



SOCIEDADE DE ADVOGADOS, SP, RL
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PORTUGAL: A PLATFORM FOR INVESTMENTS AND RESIDENCE

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PORTUGAL: A GOOD CHOICE

- Good climate
- Historical heritage
- Low-cost living
- Unique landscapes
- Excellent culinary
- Safe environment and low crime rate
- High quality education and health system
- Highly rated by the World Bank for "ease of doing business"
- Third best country in the world for the quality of life of expatriates
- Third position in the Global Peace Index



PORTUGUESE RESIDENCY PERMIT FOR INVESTMENT ACTIVITY (“GOLDEN VISA”)

1

PURPOSE

- Obtain a fully valid residency permit in Portugal
- Revitalization of the Portuguese economy

2

VALIDITY

- Valid for an initial period of 2 years
- Renewable for subsequent periods of 2 years

3

GENERAL CONDITIONS

- Keep the investment for a minimum period of 5 years
- Entry in Portugal with a valid Schengen visa
- Absence of criminal references in the integrated system of the Portuguese Immigration Services (“SEF”)
- Absence of conviction of relevant crime
- Minimum stay in Portugal: an average of 7 days per year



ADVANTAGES



Possibility of Family Reunification



Visa exemption for travelling within the Schengen Area



Reduced minimum permanence period



Permanent residency accessible on the 5th year



Portuguese Citizenship accessible on the 5th year

ELIGIBLE INVESTMENT ACTIVITIES



REAL ESTATE

Purchase of Real Estate

Acquisition of property (Residential and Non-residential) > € 500.000 (Residential properties only in the interior regions, Azores and Madeira)

Or

Purchase and Rehabilitation of Real Estate

Acquisition and renovation of property > € 350.000 - for properties more than 30 years old or located in areas of urban renovation (Residential properties only in the interior regions, Azores and Madeira)



FINANCIAL ASSETS

Venture Capital & Investment Funds

≥ € 500.000 in the acquisition of participation units in venture capital or investment funds established in Portugal and specialized in the capitalization of enterprises

or

Other Financial Assets

≥ €1.5 millions in any other type of financial asset



CAPITAL INVESTMENTS

Research & Development

≥ €500.000 in scientific research that is conducted by institutions that are part of the national scientific and technological system

or

Cultural

Capital transfer in an amount ≥ € 250.000 invested in, or supporting, the artistic production or the recovery or maintenance of the national cultural heritage that is conducted by accredited institutions



JOB CREATION

Creation of ≥ 10 jobs

Or

Company and job creation

≥ € 500.000 for:

a) establishing a corporation in Portugal, combined with the creation of ≥ 5 jobs; or

b) reinforcement of a existing Portuguese corporation's capital combine with the creation or maintenance of the existing jobs with a minimum 5 permanent jobs for a minimum period of 3 years

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PASSIVE INCOME VISA

- The Passive Income Visa (also known as "D7 Visa") is a two-step process residence permit that allows third country residents (outside the EU) to obtain a legal residence in Portugal:

1

Obtaining a residence visa through the competent Portuguese Consulate of the country of residence (if residing more than 1 year) or country of origin

2

Obtaining a residence permit through the Portuguese Immigration and Border Services (SEF) by attending an in-person appointment

- Citizens who intend to relocate to Portugal and are able to prove to the Portuguese authorities that they have enough passive income to support their life in Portugal.
- Possibility of family reunification.

START UP VISA

- The Startup Visa is a residence visa for non-EU/Schengen entrepreneurs who want to establish their businesses in the Portuguese territory and, additionally, wish to relocate to Portugal.
- It aims to attract investment, talent and innovation into Portugal and it involves a process of certificated incubators.
- It provides a residency authorization if all the requirements fulfilled and the possibility of family reunification.

DIGITAL NOMAD VISA

- Designed for those who intend to pursue a professional activity, whether it is independently or as an employee, through remote work outside the national territory.
- It involves a two-step process, similar to the Passive Income Visa (D7)
- Provides a visa for temporary stay in Portugal through remote work for a foreign country

WHAT ARE DIGITAL NOMADS?

Digital Nomads are remote workers who are able to travel and work in different countries.

They can be, for example, freelancers, remote workers, business owners, who are able to work through their own devices, such as laptops and smartphones, allowing them to travel and work in a foreign country.

