



- **The NHR**
- **Regime**

Portugal



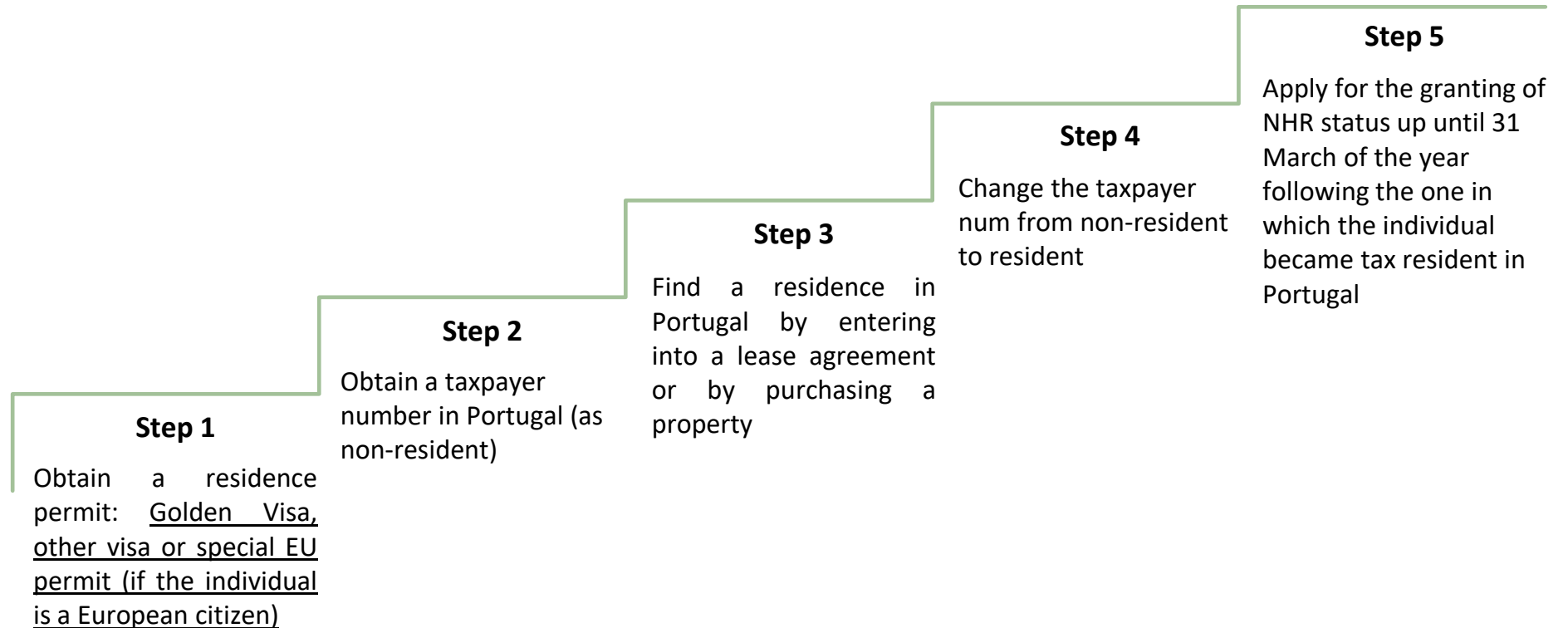
Non-Habitual Tax Resident (NHR) Regime:

- Created in 2009
- Granted for 10 years
- Only two conditions need to be met for the NHR regime to apply:

Condition 1	The individual has to become a tax resident in Portugal Tax resident = individual that spends more than 183 days in the Portuguese territory or, if spending less, has a permanent house available to him
Condition 2	The individual is not deemed a tax resident in Portugal in the 5 preceding tax-years



Non-Habitual Tax Resident (NHR) Regime:





Non-Habitual Tax Resident (NHR) Regime:

- Tax Benefits - **Portuguese-Sourced Income**

Employment and/or self-employment	<ul style="list-style-type: none">• Benefits from a reduced PIT rate of 20%;• Provided that income comes from high added value activities as defined by law (eg. Directors and executive managers, medical doctors, creative and performing artists, journalists, etc).
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Non-Habitual Tax Resident (NHR) Regime:

- Tax Benefits - Foreign-Sourced Income

Pensions	10% flat rate
Employment Income	EXEMPT if the income is effectively taxed in the Source State according to a double tax treaty (DTT)
Passive Income (such as interest, dividends, rental income and capital gains)	EXEMPT as long as it may be taxed in the source state in accordance with a DTT concluded between Portugal and that state (no effective taxation is required)
Self-employment	EXEMPT as long as it derives from a high value-added activity and it may be taxed in the source state in accordance with a DTT concluded between Portugal and that state



Tax Regime:

- ✓ No wealth taxes in Portugal
- ✓ No reporting of foreign assets in the tax filings except the IBAN of foreign bank accounts, which must be disclosed in the annual tax return (even if these do not generate any income)
- ✓ No inheritance taxes

