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# PORTUGAL OPPORTUNITIES FOR INVESTMENT, RESIDENCY AND CITIZENSHIP

[Portuguese Golden Visa Program \(ARI\)](#)

[Non-Habitual Portuguese Residents \(RNH\) Tax Regime](#)

## Portuguese Golden Visa Program (ARI)

### What's a Portuguese Golden Visa?

- > Allows its holder and his family to travel freely among all countries within the Schengen zone;
- > As from the **5th year of residence in Portugal** the Golden Visa holder is entitled to apply for **Portuguese citizenship**;
- > Requires a minimum period of stay in Portugal:  
  
7 days (not necessarily consecutive, in the first year); and 14 days (not necessarily consecutive) in each subsequent two-year periods.
- > It is possible to combine a Golden Visa with the non-habitual Portuguese residence regime granting to pensioners, investors and high qualified individuals, as a general rule, an **exemption from Portuguese Personal Income Tax** on foreign sourced income and a **reduced 20% flat rate** on Portuguese sourced labour and/or self-employment income.
- > Entitles the holder and his family to residence permits in Portugal for 1 year, renewable for successive periods of 2 years;
- > Has lower application and renewal costs than most others Golden Visas programs.

## Eligible Investments:

It is required that an investment activity is conducted in Portugal either directly by an individual or through a company for a minimum period of 5 years. Such investment activity may correspond to:

- > The purchase of real estate property, with construction dating back more than 30 years or located in urban regeneration areas, for refurbishing, for a total value equal to or above € 350.000,00; or
- > Capital transfer of € 350.000,00 for scientific investigation activities; or
- > Capital transfer equal to or higher than € 250.000,00 applied in arts projects or in the recovery or preservation of national cultural or heritage estate in Portugal; or
- > € 500.000,00 in the acquisition of investment funds or venture capital for the capitalization of SME's; or
- > **Capital transfer to Portuguese bank accounts of € 1.000.000,00**, including any sorts of capital investments, such as in the share capital of companies or any other securities or financial investments; or
- > Creation of at least 10 job positions; or
- > **Acquisition of real estate properties with a minimum value of € 500.000,00**, including the following situations:

## Eligible investments in the acquisition of real estate properties:

- > Purchase of either one or several real estate properties as long as the joint value is equal to, or higher than € 500.000,00;
- > Purchases may be made in joint ownership as long as each of the co-owners has invested at least € 500.000,00;
- > Signing of promissory-contracts where a non-refundable deposit has been paid for € 500.000,00 or more, provided the final purchase and sale deeds are exhibited before renewing the residence permit.

**Once the property is purchased the applicant is free to encumber or mortgage it even above € 500.000,00 and, without restrictions, lease it or in any way commercially manage the property.**

## Visa Startup Program

The Startup Visa program quickly grants residence permits to entrepreneurs that do not own permanent residency in the Schengen area, and who intend to establish innovative businesses in Portugal, inviting them to create or move their startups to Portugal.

### **In order to apply to this program, entrepreneurs must:**

- > Show intention of developing business activity in goods production and international services;
- > Create or move to Portugal companies and/or projects that are technology and knowledge related, foreseeing the development of innovative products;
- > Prove that there are certified incubators interested in incubating the project;
- > Demonstrate that the company will enable the creation of qualified jobs, besides the jobs for the entrepreneurs included in the program;
- > Demonstrate that the company has the potential to reach, up to 5 years after the beginning of the incubator contract, a turnover of at least € 325.000,00 per year and/or obtain financial assets of more than € 325.000,00.

**The assessment of economic and innovative potential is based on several innovation criteria, including the innovative nature of the project, growth capacity, business scalability in actual market and prospect to establish the company in Portugal once the program is over.**

## Why Portugal?

> Portugal offers standard residence permits to investors;

> **Portugal has one of the finest weather and coast line** among south European countries;

> Real estate prices are considerably lower than any other country in the region;

> Portugal is also known for its excellent infrastructure, public and private health care services and **low crime rate**.

> **Flexibility:**

the investment made can be sold, switched or terminated at all time. The properties can be sold, leased, traded up or down and the investors can switch between eligible investments.

> **Right to family reunification:**

The Golden Visa Program allows the investor to extend the application to family members, such as children, spouses and parents, with no further Investment requirements.

Investors' families interested in relocating are able to enjoy all the benefits of Portugal's social welfare if enrolled in employment. This includes free access to the public health system, enrolment of children in public schools and access to the country's retirement pension.

> **Portugal's liberal outlook:**

Portugal not only accepts gay marriages, it allows marriage between any two gay foreigners, a disposition of the law which has proven popular among citizens of countries where gay marriages are not allowed. Portugal also recognizes gay marriages entered into elsewhere in the world.

## Non-Habitual Portuguese Residents (RNH) Tax Regime

### Tax advantages:

- > A **20% special flat tax rate** applies to labour and self-employment income sourced in Portugal if derived from high value added activities;
- > Labour and self employment income sourced outside Portugal is **not subjected to taxation** in Portugal;
- > **Zero tax** on interests, dividends, royalties and capital gains sourced outside Portugal;
- > **Interests, dividends royalties and capital gains originated in other countries will be taxed in those countries at a reduced tax rading from 5% to 15% the RNH benefiting from tax treaties with Portugal.**
- > **Zero tax** on retirement pensions not deemed as obtained in Portugal are tax exempted in Portugal and may also be not taxed at source as per any applicable tax treaty.

### Other Tax Advantages:

- > No wealth tax;
- > Gifts and inheritances are fully exempt from taxation between ascendants, descendants and spouses. In relation to other beneficiaries stamp tax at a 10% rate applies;
- > Disposal of foreign assets is not subject to stamp tax;
- > Exclusion from taxation of capital gains on sales of permanent residence if proceeds are reinvested in another personal residence in Portugal, European Union or European Economic Area.

## Who may apply:

- > **Individuals, including Portuguese, that were not tax residents in Portugal in the preceding 5 years may apply for the RNH tax Regime;**
- > Applicants must become tax residents in Portugal;
- > The regime is granted for a period of 10 years.

## Why Portugal?

- > No doubts exist on the application of the RNH tax regime which may be fully and unrestrictedly enjoyed by those EU and non-EU nationals wishing to move to Portugal;
- > The RNH residents regime is a domestic regime which did not require EU approval, is not being challenged by the EU and it may apply both to Portuguese and foreign nationals;
- > **It is one of the most attractive tax regimes in force because combines a mitigated taxation applicable to employment, professional income and self-employment services and exemption of tax for foreign sourced income.**
- > In Portugal every lawful resident is entitled to **full health coverage** by the Serviço Nacional de Saúde (NHS), ranked 12th in the world by the World Health Organisation
- > **Portugal ranks highly in security** (third safest country in the world) **and cost of living for expatriates.**



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