Inheritance and wills

Which inheritance law applies depends on where you live, not on where the house is. Unless your will says otherwise.

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DEATHS FROM

17 August 2015

INHERITANCE TAX REDUCTION, GROUPS 1 AND 2

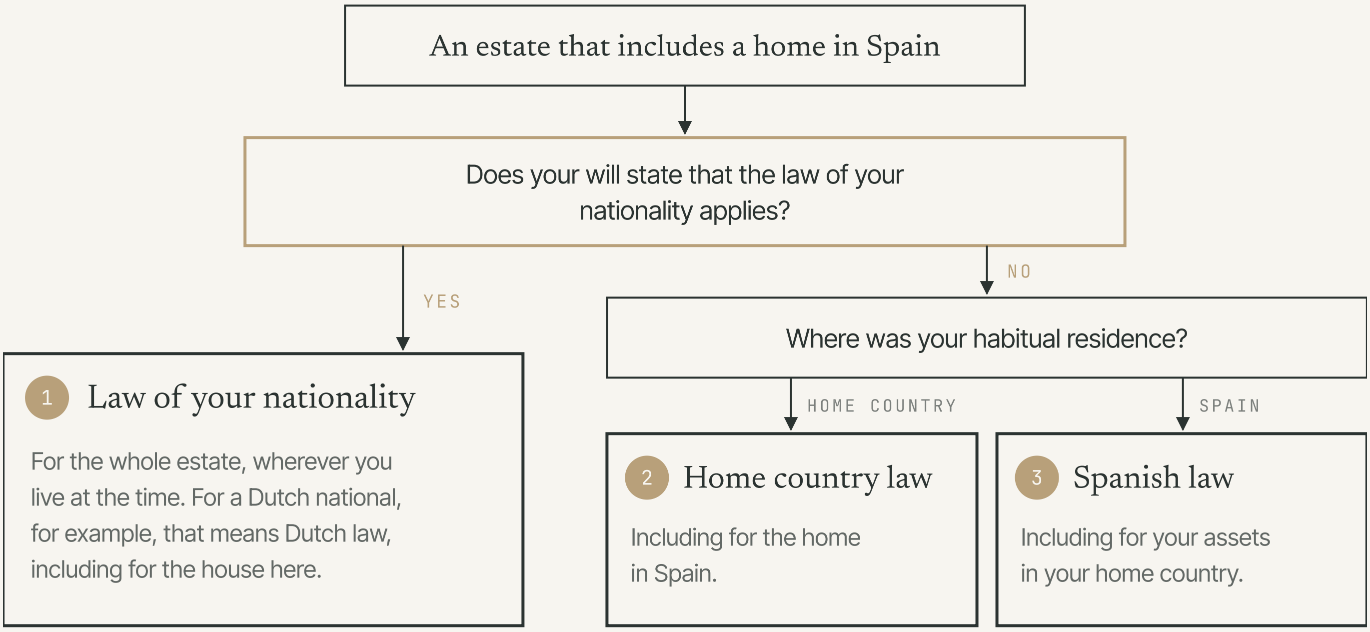
99%

INHERITANCE TAX REDUCTION, GROUP 3

25%

Not where the house is, but where you live

For deaths from 17 August 2015, a European regulation sets one main rule: the law of the country where the deceased had their habitual residence governs the **whole** estate. So a house in Spain does not automatically fall under Spanish inheritance law.



WHERE PEOPLE GET IT WRONG

Buy a holiday home here, decide later to stay, and the law that governs your whole estate moves with you. Nothing marks the moment, and nobody raises it.

HABITUAL RESIDENCE

Where your life actually happens. Registration alone does not decide it.

APPLIES TO

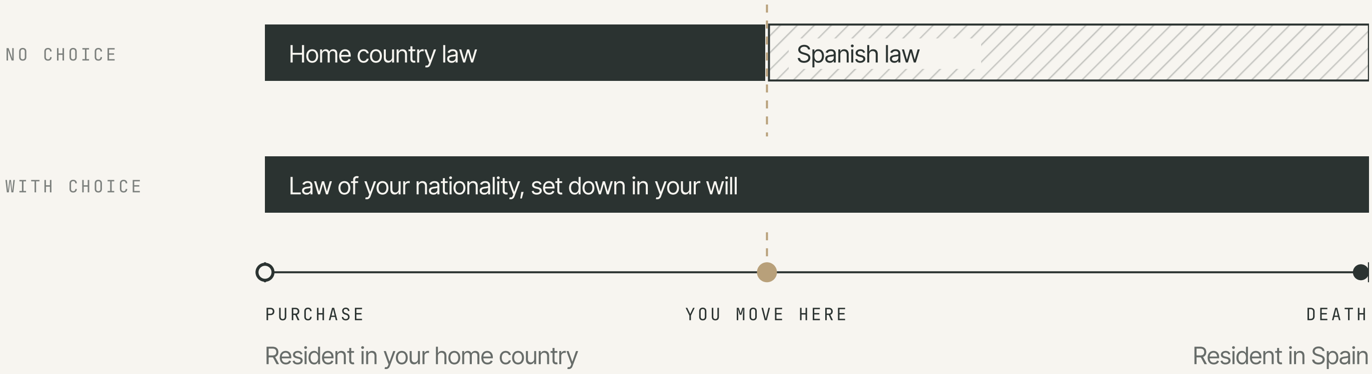
The whole estate: the house, bank accounts and other assets, wherever they are.

