

Mallorca Spousal Inheritance Tax Now 0% Under Law 6/2025, Black Privé Finds

Joint ownership of a EUR 5M property cuts wealth tax from EUR 47,000 to zero; July 2025 court ruling may restore non-EU rental deductions, Black Privé reports.

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/EINPresswire.com/ -- Spousal inheritance tax on Mallorca property is now zero percent under Law 6/2025, and joint ownership of a EUR 5 million villa now cuts annual wealth tax from EUR 47,000 to zero, according to a new analysis from luxury property marketplace Black Privé. Cross-border owners must still navigate UK inheritance tax exposure that the Spanish reforms do not address.

The cumulative effect of recent Balearic reforms has substantially restructured the tax position for ultra-high-net-worth owners. Two laws and one court ruling now drive most planning decisions.

Who qualifies for the 0 percent inheritance exemption?

Law 6/2025, effective 25 July 2025, grants a 100 percent inheritance tax exemption to close relatives (spouses, children, parents, grandchildren, grandparents) for both inheritances and lifetime gifts of Balearic property. A child inheriting a EUR 5 million Mallorca property faces zero Spanish inheritance tax. A UK-domiciled owner of the same property still faces approximately EUR 2 million in UK inheritance tax above the GBP 325,000 nil-rate band, calculated at 40 percent on worldwide assets.

How does the wealth tax structure work for high-value properties?

The regional Balearic wealth tax exemption rose from EUR 700,000 to EUR 3 million per



Majorca Property Taxes for Non Residents



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Alexander Thornbury, Lead Property Analyst, Black Privé

individual in January 2024. A married couple holding a EUR 5 million property jointly therefore pays zero wealth tax, as each spouse sits below the EUR 3 million threshold. Single owners of the same property pay approximately EUR 47,000 annually. The national Solidarity Tax, which applies in parallel above EUR 3 million, permits full deduction of regional wealth tax already paid.

“Joint ownership of a EUR 5 million Mallorca property delivers zero wealth tax. Solo ownership delivers EUR

47,000 a year,” said [Alexander Thornbury](#), lead property analyst at Black Privé. “Two buyers can purchase identical EUR 5 million villas in Andratx in the same week, and one pays nothing while the other pays nearly EUR 50,000. The difference is whether the deed names one owner or two. That decision deserves more attention than most buyers give it.”

What changed for non-EU rental income in July 2025?

Rental income taxation has shifted in favour of non-EU owners following the Audiencia Nacional’s ruling in Case 636/2021 (Judgment 3630/2025). Until July 2025, non-EU residents (including UK nationals post-Brexit) were taxed at 24 percent on gross rental income with no deductions. The Audiencia Nacional ruling permits deductions for IBI, community fees, insurance, utilities, management fees, repairs, mortgage interest, and 3 percent annual depreciation of building value. The Spanish Treasury has filed a Supreme Court appeal. Until that ruling, non-EU owners can file Modelo 210 claiming deductions while the legal position remains contested.

What are the purchase taxes on Mallorca property?

Resale property attracts a graduated transfer tax (ITP) rising from 8 percent under EUR 400,000 to 13 percent above EUR 2 million. A EUR 5 million resale therefore carries a EUR 600,000 ITP bill. New construction is taxed under VAT at 10 percent plus stamp duty at 1.5 percent (rising to 2 percent above EUR 1 million). A EUR 3 million new-build costs EUR 360,000 in combined VAT and stamp duty. Annual costs scale with cadastral value, typically 40 to 60 percent of market value. IBI rates run from 0.68 percent in Deià to 0.79 percent in Palma.

Which ownership structure is best for a EUR 3 million to EUR 6 million property?

Joint ownership is optimal across the EUR 3 million to EUR 6 million band, where both spouses sit below the wealth tax threshold. Spanish SL companies trigger transfer tax on share transfer and incur EUR 2,000 to EUR 4,000 in annual compliance. Offshore companies attract a 3 percent annual imputed income tax on cadastral value plus enhanced scrutiny, and Black Privé does not recommend them for residential property.

Black Privé's full [Mallorca property taxes guide for non-residents](#), with worked calculations across price brackets, residency scenarios and ownership structures, sits in the marketplace's editorial archive. Curated luxury Mallorca property listings start from EUR 3 million on the [Black Prive's](#) dedicated Mallorca page.

About Black Privé.

Black Privé is a curated luxury property marketplace serving ultra-high-net-worth buyers across Mallorca, Marbella, Monaco, Andorra and select Mediterranean destinations. Properties from EUR 3 million. Black Privé's Mallorca coverage spans tax planning, ownership structures, the IBI and wealth tax landscape, and the marketplace's curated EUR 3 million-plus property listings, with editorial revised quarterly.

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