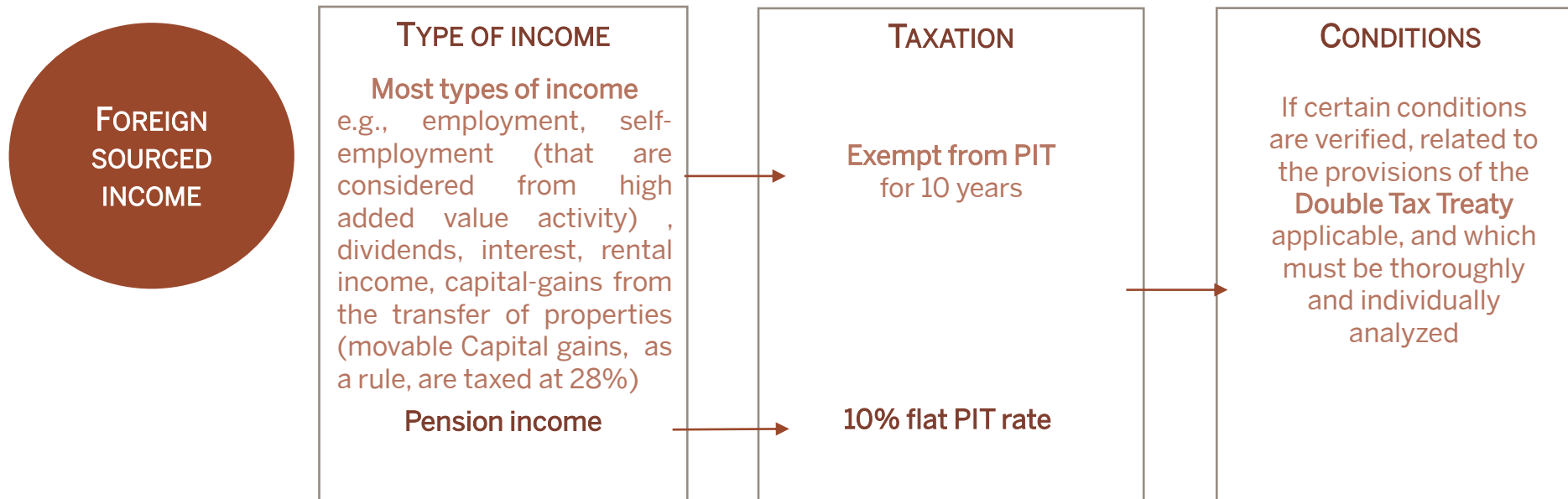
PORTUGUESE CITIZENSHIP TO SEPHARDIC JEWS

- Decree-Law no. 26/2022 of 18 March ("Decree-Law 26/2022") was published amending for the fourth time, the Portuguese Nationality Regulation ("PNR") and brought significant changes in the conditions for naturalization of foreigners who are descendants of Sephardic Jews, making them stricter.

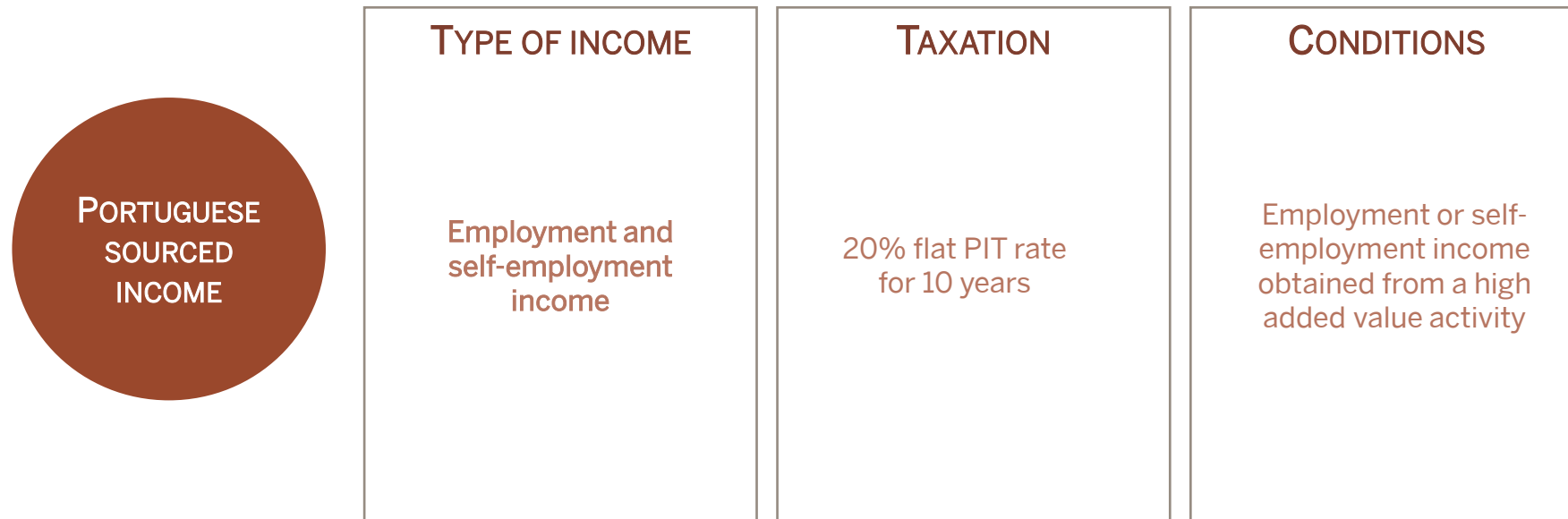
Those who wish to apply have to demonstrate:

- The tradition of belonging to a Sephardic community of Portuguese origin, demonstrated through the issuance of a Certificate issued by the Jewish Community; and
- The demonstration of an effective connection to Portugal, either through:
 1. The ownership, transmitted mortis causa (by succession), of a real estate located in Portugal, or shares in a commercial or cooperative company based in Portugal; or
 2. Regular visits to Portuguese territory shown by the applicant of the citizenship application.

THE NON-HABITUAL RESIDENCE REGIME (“NHR”)



THE NON-HABITUAL RESIDENCE REGIME (“NHR”)



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INHERITANCE AND DONATIONS

Direct descendants
and spouses

Non-Taxation of transfer *inter vivos* or in case of death

Other cases

10%
Transfer *inter vivos* is liable to stamp duty of 10%

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SALE OF ART OBJECTS

**Sale of art
objects**

0%

If the activity is not rendered in a regular basis or considered to be derived from a business or professional activity

If the income is considered to be obtained through the rendering of a business or professional activity it may be subject to PIT (business and professional income).

Besides being subject to PIT the taxpayer must report the start of the activity to the Tax Authorities and fulfill his PIT, VAT and Social Security obligations (reporting and payment).

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REAL ESTATE TAXATION

Tax	Tax Rates	Exemptions			
Municipal Property Tax (IMI)	0,3% a 0,45%: urban properties (if subject to a tax evaluation - VPT)	Urban properties eligible for rehabilitation with finalized construction over 30 years ago or located in a specific urban rehabilitation area	Properties with cultural interest for the municipality or the country	Properties which constitute permanent abodes and whose owner belongs to a low-income household	Lower tax rates for energy efficient buildings or for property allocated to the production of renewable energy
	0,8% on VPT for rural properties				
	7,5% on VPT: properties held by an entity resident in a “tax haven”				
Additional Municipal Property Tax (AIMI)	Individuals	0,7% on the taxable asset value (VPT) of the taxpayer’s property assets, from a value higher than € 600.000 (if a couple €1.200.000)			
		1% on the taxable asset value (VPT) of the taxpayer’s property assets, from a value higher than € 1.000.000			
		1,5% on the taxable asset value (VPT) of the taxpayer’s property assets, from a value higher than € 2.000.000			
	Legal entities	0,4% on the taxable asset value (VPT) of the taxpayer’s property assets			

REAL ESTATE TAXATION (CONT.)

Tax	Tax Rates	Exemptions					
Tax on the Transfer of Real Estate (IMT)	Up to 6% (7,5% for purchases over 1 million): urban properties for residential use	Acquisition of properties for the purpose of resale by real estate investment companies	Acquisition of properties with finalized construction over 30 years ago or located in a specific urban rehabilitation area that are eligible and subject to urban rehabilitation	First acquisition of the rehabilitated properties	Acquisition of properties intended for permanent residency and whose taxable asset value or transaction price does not exceed the limit of € 92.407 for mainland or € 115.508,75 for Azores and Madeira	Acquisition of buildings classified as public interest	Acquisition of properties within restructuring operations (such as mergers of companies)
	Up to 8%: urban properties not for residential use						
	5%: rural properties						
	10%: properties acquired by a resident in a tax heaven						
Stamp Tax (IS)	0,8% on the taxable asset value (VPT) to the acquisition of property rights over real estate	N/A					

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CORPORATE INCOME TAX (CIT)



Madeira's free trade zone – 5%

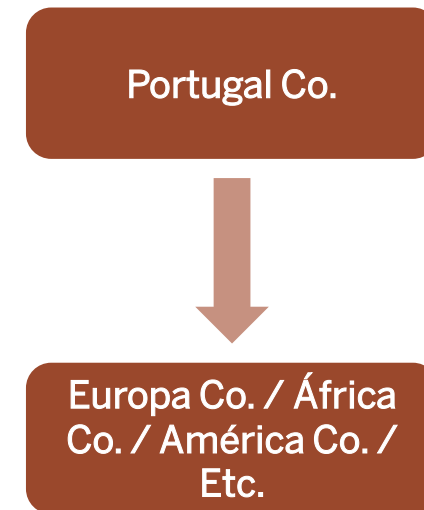
PARTICIPATION EXEMPTION REGIME

Exemption from corporate income tax (CIT):

- ✓ On dividends received; and
- ✓ On capital gains derived from the sale of shares

Restrictions:

- ✓ The share capital cannot be formed by more than 50% of real estate;
- ✓ The taxation cannot be less than 60% of the tax that would be due ascertained in the terms outlined by the Portuguese CIT Code;
- ✓ Cannot be sited in a tax haven according to the Portuguese “black list”.