3 SITUATIONS SIDE BY SIDE

NO.	SITUATION	CHOICE IN WILL	LAW GOVERNING THE ESTATE
2	You still live at home and the house here is a second property	No	Your home country's law, including the house in Spain
3	You have moved to Spain	No	Spanish law, including what you own back home
1	You have moved to Spain	Yes, law of your nationality	The law of your nationality, for everything

You may choose the law of your nationality

That is the exception to the main rule. A Dutch national living in Spain can state in their will that Dutch inheritance law applies instead of Spanish law. If the Spanish system suits you better, leave it as it is.



WHY IT MUST BE EXPLICIT

A choice that is only implied by the wording can be valid. But it leaves a question of interpretation hanging over the estate. Saying it outright takes one sentence and closes that question.

WHAT YOU CAN CHOOSE

Only the law of a country whose nationality you hold, not of the country where the house is.

WHERE YOU SET IT DOWN

In your will, drawn up by a notary or a solicitor.

WHY THE DIFFERENCE MATTERS

The biggest difference between the two systems is how free you are to decide who inherits what. Spanish inheritance law keeps a fixed share of the estate back for children: that part is theirs, and you cannot leave it to someone else.

Under Dutch law, to take one example, children also have a claim, but there is more room to arrange things differently, say in favour of the surviving partner.

THE SHARE RESERVED FOR CHILDREN

How large that share is depends on who is still living and on which law applies. That is why this guide gives no fraction. We have the notary and our legal adviser work it out for your family, before the deed is signed.

WHAT THE CHOICE DOES SETTLE

Who inherits what, and the share reserved for children.

WHAT IT DOES NOT SETTLE

Inheritance tax. That follows its own rules, see page 5.

THE RIGHT MOMENT

Around the purchase. You are at the notary for the completion anyway, and the question of where you will live later is already on the table.

WHO IT AFFECTS MOST

Couples with children from an earlier relationship, and partners who are not married.

Alongside your will at home, not instead of it

Even when another country's law applies, the usual advice is to make a separate Spanish will covering only your assets in Spain. The reason is practical: a Spanish notary can work with it straight away.

YOUR WILL AT HOME	SPANISH WILL
Assets outside Spain Home, accounts and investments in your home country or elsewhere	**Assets in Spain** The house, and for example a Spanish bank account

The line between them: no overlap, and neither will revokes the other

1 Faster to settle

With a Spanish will, a Spanish notary can get on with it. A will from another country has to be translated, legalised and explained first.

2 Less cost and time

Translation, apostille and extra declarations cost money and, above all, time. The family has neither to spare just then.

3 No contradiction

Have the Spanish will state explicitly that it covers only your assets in Spain. Two wills that overlap are worse than one.

HAVE THEM ALIGNED

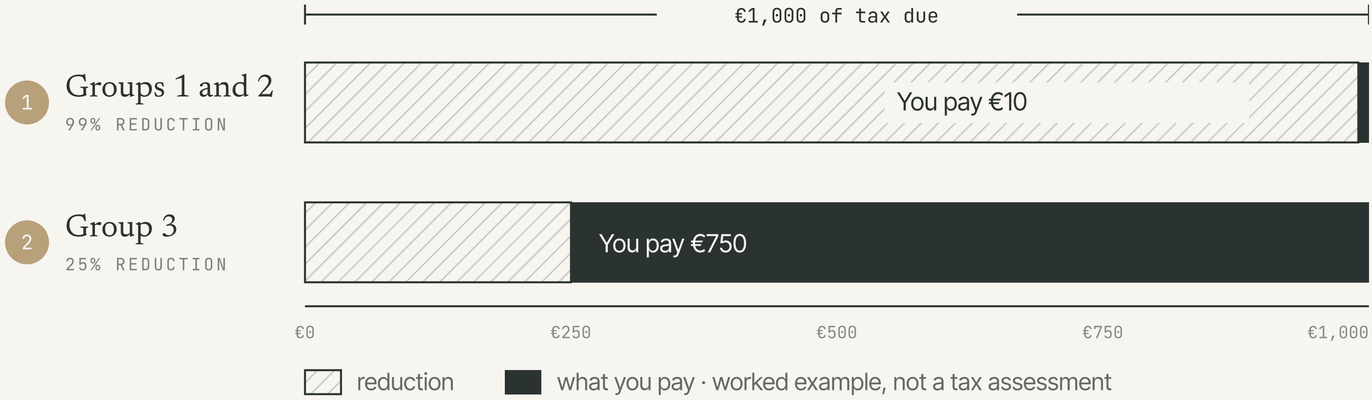
Two advisers need to have seen each other's work: whoever drew up the will you have at home, a notary or a solicitor, and the Spanish notary. If that will contains a choice of law, the Spanish one should not contradict it.

