

Dear Sir/Madam,

As you already know, the Balearic Parliament has approved Law 13/2017, of December 29, on general budgets of the autonomous community of the Balearic Islands for the year 2018 (BOIB No. 160 of 29-12-2017), by means of which modifications are introduced to the Law 2/2016, on the Tax on Tourist Stays in the Balearic Islands, in force from 01-01-2018, which taxes the stay made by any individual in any tourist establishment in the Balearic Islands.

Therefore, the modifications introduced affect the following articles of Law 2/2016:
One-day stays: Stays in establishments and homes will be considered as stays of one day, provided that they exceed twelve hours (Modification of the second paragraph of section 2 of article 12 of Law 2/2016).

Amount of tax: The amount of tax is modified, which amounts to between € 4 and € 1 for each day of the stay or fraction thereof, plus 10% VAT, depending on the type of tourist establishment, as well as its category, according to the following table (Modification of Section 1 of Article 13 Law 2/2016):

<i>Types of tourist establishments</i>	<i>€/ Day of the stay or fraction thereof (* plus 10% VAT)</i>
(a) Hotels, city hotels and 5-star, 5-star luxury and 4-star luxury apartment hotels	4 €
(b) Hotels, city hotels and 4-star and 3-star apartment hotels	3 €
(c) Hotels, city hotels and 1, 2 and 3-star apartment hotels	2 €
(d) Tourist apartments with 4 keys and 4 keys superior	4 €
(e) Tourist apartments with 3 keys and 4 keys superior	3 €
(f) Tourist apartments with 1, 2 and 3 keys	2 €
(g) Establishments of non-residential accommodation by tourist-residential enterprises	4 €

(h) Tourist housing for holidays, housing subject to commercialization of tourist stays and houses subject to tourist marketing	2 €
(i) Rural hotels, agrotourism and interior tourist lodgings	2 €
(j) Hostels, hostel-residences, boarding houses, inns and guesthouses, tourist camps or campsites	1 €
(k) Shelters and refuges	1 €
(l) Other establishments or houses of touristic character	2 €
(m) Tourist cruise boats	2 €

A discount of 75% is applicable for stays during low season, defined in the Law as the period between November 1 to April 30 of the following year (Modification of Section 2 of Article 13 Law 2/2016). The 50% discount for the 9th and subsequent days of the same stay remains unchanged. Also, guests under 16 years old remain exempt from paying the tax. Therefore, any physical person (at least 16 years of age) who stays in a tourist establishment in the Balearic Islands will be obliged to pay this tax by paying the owner of the holding of the tourist establishment in which they are housed, classified by the Law as substitutes for the taxpayer.

For your knowledge and interest, regarding the qualification of the mediators as subsidiaries who are responsible for the payment of the tax and the possibility that the mediators can act as representatives of the taxpayers in the payment of the tax, we suggest the revision of the article 7 of Law 2/2016, on the Tax on Tourist Stays in the Balearic Islands, a copy of which we attach to this letter.

Also, taking into account the large number of questions that may arise regarding the operation of the Tax on Tourist Stays in the Balearic Islands, we inform you of the contact details of the Tax Agency of the Balearic Islands:

<http://www.caib.es/sites/impostturisme/en/inicio/>

901 201 530

Regards,