

Spain approves State Budget Bill for 2021

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Executive summary

On 31 December 2020, Spain's State Budget Bill for Fiscal Year (FY) 2021 (the Budget Bill) was published in the Spanish *Official Gazette* after its prior approval by the Spanish Congress and Senate (For background on the Budget Bill, see EY Global Tax Alert, [Spain releases 2021 State Budget Bill](#), dated 29 October 2020).

The Budget Bill entered into force on 1 January 2021; specifically, with respect to the amendments for Corporate Income Tax (CIT) purposes, the Budget Bill establishes that it enters into force for fiscal years beginning on or after 1 January 2021.

The Budget Bill includes a number of tax measures, mainly aimed at increasing the tax revenues for FY 2021. The final text of the Budget Bill was not subject to relevant modifications to the initial text sent by the Spanish Council of Ministers to the Parliament for approval in October 2020.

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