

Startup Law

The Draft Startup Law was conceived under the framework of the Spain Entrepreneurial Nation strategy, to encourage the creation and development of startups in the country.

The foreseen law will provide a specific regulatory framework for startups that will respond to their uniqueness, innovative character and the main demands of the sector. It aims at enhancing innovative entrepreneurship and fostering scalability of emerging companies in Spain, while internationally promoting the Spanish startup ecosystem and attracting investment and talent.

The foreseen measures are divided into two strategic lines:

- Regulating and simplifying administrative procedures for the creation of start-ups.
- Providing for a very favorable tax regime, including: tax incentives (stock options) and social security incentives, aimed at both the start-ups themselves and at investors; as well as measures to develop venture capital, private equity funds and business angels in Spain.

Value of the Spanish startup ecosystem

€46 billion

Source: [Spanish Tech ecosystem Report](#), 2021.

Objectives

- Encourage the launch or relocation of startups in Spain.
- Facilitate administrative procedures.
- Attract and retain specialized talent to startup companies through more favorable tax considerations for stock options.
- Promote the rapprochement between vocational training institutions, universities and emerging companies.
- Support the development poles or centres of attraction for companies and investors in peripheral cities and rural areas.
- Promote innovative public procurement with emerging companies.
- Bridge the gender gap in the startups ecosystem.

Goal

Startup Law approved by the Parliament

Where do we stand?



Highlights

- ✓ **10-12-2021** Approved the [Startups Draft Law](#) by the Council of Ministers to promote innovative entrepreneurship.
- ✓ **06-07-2021** Presented the [Preliminary draft of the Law](#) for the promotion of the Startup Ecosystem (Startup Law).
- ✓ **06-07-2021** Hearing on the [Preliminary draft of the Law](#) for the promotion of the Startup Ecosystem (Startup Law).

Responsible entities

- Presidency of the Government (High Commissioner for Spain Entrepreneurial Nation)

Links of interest

[Draft Startups Law](#)

[Spain Entrepreneurial Nation Strategy](#)