

FINANCES: MUSIC THERAPY IS MORE EFFICIENT IF THE ACCOUNTS ARE CLEARER

FINANZAS: LA MUSICOTERAPIA ES MÁS EFICIENTE SI LAS CUENTAS ESTÁN CLARAS

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INTRODUCTION

If reading the magazine has brought you this far, dear reader, it means that you have entrepreneurial concerns and are committed to comprehensive and sustainable professional development of music therapy. As you can see, we share the same interest.

In this article, we want to reflect on financial and labor issues. These coordinates tend to be left out of the therapeutic focus, greatly distorting the projects' design and hindering professional planning and, thus, their sustainability.

To guide you on these issues, we are going to take up the content of the homonymous presentation offered at the first MUT Talks professional entrepreneurship conference (Fattorini, 2023), which we encourage you to recover at the following link: [VIDEO MUT talks](#).

As music professionals oriented to therapy, it is unavoidable that it is important to propose an entrepreneurship strategy. These issues are hardly addressed in postgraduate courses, as if the practice of music therapy were spontaneous and fortuitous.

To fill this gap, that gap, in terms of research, that fifth talk laid a small foundation that deserves to be expanded today by confirming the original mission of the MUT talks: to help entrepreneurship and ensure the leap that new professionals have to make from the theory of music therapy to professional practice (Gamella-González, 2023).

Pointing out the financial cardinal points and the boundaries of contracting is undoubtedly the best support for those who decide to implement their

therapeutic vocation. The solidity of their first projects, apart from clinical protocols and evaluation measures, must be based on a good design of budgets and correct taxation. The reasons are obvious: to achieve fair remuneration and to comply with current legislation. This makes the proposal sustainable over time and gives security to the patient and the therapist.

Our goal, therefore, is to demystify some of these tax procedures and procedures in order to place the entrepreneurship process in a realistic approach, thus avoiding remuneration disappointments and legal risks. Although it is complex to address all the cases, we will only outline the main requirements according to the Spanish legislative framework. We will use some examples and propose some calculations by simulating real assumptions. With all this, we will outline a small manual on financial first aid.

Panorama of Professional Music Therapists in Spain

As a starting point, we will focus on two articles on the situation of professional music therapists in Spain. The first, "Professional and Labor Profile of Spanish Music Therapists: A Descriptive Study" (Mercadal-Brotons & Sabatella, 2014), found the results of a questionnaire on labor development. The 122 surveys collected allowed us to assess the evolution of this profile in the decade between 2004 and 2014.

One of the most outstanding pieces of evidence shows that "There is no high rate of labour insertion, nor a census of active professionals" (Op cit, p.9). This is already very significant. It shows the low level of implementation of music therapy in those years and leads us to question what may be the origin of this limitation.

There are two possible scenarios. One is that in the absence of an up-to-date census, the data may not faithfully represent the social and professional reality that is expected to be known. Two, the professional fabric is really scarce, and therefore, reality is well represented.

Other contributions to the study (Table I) are worth noting. They will help us understand the work context more clearly in relation to other factors such as the workplace, the type of working day, and the type of contract.

Table 1.

Indications about the current professional situation of music therapists in 2014

Workplace Work	Schedule Type	Contract Type
Private centers: 48%	Full-time: 17%	As a music therapist: 50%
Public institutions: 33%	Part-time: 43%	As teachers: 20%
In other contexts: 19%	Specific projects: 40%	Other categories: 21%

Note: The authors' elaboration is based on the study by Sabatella and Mercadal-Brotons (2014).

Half of the music therapists are employed in the same professional category (50%), which is a good figure. A high percentage are linked to private schools (48%), although a minority work full-time (17%). We will keep this information because perhaps it will help us explain one of the keys to contracting that we will see later.

Analyzing the second study, we note that its focus is on issues related to professional ethics in music therapy, also seen from the perspective of the therapist himself (Fattorini-Vaca & Gamella-González, 2022). We cite it here because professionals in the field were also consulted to learn about the training received in ethics and its application in direct care projects. To analyze these issues, a survey was also carried out on their professional profiles, so both studies come into dialogue with each other, although without replicating each other. In this second case, a distinction was made between active music therapists and those who were not since one of the categories of observation in the article was to know if only active people were aware of professional ethics.

Depending on the topic at hand, it is appropriate to highlight the data referring to inactive music therapists (Table 2). At first glance, it can be seen that it is close to some of the work indexes in private centers but emphasizes the increase in part-time dedication (66.6%). This highlights that although the percentage of full-time contracts has risen, part-time employment has risen much more.

