

AGAIN WITH CASH PAYMENT LIMITATIONS

On 10 July 2021, Law 11/2021, of 9 July, on measures to prevent and combat tax fraud, transposing the Council Directive (EU) 2016/1164, of 12 July 2016, laying down rules against tax avoidance practices that directly affect the functioning of the internal market (the “**Law 11/2021**”) was published in the Official State Gazette and came into force the following day. Such Law amends the cash payments regime that we explained in our Circular 07/2012, which basically limited cash payments between an entrepreneur and an individual to 2,500 euros.

Thus, in the words of our Lawmaker (emphasis added), *"the positive results of this rule motivate the modification introduced in the substantive regime of cash payments, aimed at deepening the fight against tax fraud, lowering the general limit for cash payments from 2,500 to 1,000 euros".*