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MADEIRA'S FREE TRADE ZONE

Conditions

Companies authorized in the free zone of Madeira until 31-12-2021

Investment and job creation

OPTION 1

Companies have to create between 1 and 5 jobs in the first 6 months of activity and make a minimum investment of €75.000 in the acquisition of fixed assets (tangible or intangible) in the first 2 years of activity

OPTION 2

Creation of six or more jobs in the first six months of operation

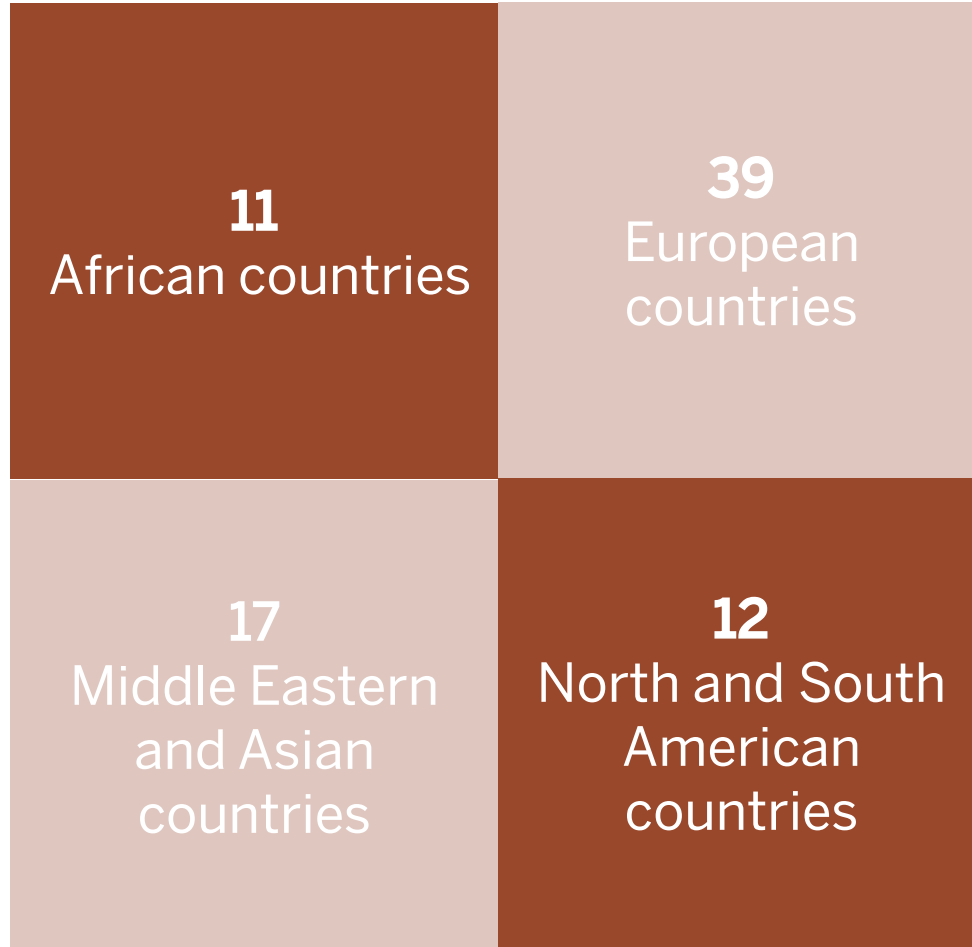
MADEIRA'S FREE TRADE ZONE

Tax benefits

- **CIT tax rate of 5%** on profits until December 31, 2027;
- **50% of CIT** for companies that carry out industrial activities, subject to conditions;
- **80% exemption from stamp duty** on documents, contracts, and other acts performed that require public registration, if they are performed with entities not resident in Portugal or licensed in the IBCM;
- **80% exemption from IMI (Municipal Property Tax) and IMT (Real Estate Transfer Tax)** due on the acquisition of immovable property intended for company's establishment, as well as other local taxes and duties;
- **Exemption of withholding tax** in the payment of dividends to foreign shareholders.

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NETWORK DOUBLE TAX TREATIES



Thank You !

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