Another percentage that adds to this figure is that of music therapists who, being inactive at the time of the survey, had worked at some point volunteering (57.1%). This data once again highlights the difficulties or delays that occur in accessing a position as a music therapist on a stable and continuous basis.

The study did not have data on the characteristics and types of contracts (dependent labor or self-employment) since this was not its objective, but comparing both publications, with a margin of 7 years between them, does not show a fully positive trend in the sector.

Table 2.

Indications about the current professional situation of the music therapist in 2022

Workplace	Work Schedule Type
Private center: 44,4%.	Full-time: 33,3%
Public center: 22,2%.	Part-time: 66,6%
Other contexts: 33, 4%	-

Note: Authors' elaboration is based on the study by Gamella and Fattorini (2022).

We consider that one of the factors that hinder the capacity for labor entrepreneurship is the lack of financial literacy and the lack of an institutionally recognized professional category. As the second is an achievement that is beyond the scope of this document, we will focus on providing some reflections and tax tips to clarify shadow areas and help those of you who want to practice as music therapists to step with firmness, determination and leadership.

Three use cases

Let us take the case of an entrepreneur. She has decided, after finishing her postgraduate degree in music therapy, that she wants to practice as a professional in the first context that arises, although he is not entirely clear about which one he would like the most. In her training, she learned clinical methodology, therapeutic and musical skills, research, ethics, project design, etc.

She combined all this theory with a juicy internship period, and in her master's thesis, she planned a well-founded project to intervene with the elderly. In his master's degree, no one told him about the steps to become a professional. The financial issues, how to make budgets, and how to pay taxes were not addressed. Be that as it may, he finishes his studies and considers several possibilities.

In the first case, our graduate enthusiast decided to start with the easiest thing: adapting her music therapy project for the school where she works as a dependent labor teacher. She wants to start small and plans to work at recess with the children who have the most behavioral problems. Its approach is exploratory. He is not yet fully confident in his abilities and is going to measure himself in a controlled environment.

Going back to the study by Mercadal-Brotons and Sabatella, at least 41% of those surveyed when practicing as music therapists were hired as teachers and the like. Of these, 67% work in private institutions (2014). The school employs our teacher, i.e., her job profile is dependent, and in principle, no special change is foreseen as far as her employment relationship is concerned. If the program were successful, it might be part of the after-school plan. In this case, your current contract could be extended.

In a second spin-off, this young woman wants to go further. It's been a while, and you want to bet on your original idea. Therefore, she proposes working with the elderly to promote active aging. She proposed her initial project to a local association close to her residence, and there, she was asked to work as a volunteer. As these are his first independent therapeutic steps, he accepts the proposal.

Law 45/2015, of October 14, on Volunteering

The key aspects of volunteering typically revolve around the following points:

- A collaboration agreement is signed according to the law for a specific period.
- There is no financial compensation.
- There may be reimbursement of expenses.
- Specific training is provided to participate in volunteering.
- Hours of practice can be certified.

Doing a volunteer program at the beginning of your career is one of the least complex and expensive ways to strengthen your therapeutic skills.

We clarify that volunteering is a collaboration between two parties. Its fundamental condition is making certain services or tasks available to some people without receiving any financial consideration. However, in the exchange between the professional and the institution that supports volunteering, issues such as training and certification of practical work are agreed upon.

In the third scenario, some time has passed since his graduation, and although he has completed several projects in the social field, he has never received compensation for his services. That initial enthusiasm begins to wane. Your dream project is tucked away in a drawer. His main occupation at school takes up all his time.

Thanks to contact with a training colleague, she is offered to work a few hours a week in a neurological rehabilitation center, where she is required to take advantage of the category of professional self-employed worker. This makes her uneasy but particularly motivates her, and she wonders where to start.

The Commitment of the Contract

Let us start with the fact that any professional relationship, such as the provision of therapy services, is subject to a legal, labor and tax framework. When an intervention project is designed, in addition to the justification, the theoretical framework and the methodological framework proposed to achieve therapeutic objectives, what we are acquiring is a commitment to results. That is to say; we are committed to complying with what has been agreed, whether our participation is onerous or free of charge, and like any agreement, it

requires the assumption of responsibilities from an ethical, professional and, therefore, legal point of view.

