
TAX ON STAYS IN TOURIST ESTABLISHMENTS IN CATALONIA

- **The tax on stays in tourist establishments enters into force on 1 November 2012 and is applicable throughout the territory of Catalonia.**
- **This tax was approved by the Parliament of Catalonia** by means of Law 5/2012, of 20 March, on fiscal, financial and administrative measures, and on the creation of a tax on stays in tourist establishments.
- The tax on stays in tourist establishments is **a way of generating income which will enable the consolidation and continued strengthening of Catalonia as a first class tourist destination** of reference at the Spanish, European and world levels.
- **Practically all European countries and many of the world's leading tourism destinations such as France and the United States apply a similar measure.** In Europe, a tax is levied on tourists in Italy, Germany, Austria, Belgium, the Netherlands, Czech Republic, Hungary, Switzerland, Croatia, Slovakia, Slovenia, Serbia and Montenegro, among others. And the tourist destinations of Morocco and Tunisia in the southern Mediterranean also apply such a measure.
- **The tax is to be applied on:**
 - Hotels, tourist apartments, campsites and rural tourism establishments.
 - Youth hostels, in accordance with applicable legislation governing youth facilities and installations.
 - Houses for tourist use.
 - Areas provided for overnight stays by mobile accommodation.
 - Tourist cruise ships. For the purposes of that established in the Law, a tourist cruise ship is deemed to be any vessel that carries out transport by sea or navigable waterway for the sole purpose of pleasure or leisure, completed with other services and with a stay on board in excess of two nights, moored in a sea port, as defined by European Union legislation.
 - Any other establishment or facility established by law.

- **Tax rate:**

- A maximum tax liability is established, corresponding to **seven 'stay units' per person**. There is no limitation on the number of people to whom the tax on stays is applied. There is however a maximum tax liability established, corresponding to seven 'stay units' per person, in addition to the exceptions provided for in the Law.
- **Rates (+10% VAT):**

TYPE OF ESTABLISHMENT	BCN city	Rest of Catalonia
5 star and luxury hotels, and cruise ships	2.25 euros	2.25 euros
4 star and 4 star superior hotels	1.10 euros	0.90 euros
Other establishments and facilities	0.65 euros	0.45 euros

- **The following exemptions are made to application of the tax:**

- **Stays subsidised by social programmes** of a public administration of any European Union member state. Documentary evidence must be provided for the application of this exemption.
- **People aged 16 or under.**
- Some **91% of Catalan tourist establishments** (hotels, campsites and rural tourism establishments) have less than 4 stars and thus **correspond to the lower tax band of €0.45 (€0.65 in Barcelona)**.
- **For some 96% of tourists the tax will increase their total spending in Catalonia by less than 1%.**
- **The Catalan Tax Agency will be responsible for collecting this tax, which will be settled by a quarterly declaration** (coinciding with the calendar quarter year).

- **Tourism Development Fund:**

- What is it?

- Resources generated by application of the tax will help support the Tourism Development Fund, which has been set up to be a mechanism of stable financing for Catalan tourism policies.
- The constitution, management and operation of this Fund means that in today's complex economic and financial context Catalonia now has the ideal instrument to guarantee the competitiveness of the Catalan tourism sector on the basis of maintaining Catalonia as a quality destination with high added value.

- The Fund's financial resources will be dedicated to projects or actions seeking the following goals:

- The promotion of tourism in Catalonia.
- The support of sustainable, responsible, high quality tourism, and the protection, conservation, recovery and improvement of tourism resources.
- The development, creation and improvement of tourism products.
- The development of tourism-related infrastructure.

- Some 30% of the Fund is allocated to local authorities. In the case of the city of Barcelona, the Catalan capital will participate with an allocation of 30% of the established Fund and 50% of the amount resulting from applying the increase in rate for establishments in the city in relation to that applied to establishments in the rest of the territory of Catalonia.

- The Fund will be managed by a Management Committee made up of twelve members whose mission is to decide upon allocation of the Fund's resources. The Management Committee is composed of:



- The head of the department with competence in the area of tourism, who will chair the Committee.
- Representatives of the department with competence in the area of tourism.
- Representatives of the department with competence in the area of finance.
- Representatives of Catalonia's private tourism sector, appointed from among tourism businesses in the three types of establishment subject to the tax and which register the highest number of annual overnight stays in the private tourism sector in Catalonia as a whole.
- Representatives of Catalan local authorities.