WHO DOES WHAT

NO.	WHO	WHAT THEY DO	WHAT THEY DO NOT DO
1	Your notary or solicitor at home	Draws up the will for your assets outside Spain, including any choice of law	Set out your Spanish assets so that a Spanish notary can proceed straight away
2	A Spanish notary	Records the will for your assets in Spain	Check what the will you have at home says, unless you bring it along
3	Your legal adviser	Checks that both documents and the inheritance tax position fit together	Draw up or formally execute the will itself
4	Us	Make sure it comes up before the deed is signed, and put you in touch	Give legal or tax advice

A different question, with different rules

Which law governs the estate says nothing about who pays inheritance tax, or where. They are two separate systems. In the Comunitat Valenciana, Spanish inheritance tax (Impuesto sobre Sucesiones y Donaciones) carries a reduction that differs by group of heirs.



NO.	GROUP	WHO	REDUCTION ON THE TAX	SINCE
1	1 and 2	Children and descendants, parents, spouses	99%	28 May 2023
2	3	Brothers and sisters, nephews and nieces, uncles and aunts, in-laws	25%	1 June 2026

In the Spanish rules the reduction is a bonificación on the cuota: a cut in the inheritance tax due. There the groups are numbered in Roman numerals.

NOTE

The reduction applies to the inheritance tax due, not to the value of what you inherit. Whether the Valencian rules apply to you depends on where you and your heirs live. As a non-resident, have that checked for your own case.

GROUP 3 IS NEW

The 25% reduction has applied since 1 June 2026. Older texts do not mention it yet.

OTHER HEIRS

Anyone outside groups 1, 2 and 3 is not covered in this guide.

THE REDUCTION COMES LAST

1 Value	2 Allowances	3 Rate	4 Reduction
What you inherit is valued, with debts and costs taken off.	Set amounts that come off that value, per group of heirs.	The rate in the rules applies to what is left. That is the tax due.	Only then does the 99% or 25% reduction come off.

Rates, values and allowances are not in this guide: they differ per heir and per case. We have the notary and our legal adviser work the sum out for your heirs.

SOURCE · AGÈNCIA TRIBUTÀRIA VALENCIANA · GENERALITAT VALENCIANA, HISENDA

4 questions to take to your notary or solicitor

1	Where is my habitual residence now, and where will it be in ten years?	page 2
2	Does my will contain an explicit choice for the law of my nationality?	page 3
3	Does my Spanish will cover only my assets in Spain, without overlap?	page 4
4	Which group do my heirs fall into for inheritance tax, and does the reduction apply to them?	page 5

BRING ALONG

The will you have now, so the Spanish one can be matched to it.

TWO SYSTEMS

Have inheritance law and inheritance tax looked at separately. They do not always point to the same country.

This belongs in a conversation, not a guide

We are not notaries and this guide is not advice. What we do: make sure it comes up before the deed is signed, and put you in touch with whoever works it out for your family.

Book a call

CALL
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SUBJECT	SOURCE
Applicable inheritance law and choice of law	Regulation (EU) No 650/2012 of 4 July 2012, for deaths from 17 August 2015
Groups 1 and 2, since 28 May 2023	Agència Tributària Valenciana · atv.gva.es/es/isd
Group 3, since 1 June 2026	Generalitat Valenciana · hisenda.gva.es, novetats tributàries 2026 · atv.gva.es
A Spanish will alongside the one at home	Notarial practice in cross-border estates
Share reserved for children	Worked out per family by the notary and our legal adviser

General information, not legal or tax advice. The reductions were taken from the official source on 17 September 2026 and apply to the inheritance tax due, not to the value. Whether they apply to you as a non-resident is worth having checked. This guide carries a reference date and is reviewed every quarter.

THE TREE GUIDES SERIES

01 Buying in Spain	02 What it costs	03 The building survey	04 Renovation and permits	05 Buying a plot and building on it
06 The papers that must be right	07 After the keys	08 Inheritance and wills	09 Renting out	10 Mortgages for non-residents