Although music therapy in Spain is not recognized as a therapeutic profession, as other related disciplines are, it does not exempt us from attending to the normative/legal requirements and much less neglecting our patients. They are, in all cases, the ones who should receive the best care regardless of our contractual circumstances. Given that there is this legal vacuum for music therapy, our attention to legal issues must be even more exhaustive in order to avoid any patient being affected by issues peripheral to the treatment itself.

Once the first stages of clinical learning in volunteer contexts have been overcome, the first two scenarios that our music therapist has gone through, it is time for professionalization. We are referring to the day when we decided to become full-fledged music therapists, putting therapeutic resources and skills at the service of society in exchange for financial consideration. This is where real commitments to ourselves, to patients, to society and regulators begin. It marks the beginning of the game of exchange between giving and receiving.

Continuing with the project design, it is necessary to insist on budget items. They should be as well-tuned as the musical instruments we will be using. A project is a balancing act. All the weight cannot be placed on the clinical because our intervention will become unsustainable at an economic level or vice versa.

Poor financial forecasts would cause our main focus to shift from the needs of the patient to the needs of the music therapist in the middle of a process. There is no need to explain what this would entail.

Therefore, the first suggestion is to hire the services of a trusted agency, which can help us properly design our professional profile. When there is economic retribution, it is necessary to comply with taxation depending on the volume of activity that we are going to develop. They are the ones who will best guide us in complying with all the legal requirements.

In the same way, the day we cross the threshold of professionalization, we must start investing in training supplements and proportionally pass on the expense that these entail in our accounts. If we are active as music therapists, we have to attend continuous training and self-experience workshops, we have to carry out a process of personal development and therapy as many times as necessary throughout our career, and we have to hire clinical supervision services to guarantee the quality of our services. These are personal investments that respond to inescapable principles of professional ethics that must be weighed in the fees applied to our therapy services.

Many of the students who finish their degree ask us questions like these:

- Do I have to register with Social Security to start my music therapy workshop?
- What is the heading that I have to register with the Treasury?
- Do I have to pay monthly bills?
- Do my invoices include VAT?
- Do I have to file quarterly personal income tax returns?

Each case, each project, is a different reality and requires specific professional guidance, such as those offered by Hdosol, music, and therapy. In this article, we can only address generic issues. So, let's continue with

the professional step of our music therapist. She will go from doing music therapy occasionally in informal contexts to providing a professional service, gradually occupying all her working hours. This requires designing a strategic plan.

Strategic Plans

The importance of constituting a Strategic Plan is quickly explained with an arboreal example. Let us imagine that we belong to an environmental NGO and that one of its initiatives is to plant trees to reduce our carbon footprint. We plan to start modestly by acting at the local level. We contribute from the beginning by planting a tree in our garden or the public flowerbed in front of our house.

We understand that planting a tree is not about taking any seed, digging a hole, and waiting to see what germinates. This action involves understanding the nature of the tree first, accompanying and encouraging its growth with patience and taking care of its ecosystem. We should take care to know how it will grow up, what its roots will be like or the type of care it needs to avoid generating a problem in the medium and long term. Well, the strategic plan in music therapy is quite similar.

Table 3.

Key Points in a Strategic Plan

General Economic Situation:	Growth, unemployment, interest rates, exchange rates, commodity prices, etc.
Demographic and Labor Environment:	Immigration, aging population, birth rate, women's participation in the labor market, educational level, average leisure time, etc.
Sociocultural Environment:	Growing interest in products and services associated with health, environment, youth, beauty, individualism, networks, new families, etc.
Technological Environment:	New ways of production or selling, e-commerce, opportunities offered by the internet, obsolescence, technological training needs.
Political and Legal Environment:	Political orientation in each institution and its impact on legislation related to activities, urban planning, labor laws, environmental laws, etc.
Customers:	Characteristics, motivations, purchasing habits, location.
Competition:	Characteristics, specialization, location, strengths and weaknesses, market share, entry barriers.

Source: Infoautónomos (2022, 14 July)

A design of these characteristics involves analyzing what I want to offer people, how I want to show myself, what my specialization will be, what elements I can use to highlight my project, how I am going to organize my work, what time frames I set for myself, what is the volume of work I want to achieve, what my therapeutic identity will ultimately be.

