

¿Are cryptocurrency transactions carried out by non-residents taxed in Spain?

18th of November, 2021

The transfer or exchange of cryptocurrencies generates a gain or loss for the taxpayer that might be taxable in Spain. Specifically, when it comes to non-tax residents -as a general rule, when an individual physically stays in Spanish territory for less than 183 days-, capital gains are subject to tax in Spain when derives from:

- securities issued by individuals or entities located in Spain; or
- movable assets or rights located or that shall be exercised within Spanish territory.

The General Directorate of Taxes (DGT) on its Binding Resolution V1069-19, of 20th of May, determined that exclusively for Non-Resident Income Tax (NRIT) purposes, a cryptocurrency shall be considered as located in Spain, thus subject to tax, in case the “wallet” or the exchange in charge of its deposit and storage is located in Spain.

Spanish tax authorities uphold such tax treatment merely based on the

fact that it is required the access to the exchange’s webpage for the management and trade of those cryptocurrencies, therefore needed the participation of the latter.

According to this, cryptocurrencies transactions carried out by non-tax residents in wallets or exchanges located outside Spain would not be taxable in Spain.

