Practical Guide for Property Owners

VAT on holiday rentals from 1 December 2026

Answers to the most frequently asked questions. Prepared by Paperwork.es by Gestoría Lizana for Upsticks clients. Information updated as of 21 November 2026.

In short. From 1 December 2026, renting a furnished property for stays of 30 nights or fewer is subject to 10 % VAT (IVA), even if no hotel-type services are provided. The owner must register with the Spanish Tax Agency (Agencia Tributaria) as a VAT taxpayer, an invoice must be issued for each stay, and a VAT return (Form 303) must be filed every quarter. In return, the owner can recover the VAT paid on the property's expenses. This applies whether you let your property through a management agency or directly yourself. The income tax return (Form 210 for non-residents, or IRPF for residents) continues to be filed as before.

1. What is changing and who is affected

Which law introduces this, and is it final?

Article 7 of Royal Decree-law 29/2026 of 6 October, which amends articles 20.One.23 and 91.One.2.2 of the Spanish VAT Act (Law 37/1992). The Standing Committee of the Spanish Parliament ratified the decree on 12 November 2026, so the measure is final and applies from 1 December 2026.

Which rentals are affected?

Those that meet all of the following conditions:

- A furnished apartment or house.
- A stay of no more than 30 nights.
- The property is not the owner's own main residence.

It makes no difference whether it is advertised on Airbnb, Booking, through an agency or directly. This guide covers mainland Spain and the Balearic Islands; the Canary Islands, Ceuta and Melilla have their own indirect taxes (IGIC and IPSI) and are not covered.

Situation	Until 30/11/2026	From 1/12/2026
Stay of 30 nights or fewer, no hotel services	Exempt	10 % VAT
Stay of exactly 30 nights	Exempt	10 % VAT
Stay of 31 nights or more, no hotel services	Exempt	Exempt
Accommodation with hotel-type services (cleaning during the stay, laundry, breakfast...)	10 % VAT	10 % VAT
Long-term rental as the tenant's main home	Exempt	Exempt

I am not resident in Spain. Does this affect me?

Yes. The owner's residence does not change the VAT treatment. Moreover, a Spanish property owned by a non-resident is not the owner's main residence, so the exception above does not apply.

What amount is the 10 % charged on?

On everything charged to the guest for the stay: the nightly rate, the final cleaning fee and any extras (extra bed, pets, etc.). It does not include the fee the platform charges the guest on its own account, nor a refundable security deposit.

Who actually pays the VAT?

Legally, the owner passes the VAT on to the guest, that is, charges it to the guest and pays it to the Tax Agency. In practice, it depends on the price:

- **Bookings already confirmed at a final price.** VAT cannot be added to the guest's price, so the tax comes out of the agreed price and is borne by the owner. Example: of a €1,000 booking collected in December, €909.09 is the taxable amount and €90.91 is VAT payable.
- **New bookings.** The owner decides whether to raise prices to pass the VAT on to the guest or to absorb it. Prices advertised to consumers must always include all taxes.

What about bookings made before 1 December for later stays?

The decree contains no transitional rule, and the Tax Agency has not yet published any guidance. The general VAT rules apply: VAT becomes due when the service is provided, unless payment has been received in advance, in which case it becomes due when the payment is received, on the amount received (article 75.Two of the VAT Act).

- Amounts received before 1 December: in our view, no VAT applies, as the transaction was exempt at that time.
- Amounts received from 1 December onwards: VAT applies, even if the booking was made earlier.
- Platform bookings: in our view, pending the Tax Agency's criterion on this point, what counts is the date on which payment is actually received, by you or by your agency on your behalf. If the platform's payment arrives on or after 1 December, VAT applies.

Important. We do not recommend asking guests now for advance payments that were not previously required, solely to avoid VAT. The Tax Agency may treat this as an abusive practice. Keep dated proof of all payments received before 1 December.

2. With or without a management agency

The VAT rules are the same in both cases, but who does each task changes. We work with you directly or, if you have one, with your management agency, which will need to collaborate with us on the documentation.