"Becoming self-employed is the quickest and simplest way to start a business because it requires fewer administrative tasks and legal procedures, thus reducing the costs of establishment. There is no minimum capital required for its formation. Full control and management of the business are retained. If profits are low, less taxes are paid compared to a commercial company. Overall, managing tax and accounting obligations is simpler." (Andalucía Emprende, Public Foundation of Andalusia, 2021, p.4)

Tables 3 and 4 show other general and social issues that should also be taken into account. It is essential to design a strategy that analyzes the external elements of the professional and those of an internal nature. At the same time, it is necessary to weigh one's personal qualities and competencies and to enumerate the material and material resources technicians that we will need. On the other hand, we need to assess the costs and sources of funding to make our plan sustainable. The goal is to make the tree grow and develop fully.

Although the neurological rehabilitation center project initially involves a few hours of service, the strategic plan should serve as a compass for operating with a long-term perspective. In this way, our decisions will be goal-oriented, and the results, in business terms, will make logical, tangible, and achievable sense.

Table 4.

External Factors in Professional Strategic Planning

Organization:	Task allocation and delegation, decision-making.
Human Resources:	Training, involvement, compensation, recruitment, and stability.
Administration:	Effectiveness and suitability of the method used, compliance with obligations and regulations.
Economic and Financial Situation:	Profitability, liquidity, investment needs, payment and collection terms, relationships with banks, etc.
Marketing	Product demand, pricing level, promotions, etc.
Networks, Contacts, and Alliances:	Profitability of communication and advertising actions. Business image.
Technology:	Importance in my business, risk of obsolescence, new applications for my activity.

Source: Infoautónomos (2022, 14 July)

The Logic of the First Calculations

To play in the first division, you have to enjoy the advantages and assume the obligations. As we have argued, being a professional music therapist in an inappropriate work context entails difficulties and risks. For this reason, perseverance is an important ingredient that we must cultivate, like our tree above.

As it is time to put ideas into practice, we are going to take care of the investments that must be considered in order to be up to date with tax obligations. When starting up an economic activity in Spain, we are obliged to:

- Register with social security as a self-employed professional (reduced rate of €80 in the first year).
- Register with the Tax Agency as a self-employed professional.
- Register (comunicare IIAE) at the local town hall (if it is mandatory, which it is not in all cases).
- Comply with timely tax returns.

We recommend consulting the virtual offices of both the Social Security and the various Tax Agencies of each autonomous community to find out the latest updates and the scope of each heading. We mention only the basic obligations, without exception, but it is important to know all the assumptions and procedures.

With all this data, it is time to quantify the real cost of music therapy services. They must be passed on proportionately to the expenses that these tax obligations entail. In the following Tables 5 and 6, we propose some approximate calculations to determine the dividends that result from a specific activity compared to a more extensive dedication.

We will exclude expenditure on material and instrumental resources, although these are important items that should also be valued in any budget.

With these two assumptions in mind, we are going to compare data and draw the most obvious and practical conclusions to achieve a sustainable balance between income and expenditure that allows us to maintain our strategic professional project over time.

The Clear Accounts of a Budget

The means of financing must be defined in the calculations of a budget. Usually, the only source of income is the fee received, and with it, all expenses must be covered to avoid working at a loss.

In the expenses item of both tables, we have computed the cost of registration with social security, the VAT declaration and civil liability insurance and the management costs to make it easier to process all the documentation. If we were to bear the cost of using the premises where the project is going to be developed and the necessary materials (musical instruments, furniture, stationery, technology, etc.), as well as advertising expenses, we would have to add these amounts. As we said, in this case, we will leave them out, although it is convenient to take into account a contingency bag for unforeseen events that may occur.

Table 5.

Estimated calculations in a project with one hour per week in a month (4 sessions).

CONCEPTS	INCOME	-15% IRPF	NET TOTAL	IF VAT (+21%)	NET TOTAL
Salary (music therapist fee) 60€/hour x 4	240.00	36.00	204.00	50.40	254.40 €
CONCEPTS	EXPENSES				
Social Security (flat rate)	80.00	-	-	-	80.00
Professional services (1 supervision per month)	80.00	-	-	16.80	96,80
Rent (room)	-	-	-	-	-
Supplies (instruments, consumables)	-	-	-	-	-
Advertising and propaganda	-	-	-	-	-
Miscellaneous expenses (contingency fund)	50.00	-	-	-	50.00
Liability insurance (€120)	10.00	-	-	2.10	2.10
Accounting services	90.00	-	-	18.90	108.90
PROJECT COST					337.80 €
BALANCE					-83,40

Note: This is a project-based estimate of 1 hour/week, based on a gross amount of €60/h; from this, a net of €83.40/h is derived.

Table 6.

Estimated calculations in a project with four hours per week in a month (16 sessions).

