

Reasons to invest in Andorra: Kreston Iberaudit and Valgianni make it easier

When embarking on a new business venture in another country, it is very important to know how the market works. Being aware of current legislation and commercial regulations are essential issues to be able to start a business outside of Spain, especially if that country has peculiar characteristics in this regard.

It always offers greater confidence to be able to count on adequate professional advice, and in this we are experts at Kreston Iberaudit.

Thinking of customers, present and future, who at some point have considered **Andorra as a place to establish a new business**, in Kreston we have closed an agreement with the company Valgianni. His experience in facilitating the procedures for international investors who want to settle in the Principality is now added to our audit, consulting, tax and outsourcing services, allowing us to provide our clients with more complete advice.

This alliance will allow us to open new business opportunities to our clients with all the guarantees so that their businesses start off on the right foot in Andorra, a very interesting destination for the **multiple advantages it offers to entrepreneurs**.

Benefits of choosing Andorra to invest

In Kreston we are aware that the conditions that Andorra offers to entrepreneurs make it a very attractive country to invest:

- Economic and political stability.
- Growth and prosperity.
- Constant increase in the number of visitors.
- Agreements with the EU and agreements with different countries.
- One of the most competitive tax systems in Europe.
- Good health system agreed with Spain and France.
- State-of-the-art free trilingual educational system.
- Innovation and research sector in growth.
- Great citizen security and excellent quality of life.
- Optimal geographical position between Barcelona and Toulouse.
- Cosmopolitan society.
- One of the lowest electricity rates in Europe.

And, to all this, we must add the firm commitment of the Andorran Government with an economy open to the world, innovation, and diversification.

All these reasons have made **Andorra considered one of the most attractive destinations today to start a business and continue growing**.

Tax advantages in Andorra

Among the benefits of starting a business in Andorra, one of the main reasons is its attractive tax system. However, not everyone knows what the exact **advantages of investing in the Principality** are.

- International investors can create their companies without having to be residents, although a series of requirements must be met.
- The tax on the company's profits is a maximum of 10% of EBITDA.
- The minimum monthly salary per employee is € 1000 and the average is € 1200.
- The social security paid by the investor for his employees is 15.5% of the gross salary (based on the minimum wage).
- The distribution of dividends in company quotes tax of 0%.
- The Personal Income Tax of the taxpayer citizen is a maximum of 10% of their Income.
- Suppliers in the Principality will only pay 4.5% VAT, and 0% if they come from countries with a Non-Double Taxation Agreement (as is the case of Spain).

Special regulations in Andorra

Knowing all these economic advantages is a great attraction for companies that want to grow in Andorra. However, **there are many policy issues to consider:**

- Countries with Non-Double Taxation Agreement.
- Conventions in the OECD.
- Corporate Income Tax.
- Personal income tax.
- Trademarks and patents.
- Customs and tax peculiarities of trade and logistics platforms.
- Accounting.
- Utilities.
- Banking regulations.
- Business license.

All this **requires procedures and documentation** that, without adequate help, can make entrepreneurship in Andorra very difficult. But is a company going to miss that opportunity for something like this?

At Kreston, thanks to our agreement with Valgianni, **we can help companies benefit as much as possible from these incentives.**

Valgianni has experience in streamlining all that bureaucracy and Kreston has all the tools and the human team necessary to make such a business challenge a success. We want our clients to take advantage of this opportunity and, therefore, we give the personalized advice that each of them needs.

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