Task	If you have a management agency	If you let directly
Collecting payments from guests and platforms	Usually the agency, on your behalf	You
Issuing an invoice for each stay	Usually the agency, on your behalf, under a prior written agreement with you	You. Paperwork can do it for you (individual quote)
Platform fees (Airbnb, Booking, Vrbo...)	If the agency contracts the platforms in its own name, it re-invoices you with Spanish VAT and you do not need the ROI	Platforms established in another EU country (such as Airbnb in Ireland or Booking in the Netherlands) invoice you from there, so you need the ROI and Form 349
Monthly income and expense list in our Excel template	The agency, or you with the agency's data	You
Expense invoices	You or the agency upload them to the shared folder	You upload them to the shared folder

Task	If you have a management agency	If you let directly
VAT returns	Paperwork, on your behalf	Paperwork, on your behalf

I have a management agency. What do I need to do?

Just put us in touch with your agency. We will explain how the shared Google Drive folder works and what documents we need each month, so that the agency can upload them directly. If the agency issues invoices on your behalf, it must have your prior written authorisation, usually through an addendum to your management agreement.

I let my property directly. What do I need to do?

- Issue an invoice for each stay with 10 % VAT (or ask us to do it for you).
- Each month, complete our Excel template with your income and expenses and upload it, together with your invoices, to your folder.
- Register in the ROI if any platform invoices its fees to you from another EU country (we handle this for you).

3. Registration and obligations

What do I need to do before starting?

- Register in the census of businesses using Form 036, before the first stay or payment subject to VAT.
- Register in the Intra-Community Operators Register (ROI), only if you contract directly in your own name with platforms established in another EU country (see section 2).
- Have a digital certificate, or authorise Paperwork to file the returns on your behalf.
- Send us your details and basic documents (see section 8). Contact Upsticks or Paperwork to get started.

Registration before 1 December. If you will have guests or receive booking payments from 1 December onwards, your registration must be completed before that date. Given the short time available, please contact us as soon as possible.

Which returns will I have to file?

Form	What it is	Deadline
303	Quarterly VAT return	1 to 20 April, July and October; 1 to 30 January for the 4th quarter
349	Information return for intra-Community transactions. Only if you contract directly with EU platforms	Same deadlines as Form 303, in most cases
390	Annual VAT summary	January. An exemption may apply; we will confirm in each case
210 / IRPF	Income tax return on the rental	No change from the current situation

The first Form 303 will cover the fourth quarter of 2026 (December only) and will be filed in January 2027.

Do I have to issue an invoice even if the guest does not ask for one?

Yes. An invoice must be issued for each stay, with consecutive numbering. A simplified invoice (similar to a receipt) is allowed when the amount does not exceed €400 including VAT; above that amount, a full invoice with the guest's details is required. If the guest is a business and asks for it, its tax number and address, and the VAT amount shown separately, must be included on the invoice. The booking confirmation or receipt issued by the platform does not replace this invoice.

Invoices are issued by you or, if it manages your bookings, by your agency on your behalf; some management agencies are already doing this for their owners. Platforms may also introduce a feature to issue invoices on the owner's behalf, which you would need to authorise. If you prefer, Paperwork can issue them for you as an additional service.

Does Verifactu affect me?

Verifactu sets technical requirements for invoicing software. Under the rules currently in force, individuals must comply from 1 July 2027, although the Ministry of Finance has announced its intention to postpone it again. It only applies if invoices are issued with invoicing software. If your agency issues your invoices, its software must comply. We will let you know of any changes.

If I live outside the EU, do I need a tax representative or a Spanish bank account?

We will check in each case whether you need to appoint a tax representative. To pay the returns, we recommend having an account with a Spanish bank.

Do I have to register as self-employed (autónomo) with Social Security?

No, as long as you do not provide additional services during the stay (such as cleaning, laundry or meals). Registering for VAT does not by itself make you self-employed, and holiday letting without these services is treated as income from property, not as business income. If you provide such services, please consult us.

What happens if I do not register?

The Tax Agency receives information from the platforms on each host's bookings and payments. If it finds that VAT has not been declared, it will still claim the tax, which the owner will have to pay out of pocket, plus interest, surcharges and, where applicable, penalties.

4. Properties with more than one owner

The property has more than one owner (spouses, ex-partners, relatives...). Who registers for VAT?

There are several possible options, depending on how the letting is organised:

- **All co-owners together, through a joint ownership entity (comunidad de bienes)**, with its own tax number. This is the usual option when the co-owners share the income and the decisions.
- **Only one co-owner**, when that person alone runs the letting with the other co-owners' consent. This requires the platform accounts, income and invoices to be in that person's name, and has its own income tax implications.

