

Legal Alert – “Famílias Primeiro” Programme

The Council of Ministers approved yesterday the program "Families First", consisting of a set of exceptional measures aimed at immediately supporting the income of families, in order to mitigate the effects of inflation and rising energy costs.

The measures detailed below are awaiting the publication of the necessary legal instruments to come into force, which is expected to occur during this week:

- a) An exceptional payment of €125.00 (one hundred and twenty-five euros) to each non-pensioner with an income of up to €2,700.00 (two thousand and seven hundred euros) gross per month;
- b) An Extra Payment of €50.00 (fifty euros) for each dependent up to 24 years of age is granted to all families, regardless of income;
- c) Payment of 14 and a half months' pensions to retirees, instead of the usual 14 months;
- d) The extension until the end of the year of the suspension of the carbon tax, the return to citizens of the additional VAT revenue, and the reduction of the ISP.
- e) Limiting the maximum increase in the value of rentals for housing and commercial properties to 2% in 2023;
- f) Establishment of exceptional support to renting, through the concession of a tax benefit on property income;
- g) Reduction of VAT on the supply of electricity from the current 13% to 6%, a measure in force until December 2023;
- h) Pension rises in 2023:
 - i) 4.43% for pensions up to €886.00 (eight hundred and eighty-six euros);
 - j) 4.07% for pensions between €886.00 (eight hundred and eighty-six euros) and €2,659.00 (two thousand, six hundred and fifty-nine euros);
 - k) 3.53% for other pensions subject to update.
- l) The exceptional return of final consumers of natural gas with annual internal consumption or equal to 10,000 m³ to the regulated tariff regime;
- m) The freezing of prices of public transport travel cards and CP tickets during the whole year of 2023.