



Tax & Business Lawyers

NEWSLETTER

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THE URBAN PRESSURE COEFFICIENT ON THE EXTRAORDINARY CONTRIBUTION ON LOCAL ACCOMMODATION (CEAL)

Law no. 56/2023, of October 6, instituted the Extraordinary Contribution on Short Term Rentals, also known as Local Accommodation (CEAL), which was regulated by Ministerial Ordinance no. 455-E/2023, of December 29, a measure implemented under the "Mais-Habituação" program.

Private Clients Team



SUMMARY

[Law no. 56/2023](#), of October 6, 2023, as part of the measures to promote housing, established the Extraordinary Contribution on Short Term Rentals, also known as Local Accommodation (hereinafter CEAL) with the aim of promoting the reallocation of properties for permanent housing purposes that were previously allocated to Local Accommodation, thus mitigating the negative externality in the housing market and its respective social cost.

In this sense, the [Ministerial Ordinance no. 455-E/2023](#), of December 29 of 2023 (hereinafter "Ordinance"), regulates and defines the urban pressure coefficient, which, along the economic coefficient, is one of the variables to consider under the CEAL application.

Thus, the Ordinance determines the respective urban pressure coefficients for each location covered by CEAL's scope and provides for the communication of the list of taxable persons between Turismo de Portugal, I.P. and the Tax and Customs Authority.

THE CEAL SCOPE

CEAL is levied on the use of residential properties for short-term rentals, considering for this purpose the autonomous fractions and parts or divisions of urban buildings susceptible to independent use of a residential nature (duly licensed for this use).

However, given the extraordinary nature of this contribution, aimed at mitigating the negative externality of the scarcity of housing properties, CEAL is not levied on properties located in inland territories (identified under the terms of Ministerial Order no. 208/2017), as well as on properties located in localities that demonstrate a situation of housing balance (i.e., that meet the requirements stipulated in Law no. 56/2023).

CEAL is not levied on properties located in inland areas, nor on properties located in areas that demonstrate a balanced housing situation.

In addition, are exempted from CEAL the properties that do not constitute autonomous fractions, or parts or divisions that can be used independently, as well as local accommodation units in own and permanent housing that do not exceed 120 days of operation during the year.

Regarding the subjective scope, the Ordinance introduced the obligation to communicate the list of taxable persons (holders of operating licenses for local accommodation establishments, and, subsidiarily, the owners of properties that do not hold an operating

license) and valid local accommodation licenses between Turismo de Portugal, I.P., and the Tax and Customs Authority by means of a protocol to be signed between the entities.

THE URBAN PRESSURE COEFFICIENT AND THE ECONOMIC COEFFICIENT

The urban pressure coefficient is calculated as the ratio between the positive change in the reference rent per square meter in the area where the local accommodation is established (between 2015 and the year prior to the taxable event) and the positive change in the reference rent per square meter in the area with the highest change at national level.

In turn, the economic coefficient results from the ratio between the average annual income per room calculated by the National Institute of Statistics, (Instituto Nacional de Estatística I.P.) and by reference to the year prior to the taxable event, and the minimum gross area of a T1 fraction (calculated in accordance with the General Regulation of Urban Buildings).

To this end, the Ordinance introduced, in an attached table, the urban pressure coefficients for each location for the year 2023, the table being updated annually by Government Ordinance.

After applying each coefficient, the CEAL tax base is determined, on which the 15% rate will be levied.

Thus, it is important to note that the CEAL will be levied even when the activity of operating local accommodation does not generate income in relation to the expenses incurred and is not deductible for the purposes of determining taxable profit under IRC (CIT), even if it has been accounted for as an expense in the tax period.

SETTLEMENT AND PAYMENT

The CEAL is assessed and declared by the taxable person by June 20th of the year following the taxable event, without prejudice to the fact that, in the event of no assessment being made, the Tax Authority has the power to assess the CEAL *ex officio* to the owner of the property registered in the matrix on the date of the taxable event.

In the same vein, the owner of the property operated is subsidiarily liable for the payment of the CEAL, even if he is not the holder of the license to operate the establishment.

CEAL must be paid until June 25th of the year following the tax event and, in the event of overdue payment, interest is immediately due.

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