Executive summary

On 29 December 2020, the Spanish Parliament approved final legislation to implement the European Union (EU) Directive on the mandatory disclosure and exchange of cross-border tax arrangements (referred to as DAC6 or the Directive). Under DAC6, taxpayers and intermediaries are required to report cross-border reportable arrangements from 1 July 2020. However, reports will retrospectively cover arrangements where the first step is implemented between 25 June 2018 and 1 July 2020.¹

The Spanish legislation was published in the State Official Gazette on 30 December 2020 and entered into force on 31 December 2020, being effective from that same date.

The final Spanish Mandatory Disclosure Rules (MDR) legislation is broadly aligned to the requirements of the Directive.

The key highlights of the Spanish final legislation are summarized below.
Key highlights

The final legislation has not changed since the draft (revised) Bill was submitted to Parliament for approval in May 2020, following a public consultation. For background on the draft Bill, see EY Global Tax Alert, Spain sends MDR bill to Parliament for approval, dated 29 May 2020.

- The Spanish reporting deadlines will be included in the regulations setting forth the Spanish MDR, which have not yet been released, so the reporting deadline is still uncertain.

Next steps

Determining if there is a reportable cross-border arrangement raises complex technical and procedural issues for taxpayers and intermediaries. Taxpayers and intermediaries who have operations in Spain should review their policies and strategies for logging and reporting tax arrangements so that they are fully prepared for meeting these obligations.

A detailed Global Tax Alert is forthcoming.

Endnote

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