No specific guidance has been published on this situation for holiday rentals, and the current criteria could change given the large number of holiday homes in joint ownership. We will study your case individually before registration to decide which option applies. Properties with more than one owner are quoted individually (see section 9).

One return or several? One invoice or several per rental?

- A single VAT return per quarter, filed by whoever is registered for VAT (the joint ownership entity or the co-owner who has registered).
- A single invoice per stay. The invoice must not be split between co-owners.
- Expense invoices must be in the name of whoever is registered for VAT (with the entity's tax number, where applicable).

I own several properties. Do I file a Form 303 for each one?

No. Each taxpayer files a single Form 303 covering all of its properties. However, if each property belongs to a different group of co-owners, each group is a separate taxpayer with its own return.

5. Expenses and input VAT

Which VAT on my expenses can I recover?

VAT on any expense related to the rental, provided you have a full invoice in the name of whoever is registered for VAT, showing their NIF or NIE: utilities, cleaning, maintenance and repairs, furniture and equipment, renovations, agency and platform fees, advertising and accountancy fees. A simplified invoice (till receipt) is only valid if it shows the tax number and address of whoever is registered for VAT and the VAT amount separately.

Residents outside the EU. For VAT purposes, the owner's residence does not restrict recovery. A UK-resident owner can recover VAT on electricity, water, cleaning or maintenance in the same way as an EU resident. The restriction on residents outside the EU only affects income tax (Form 210) and is explained in section 6.

I use the property myself a few weeks a year or lend it to family. Does this matter?

Yes. Private use limits the VAT you can recover on your expenses. We will need to know the periods of personal use.

I alternate short stays with lets of more than 30 nights. Does anything change?

Yes. Stays of more than 30 nights remain exempt. If you combine stays with and without VAT, calculating the VAT you can recover on your expenses is more complex and is studied case by case. This calculation is quoted as an additional service.

What about Airbnb, Booking and Vrbo fees?

It depends on who contracts the platform:

- **If your agency contracts the platforms in its own name**, the platforms invoice the agency, which re-invoices you with Spanish VAT. You recover that VAT in Form 303 and do not need the ROI or Form 349.
- **If you contract the platforms directly in your own name**, platforms established in another EU country (such as Airbnb in Ireland or Booking in the Netherlands) invoice you from there. Once registered for VAT and in the ROI, you must give the platform your Spanish VAT number (with the ES prefix), and the fee is invoiced without VAT. In Form 303, 21 % of the fee is declared both as output VAT and as recoverable VAT, so the net effect is zero; it is also reported in Form 349. If this is not done, the platform will charge VAT of its own country, which cannot be recovered in Spain. If a platform invoices from outside the EU, the VAT is also self-assessed in Form 303, but the ROI and Form 349 are not needed for it.

I renovated or bought furniture before 1 December. Can I recover any of that VAT?

If you have carried out major renovations or made significant purchases for the property in recent years, please consult us. In some cases, part of that VAT might be recoverable, but it depends on the circumstances and must be studied individually. Keep the invoices, in the owner's name.

6. Income tax (Form 210 or IRPF)

Does my income tax return change?

It is filed in the same way, with two adjustments: the income declared is the amount excluding VAT, and VAT already recovered in Form 303 cannot also be claimed as an expense. Form 210 is a separate service and is not included in the fees in section 9.

I live outside the EU. Can I deduct expenses in Form 210?

Currently, the law (article 24.6 of the consolidated Non-Resident Income Tax Act) only allows expenses to be deducted by residents of the EU or of the European Economic Area with exchange of tax information. All other non-residents pay 24 % on gross income, and the Tax Agency continues to apply this rule.

However, the matter is before the courts:

- The Spanish National High Court (Audiencia Nacional) has held that this restriction breaches the free movement of capital under EU law, which also protects residents of non-EU countries.
- The State appealed, and the Supreme Court has agreed to review the case. As of the date of this document, it has not yet given judgment.

If the Supreme Court rules in favour of taxpayers, will I be able to deduct expenses for previous years?

