

IMPORTING AUTOS IN SPAIN UNDER A DUTY & VAT-FREE ENTRY

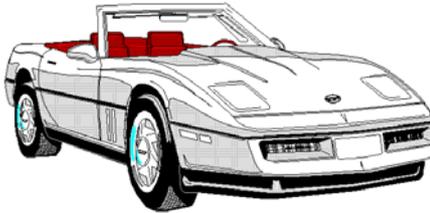
Our company helps to import vehicles that are part of a household goods removal based on a change of residence of the owner. We do not engage in other type of commercial operations with vehicles as it not in our line of business.

We provide the release of the vehicle from Customs, when proper documents are provided, under a Duty and VAT free according to the Spanish law. The release of the auto is just a temporary process, and the owner can use it with the foreign license plates for a certain period, usually one month(*). During this period the owner must register the auto with the Spanish Road Authority (called *Tráfico* – or Traffic), but some previous steps are necessary.

The vehicle must have valid registration (Title) and its original License plates in place. The condition of the vehicle is important too. Prior to register it with the Road Authority the vehicle must be taken for tests to any official Vehicle Technical Inspection installation (called *ITV*) for emission trials and safety requirements. Non confirming vehicles must suffer the right modification as signalled during the *ITV* inspection.

While Customs may grant a Duty and VAT free import, on the auto (see requirements later) the registration of the vehicle with the Road Authority requires payment of a 13% Registration Fee (*Impuesto sobre determinados medios de transporte* or "Tax over certain transportation means"). This fee will be computed and

*Depending on immigration status.



based on the C.I.F. value of the vehicle in Spain, and can opt to a yearly reduction based its age and condition.

The Inspection and Registration **are not done by us** and clients may at their option chose to use a specialised broker (called *Gestoría*) or do it on their own, but the Registration process, although this is a simple process, is a time consuming at the always congested Government Traffic offices anywhere.

The documents/requirements required for Customs for a Duty and VAT free admission are:

1. The shipper must have owned the vehicle for more than six months. The Originals of the Title and the purchase Invoice are both needed. Names and the dates must match.

2. The shipper must prove to have had permanent Residence in the country of origin (where vehicle is being exported) for a period of at least one year (six months if a resident of E.U. countries) and must produce a Consular de-registration certificate ceasing residence at origin due to relocation to Spain. VAT free allowance will be lost if a VAT reclaim was made at origin.

Although there are many reliable and highly reputable specialised Brokers in each city in Spain (listed as "Gestorías" in the Yellow Pages) the services of some Automobile Clubs in Spain are available if shippers are Members of a corresponding similar foreign Club.

Driving a vehicle without a valid Insurance is a serious offense. New Traffic Laws in Spain rule prison penalties for certain traffic violations.

VEHICLES ENTERING SPAIN AS A TOURIST ENTRY ONLY

Autos are admitted in Spain under a tourist entry for six months per natural year, for as long shippers are under a tourist visa if their visa is for the same period of time. At the end of this period the auto must be re-exported, or locked under Customs seal, or imported if the owner is eligible according to an immigration status.

Also this:

1. *Vehicle must have valid registration/license plates. (We are unable to assist if no plates are installed).*
2. *Vehicle must have valid third-party insurance coverage (an International Green Card Insurance is available everywhere). Third party insurance is compulsory in Spain.*

We always hand out autos to customers at Customs Terminals. Our usual assistance is to provide shippers with a temporary import. We do not entertain final importation procedures. Shippers who intend to register the vehicle in Spain should notify us so that the proper paperwork is set for our Customs clearance. Otherwise it will be too late.

Thank you for considering Mudanzas Clara del Rey for your needs.

Disclaimer: Shippers must abide by the Spanish Laws. Our above information is submitted on a *bona-fide* basis and without our responsibility.