

40 YEARS ANOS




CERRO NOVO
PROPERTIES
ESTABLISHED 1981

NON HABITUAL RESIDENCY



Non Habitual Residency (NHR)

The Investment Tax Code, approved by Decree-Law 249/2009 of 23rd September, created the tax regime for non-habitual residents concerning Personal Income Tax (IRS). NHR attracts qualified non-resident professionals in high-value activities, intellectual property, industrial property, and beneficiaries of pensions obtained abroad.





Who can apply?

An individual over 18 who has already acquired residency in Portugal and who hasn't been a fiscal resident for five years before applying.

How can an NHR be applied for?

Registration can be submitted through the Tax department's web portal www.portaldasfinancas.gov.pt, but it's advisable to contact a financial service company to do this as it can be quite complex. For an application to be accepted, the submission must be made by 31st March of the year following becoming a resident in Portugal.



Is it possible to appoint a representative to handle the application?

Yes, as long as the candidate and the representative have their email addresses certified via the tax department's website.





How long is the NHR valid for?

The maximum period is ten years from the issue date, but you are not required to be a fiscal resident every year during the ten years.



What is the minimum stay required?

If your Portuguese tax identification number's (NIF) registered address is a habitual residence maintained for at least 183 days per year, then there is no minimum stay requirement. Otherwise, 183 days is the minimum for every 12 months.



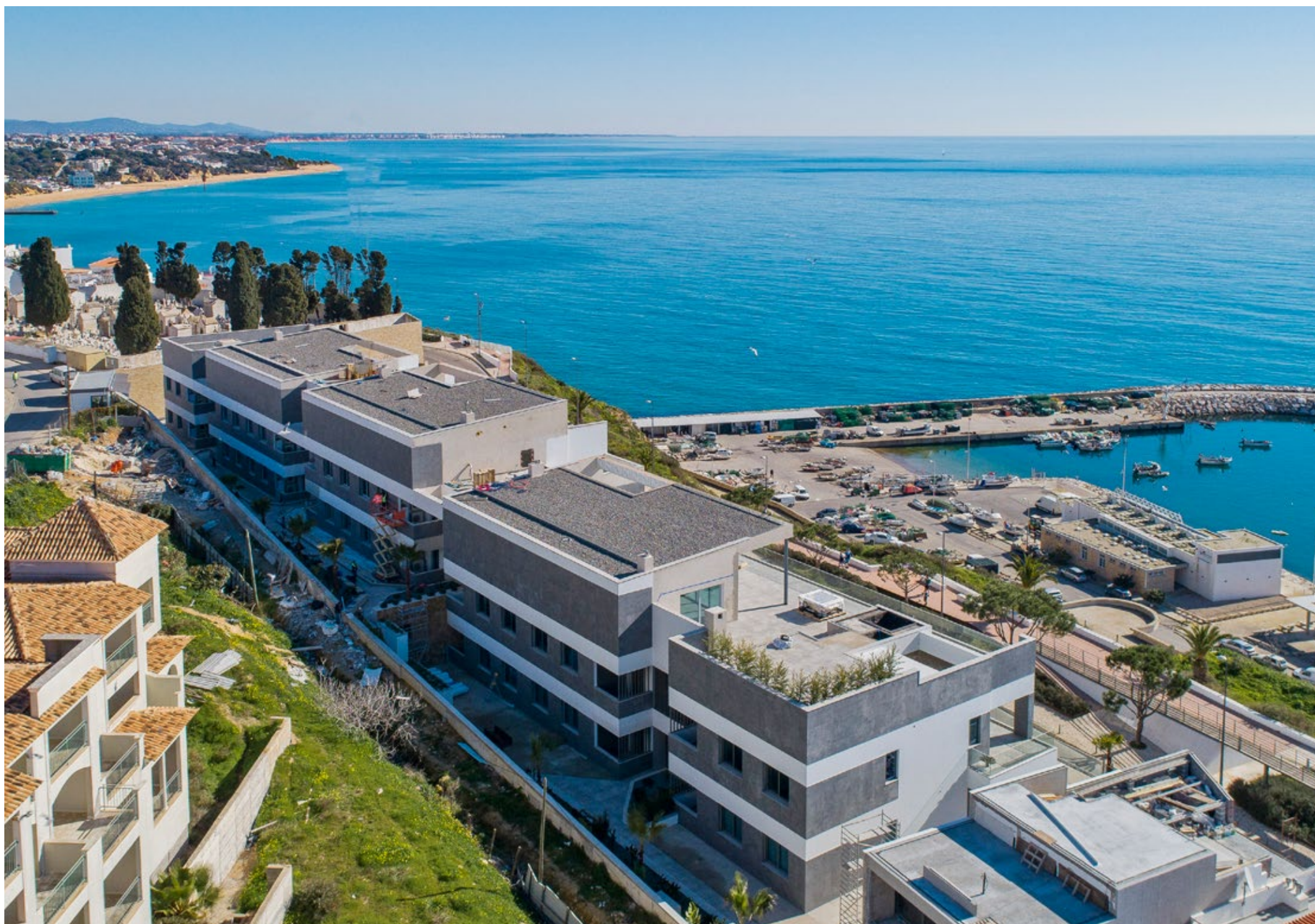
How long does the process take?

It can take a few months, but a specialised law firm, accountant or financial service company could help reduce this.





What are the benefits?



- Ten years fiscal regime of which one or more years can be opted out.
- Pension income from abroad is subject to a 10% *fixed rate* if it can be taxed in a country that is not considered a tax haven with an **Organization for Economic Co-operation and Development (OECD)** Double Tax agreement with Portugal.
- Employment income obtained abroad can be exempt if taxed abroad.
- It is not necessary to work, or be employed in Portugal.
- Real estate income, dividends, capital gains, and many other forms of income obtained abroad can be exempt from tax if they can be taxed in a country not considered a tax haven with an OECD Double Tax agreement with Portugal.
- A reduced flat rate tax of 20% on income from certain high-value activities in Portugal. (The official list of professions that can qualify is on the tax department's website).



All individual fiscal situations are different, and regulations change. Therefore, fiscal advice should always be requested from the Finances (Portugal's Inland Revenue), an accountant, financial service company or a specialised law firm. We are happy to recommend reputable companies.





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