

# Everything You Need to Know About Banking in Spain



**FRANCISCO J. URBANO**  
ECONOMISTAS

September 2022

# Topics

- Spanish Banking System
- Banking for Investors and Companies
- Financing
- Questions



# Spanish Banking System

## Overview:

- Current situation of the banking system.
- Local and International Banks.
- Direct debit, debit/credit cards and bank transfers.
- Others.



# Spanish Banking System

## Guaranteed Funds:

There is a Deposit Guarantee Fund that covers up to 100,000 euros per holder in each entity.



# Spanish Banking System

## SEPA & SWIFT:

SEPA (Single Euro Payments Area)

transfers within EU will have the same cost (often €0) and transfer speed of domestic transfers.

### **SWIFT:**

- Money transfers internationally;
- Various currencies

### **SEPA:**

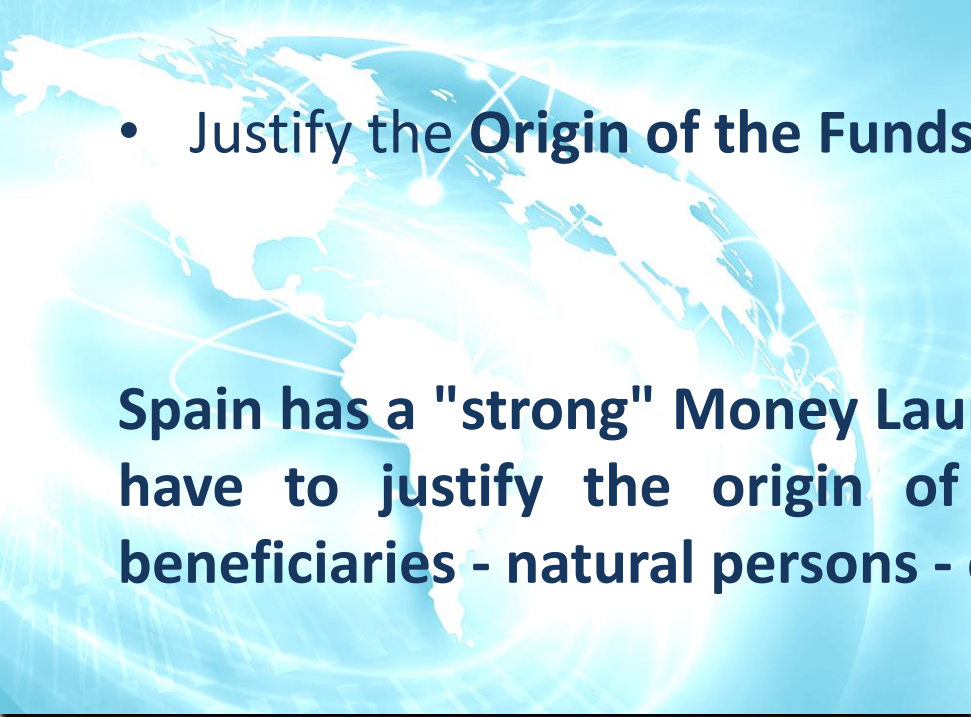
- Payments within SEPA area only;
- Transfers in Euro.

# Spanish Banking System

## What do you need to open a bank account??? :

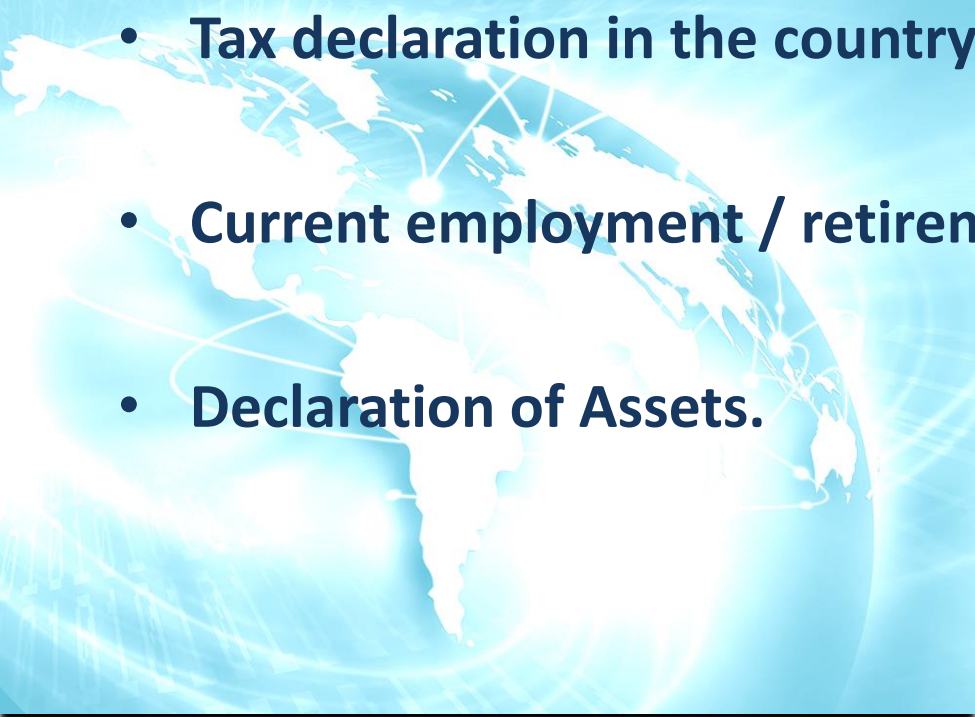
- **NIE** (Identification Number of Foreigners), ID.
- Justify the **Origin of the Funds**.

Spain has a "strong" Money Laundering Prevention Law and we have to justify the origin of the funds and the ultimate beneficiaries - natural persons - of the companies.



# Spanish Banking System

What do you need to open a bank account??? :

- 
- Tax declaration in the country of residence (fiscal residence).
  - Current employment / retirement (in each case).
  - Declaration of Assets.

# Banking for Investors and Companies

## Documentation:

Proof of ID (e.g. a passport) UBO and Manager

Proof of address (e.g. utilities bill) UBO and Manager

Articles of Association and/or the certificate of incorporation

Tax number Manager and the Company

Documents attesting powers

Verification by Compliance AML/KYC

Spanish Tax number

***AML (Anti-Money Laundering)***

***KYC (Know Your Customer)***



# Financing

## Loan rules:

- Residents vs Non Residents
- Debt/equity ratios or Loan to Value ratio  
50–60% sale price: non-residents;  
80% sale price: residents (habitual residence).
- Debt Service to Income 40%
- Amortization period  
Max. 40 years  
No more than retirement age

# Financing

## Loan documentation:

- Photo ID (passport)
- Proof of residency
- Proof of income (pay slips / investments /retirement)
- Documentation regarding rental agreements, mortgage and debt obligations
- Bank statements
- Proof of deposit
- Contract details –Promissory contract, Land registry certificate and Fiscal registration

# Questions ???



# Francisco J. Urbano y Asociados

Economists and tax advisors

## Offices:

C/ Ntra. Sra. de Gracias nº 3 2º-4 (Marbella)

C/ Antonio Herrero nº 8, 1ºB

[www.urbanoasesores.es](http://www.urbanoasesores.es)

[f.urbano@urbanoasesores.es](mailto:f.urbano@urbanoasesores.es)

Telef. + 34 952 86 43 39 // + 34 606 15 60 22