CONCEPTS	INCOME	-15% IRPF	NET TOTAL	IF VAT (+21%)	NET TOTAL
Salary (music therapist fee) 60€/hour x 4	930.00	139.50	790.50	195.30	985.80 €
CONCEPTS	EXPENSES				
Social Security (flat rate)	80.00	-	-	-	80.00
Professional services (1 supervision per month)	80.00	-	-	16.80	96,80
Rent (room)	-	-	-	-	-
Supplies (instruments, consumables)	-	-	-	-	-
Advertising and propaganda	-	-	-	-	-
Miscellaneous expenses (contingency fund)	50.00	-	-	-	50.00
Liability insurance (€120)	10.00	-	-	2.10	2.10
Accounting services	90.00	-	-	18.90	108.90
PROJECT COST					337.80 €
BALANCE					648 €

Note: This is a project-based estimate of 16 hours/week, based on a gross amount of €60/h, from which a net amount of €648/h is derived.

The gross salary established in the two tables is €60/hour. Although this may seem like a high amount, considering the balance of expenses, it is not a high price.

Comparing both final results, we found that economic profitability is only possible if we carry out an average number of sessions higher than those of our music therapist's initial collaboration proposal in the neurological rehabilitation center. In other words, the professional jump is easier and more profitable when we bet everything on the red.

The increase in direct service hours does not increase taxes, which would result in a positive revenue balance. A table shows that we have quadrupled the number of sessions. However, if we only double them with respect to Table 5, the final amount would already be positive. Therefore, we insist that the balance that makes our project sustainable is linked to the time commitment factor. Professional success is closely linked to the level of commitment we adopt.

Obviously, greater dedication also increases the preparation time of the sessions and, by extension, the resources spent on supervision. However, by receiving a higher share of income, we have more room to reinvest in services that increase our quality of care.

Suppose our strategic plan also includes other alliances. In that case, we can opt for subsidies that help finance costs, thus increasing profitability and improving professional conditions and, with it, access to better-continuing education programs, participation in congresses and dedicating part of our work to research and dissemination of results. These tasks are equally relevant and necessary in a framework of professional expansion of music therapy in Spain.

CONCLUSIONS

We are aware that many of you may have thought that if music therapy is not regulated in Spain, it does not make sense to undertake it as a self-employed professional, basically because of the complexity that these processes entail. We have to say that this is a contribution to the group of music therapists.

Our presence is necessary in hospitals, nursing homes, day centers, schools, and all those social environments that other health professionals cannot reach. Our work is only sustainable if it is regulated and protected by professionalized intervention frameworks. This system only involves compliance with labor and tax principles. Therefore, aspiring to professionalization is a commitment, a commitment, a positioning to which we must all respond.

Achieving institutional recognition is something that goes beyond a personal plan, but it undoubtedly contributes to the collective plan. The professionalization of music therapy inexorably involves a common positioning of the entire collective. We are talking about sharing the same educational, therapeutic and legal approaches. The unification of salary tables and tax protocols should be one more objective: to give support and legal certainty to all those who, in the face of the difficul-

ties expressed, are committed to providing therapeutic benefits of music to people.

So, let us look beyond what happens within a session. Let us value what we have invested in training. Let us think about tax obligations, investments in musical instruments and everything that brings quality to our services. Let us assume self-care as an investment, recovery and rest times, supervision and continuous training as an integral and indispensable part of our preparation for work. Moreover, caring for people. To them, we owe the effort and commitment to carry out the good profession of music therapy with guarantees.

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ENLACES DE INTERÉS

SEDE AEAT: <https://sede.agenciatributaria.gob.es/>

SEDE SEGURIDAD SOCIAL:

<https://www.seg-social.es/wps/portal/wss/internet/> Inicio

PUNTO DE ATENCIÓN AL EMPRENDEDOR:

<https://paelectronico.es/es-es/Paginas/PagInicio.aspx>

FORMAS JURÍDICAS DE NEGOCIO: Información detallada sobre las distintas formas jurídicas para desarrollar tu negocio <https://plataformapyme.es/es-es/IdeaDeNegocio/Paginas/FormasJuridicas-Descripcion.aspx?cod=EIN&nombre=Empresario%20Individual&idioma=es-ES>

REALIZAR NEGOCIO:

Herramientas digitales para realizar un DAFO o El Plan de Negocio <https://plataformapyme.es/es-es/IdeaDeNegocio/Paginas/IdeaDeNegocio.asp>



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