No retroactive legislation would be needed. If the Supreme Court upholds the High Court's view, it will be possible to request the correction of Forms 210 for years not yet time-barred (generally, the last four years counted from the end of the filing period) and a refund of the overpaid tax, with interest. Any future change in the law, if it comes, would most likely apply only going forward.

The outcome is not guaranteed: among other questions, the Supreme Court will examine whether the restriction is covered by an EU-law exception for restrictions that already existed before 1994.

> **Our recommendation for residents outside the EU:** keep all expense invoices in your name from now on and from previous years. If any year is about to become time-barred, we can assess with you whether it is worth filing a correction request so as not to miss the deadline.

7. Documents and monthly workflow

How are documents exchanged?

We will create a private Google Drive folder for you, shared with your agency if you have one. Each month, you or your agency upload to it the income and expense list in our Excel template, the invoices issued to guests and the expense invoices. This way, documents reach us conveniently and securely, with no need to forward emails or attachments. If you are unable to use Google Drive, we will agree another method of delivery with you.

What are the deadlines?

- Each month's documents must be uploaded before the 5th of the following month.
- An invoice not uploaded in its month can be included in the following month.
- All invoices for each year must be uploaded before 5 January of the following year, as those provided later will not be included in the returns for that year.

Why do you ask for your Excel template?

Our quarterly fee is based on receiving the income and expense list in our template, which we import directly into our accounting system. If the list is not provided in our template, or has to be prepared from bank statements, platform reports or loose invoices, its preparation is quoted as an additional service.

8. Other frequently asked questions

Can I avoid VAT by letting for more than 30 nights?

For VAT purposes, stays of 31 nights or more remain exempt. However, longer lets are subject to their own rules under tenancy law and regional tourism regulations, and may affect your tourist registration. We do not recommend changing how the property is let without reviewing it first.

Does the decree also increase the IBI (council property tax)?

It allows councils in areas declared as stressed housing markets to apply a surcharge on the IBI of tourist properties: up to 50 %, rising to 100 % if the owner has two or more such properties and to 150 % with four or more. It is not automatic: it only applies if the council approves it in its tax bylaw.

What if I stop letting the property?

A deregistration must be filed using Form 036. If VAT on capital goods has been recovered, adjustments may be pending, so it is advisable to consult us beforehand.

Which documents are needed to get started?

- Passport and NIE of each owner and, where applicable, a certificate of tax residence.
- Title deed or land registry extract (nota simple) and the cadastral reference.
- Tourist property registration number and, if available, the single rental registration number.
- In case of joint ownership: details of all owners and each owner's percentage.
- Contact details of your management agency, if you have one, and whether you have your own platform accounts.
- Bank account for payment of the returns.

Date	What needs to be done
As soon as possible	Contact Upsticks or Paperwork and send us your details and documents.
Before 1 December 2026	VAT registration (Form 036) and, where applicable, ROI registration. Review prices and confirmed bookings.
From 1 December 2026	Issue an invoice with 10 % VAT for each stay of 30 nights or fewer.
Before the 5th of each month	Upload the previous month's Excel list and invoices to your Google Drive folder.
1 to 30 January 2027	First Form 303 (December 2026) and, where applicable, Form 349.

9. Service and fees

Service	Fee (excluding VAT)
VAT registration (census registration)	€60
Quarterly VAT management (one property, using our Excel template)	€90 per quarter
Additional properties of the same owner	+€45 per quarter per property
ROI registration and follow-up, only if you contract EU platforms in your own name	€30
Digital certificate issued by our office, remotely and without travel	€60
Assistance from our gestor to obtain the digital certificate at an appointment at a Spanish town hall	Free of charge
Preparation of the income and expense list (if our template is not used)	Individual quote
Issuing invoices to guests	Individual quote
Pro rata calculation (combining stays with and without VAT)	Individual quote
Properties with more than one owner (depending on the option that applies)	Individual quote

All fees are shown excluding VAT, which will be added at the applicable rate (currently 21 %). Documents delivered late or incomplete may incur an additional charge. Form 210 (non-resident income tax) is not included in these fees and is quoted separately.

To engage the service or for any questions, please contact Upsticks or Paperwork directly.

This document contains general information based on Royal Decree-law 29/2026 and the legislation in force as of 21 November 2026. Some aspects, such as bookings made before 1 December, do not yet have official guidance from the Spanish Tax Agency and are indicated as such. It is not a substitute for advice on each specific case.