

# Mallorca-Model

## Charter your Superyacht in Spain

### Charter Yachting Hub Spain

Spain is a diverse and stunning destination for a yacht charter and offers long stretches of sun-drenched sand and world renowned islands, and therefore is undoubtedly one of the best places in the Mediterranean to enjoy a yacht charter. The majority of luxury superyacht charters to this vibrant country centre on yachting hubs such as Barcelona and Marbella. With their modern marinas, these centres act as springboards to 1,660 kilometres of diverse coastline and the Balearic Islands. The islands continue to grow in stature among the superyacht set with their beach clubs, restaurants, nightlife and wellness offerings.

### Chartering in Spain

If you are a yacht owner, and wish to charter in Spain or anywhere else in the EU, before you are able to put your superyacht on charter in the market, the yacht needs to be imported within the EU. This process requires the declaration of the yacht with a Customs Authority in one of the EU Member States. This involves the valuation of the yacht, payment of VAT, and any customs duties.

A Yacht Owning Company needs to appoint a Fiscal Representative in Spain to import the yacht in Spain. Said representative will handle the application for the Spanish VAT number, together with the administrative requirements, like the valuation of the yacht.

Once Customs formalities are completed the Yacht Owner needs to ensure his/her yacht is fit for charter. Chartering in Spain is possible for EU and Non-EU (e.g. Cayman Island, BVI, Marshall Island) flagged yachts, only if the yacht is registered with a commercial status.

Lastly and unlike to others charter hotspots like France or Italy, before a yacht can start its charter business in Spain a Charter license has to be obtained in the Spanish region where the charter will start. Most of our clients apply both for the Balearics and for Barcelona license.

### VAT and Tax

The VAT on the Charter income in Spain is 21% and no reduction is possible. If the charter will be done by a Non-EU Company (e.g. Cayman Island, BVI, Marshall Island) and this country does not have a double tax treaty with Spain, an additional withholding tax of 24% has to be deducted from the Charter Income.

### Our Solution

Chartering in Spain might appear daunting but rewards are great given the spectacular earning in Spain and great charter business opportunities, especially for larger superyachts.

We have worked with our Spanish counterparts to create a solution to allow us to handle the administration burdens from yacht owners.

### What is the Mallorca-Model?

Our setup helps US, Canadian, Russian, Chinese and other non-EU commercial yacht owners wishing to charter in Spain and to be tax compliant with the various rules in Spain, as well as licenses. The main advantage of the Mallorca-Model is that the set up avoids all the complexity for yacht owners for which we take full responsibility. We have set up a Charter Company intended to undertake the commercial operation of yachts in Spain and provide to the yacht owner:

- Legitimacy - as a professional dedicated Charter company. The company will charter various yachts to third parties.
- Speed – the structure in place allows registration to take place quickly.
- Professionality – as the company managers are used to handle a large number of transactions under the same structure.
- Tax - we will handle same and ensure VAT is collected and paid. No withholding tax will apply on income.

## Vistra Marine & Aviation Ltd.

Vistra is focused on giving private clients tailor-made solutions. Vistra Marine & Aviation Limited provides assistance with registration of company and yacht, asset administration, corporate structuring and services, accounting, payroll, yacht financing, customs, VAT, and tax compliance service. Our network includes lawyers, tax advisors, and yacht brokers, providing you with the support you need to purchase your yacht, setup a company and administering both the company and your yacht.

## Contact

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