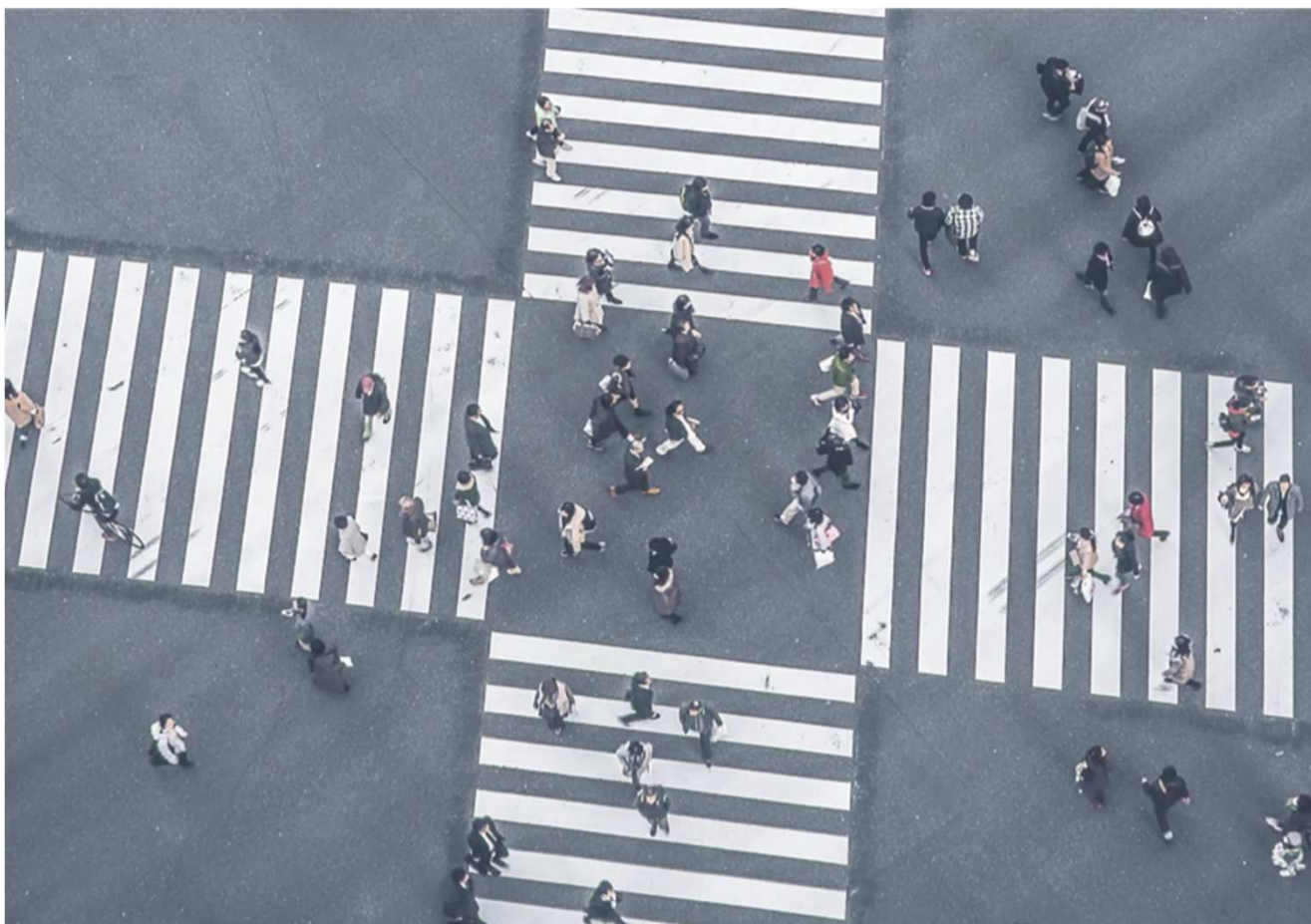
Taxes on Real Estate





Taxes on Real Estate

On Acquisition (one shot)	Transfer Tax (IMT): <ul style="list-style-type: none">• 6,5% - Land, stores & offices• Up to 7,5% - Villas & Apartments• 5% Rural land
	Stamp Duty: 0,8%
Yearly Taxes on Real Estate	Local Tax on Real Estate (IMI): <ul style="list-style-type: none">• 0,3% to 0,45%, depending on the location;• Levied over the tax value (and not the market value)
	Additional Local Tax on Real Estate (AIMI): <ul style="list-style-type: none">• Properties with a tax value above € 600k;• In case of individuals the following rates apply: (i) 0,7% for properties with a tax value above € 600k and up to € 1 million; (ii) 1% for properties with a tax value between € 1 million and € 2 million and (iii) 1,5% for properties above € 2 million



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