may be
18	Balance at time of closure of the account, as the case may be
19	Date of incorporation of any representative, authorised party or beneficiary...
20	Date and balance at time of removal of any representative, authorised party or beneficiary...

INSURANCE AND TEMPORARY INCOME OR ANNUITIES	
1	Policyholder
2	Beneficiary
3	Name of insurer
4	Address of insurer
5	Tax/VAT number of insurer
6	Contract date
7	Surrender value at 31/12/2021
8	Capitalisation value at 31/12/2021 in the case of temporary income or annuities
9	Date and value in case of termination

Yours sincerely,

AUDICONSULTORES ETL GLOBAL

The professionals that regularly work with your company are at your disposal for any clarification or additional information you may require in relation to the content of this Circular Letter. Please contact us by telephone at 934 677 414.

The sole and exclusive purpose of this Circular is to provide its recipients with a selection of general information content on new developments or questions of a labour, tax or legal nature, without this constituting professional advice of any kind or being sufficient for making personal or business decisions. © 2022 "Audiconsultores ETL Global, S.L.". All rights reserved.