



Residence Permit for Investment in Portugal

GOLDEN VISA

October 2016

1. OVERVIEW

The Portuguese Government has launched the **Golden Visa** Programme, in force from 8 October 2012, aiming to attract foreign investment to Portugal.

With the introduction of this programme, it is possible for nationals from countries outside EU to obtain a temporary residence permit, **without first obtaining a residence visa**.

The *ARI* (*Autorização de residência para Atividade de Investimento*) or **Golden Visa** (Residence Permit for Investment Activities) was designed in a very straightforward and flexible way, with simple and clear legal requirements and extremely reduced minimum stay requirements, so that it would be the most attractive Residency Program for Investors in the world, namely if compared with other **Golden Visa programmes** or **Citizenship by Investment programmes** in Europe, as you may check in the following quick overview:

Malta: offers citizenship through a combination of government contribution, investment and real estate. **The program requires commitment and ties to the country.** Investment is around € 1.2 million.

Portugal: Offers residency through investment of € 500,000 in real estate. **Citizenship can be applied for after six years, critically without the need to live in the country during that period.**

Spain: Offers a residency program through investment of € 500,000 into real estate. **However citizenship can only be applied for after living in the country for 10 years.**

Greece: introduced a residency program requiring investment of € 250,000 in real estate. **Citizenship can be applied for after 7 years of residency in the country. Taxes on property are high and the restrictions on citizenship make it less attractive than the programs of Portugal and Cyprus.**

Cyprus: Offers the quickest most effective route to citizenship in Europe and a second EU passport within two months. Investment of or € 2.5 million is required in real estate.

1.1 Main Legal Framework

- The Aliens Act - Law n. 23/2007, July 4 (as amended by law Lei n.º 29/2012, of August, 9, by Law n.º 56/2015, of June, 23 and by Law 63/2015, of June, 30);
- Regulatory Decree n. 84/2007, November 5 (as amended by (R.D. n.º 2/2013 of June, 3 and by DL n.º 31/2014 of February, 27)
- Nationality Law nº 37/81 of October 3
- CIRS – Decree -Law nº 442 – A/88 of November 30

2. THE GOLDEN VISA REGIME

The Golden Visa Programme launched by the Portuguese Authorities is a fast track for foreign investors from non-EU countries to obtain a fully valid residency permit in Portugal (“**Golden Visa**”).

Under the Golden Visa programme, non-EU citizens simply need to carry out one of the investments set out in the law to qualify to obtain a residency permit in Portugal. This residency permit will allow the investor and his family members to enter and/or live in Portugal and to travel freely within the vast majority of European countries (Schengen space).

2.1 Types of investments qualified for the Golden Visa Programme

The Golden Visa programme was recently widened to include further types of investment. As a result, the following types of investment now qualify for the Golden Visa programme:

a) Property Investments:

- i. Acquisition of property equal to or above € 500.000;
- ii. Acquisition of property equal to or above € 350.000 for properties more than 30 years old or located in areas of urban renovation.

b) Capital Investments:

- i. Transfer of Funds equal to or above € 1.000.000;
- ii. Transfer of Funds equal to or above € 350.000 for research activities;
- iii. Transfer of Funds equal to or above € 250.000 for artistic or cultural activities;
- iv. Transfer of Funds equal to or above € 500.000 for capitalization of small and medium size companies.

c) Job creation:

Creation of a minimum of 10 job positions.

It should be noted that only investments effectively made after 8th October 2012 are eligible for the Golden Visa programme.

2.2 Validity of the Golden Visa

Once issued, the Golden Visa will be valid for an initial period of 1 (one) year and then will be renewed for subsequent periods of 2 (two) years.

2.3 Eligibility – who may apply?

All non-EU countries citizens who conduct an investment activity in Portugal, as (i) an individual businessperson or (ii) through a company set up in Portugal or in another EU Member State with a permanent establishment in Portugal, provided those citizens fulfil one of the quantitative requirements and the time requirement set out by the relevant legislation.

2.4 Where to apply?

Any investor interested in applying for a Golden Visa can submit the application, either personally or via a legal representative appointed by him, in one of the following manners:

a) Online Registration

By registering online at the Services of Foreigners and Borders' ("SEF") website. After the registration is complete the investor will receive a password and will be able to access online in order to submit the necessary forms and documents.

b) In Person at the Services of Foreigners and Borders in Portugal.

It should be noted that the investor and family members will always have to be present at the Service of Foreigners and Boarders of Portugal for fingerprinting, signature and other formalities.

2.5 Costs involved in obtaining a Golden Visa

The Golden Visa involves payment of the following fees (payable directly to the Services of Foreigners and Borders ("**SEF**")):

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| By the reception and analyses of the application for or renewal of the permit residence for investment activity, according to the article 90 – A of Law No. 23/207 of 4 July; | € 517,40 |
| By the issuance of residence permit for the investment activity, according to the article No. 90 – A of Law No. 23/2007 of 4 July; | € 5.173,60 |
| By the renewal of residence permit for the investment activity, according to the article 90 – A of Law No. 23/2007 of 4 July; | € 2.586,80 |
| By the permit residence for grouped family with the residence permit holders for investment activity, according to the article 90 – A of Law No. 23/2007 of 4 July; | € 5.173,60 |

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| By the renewal of the permit residence for grouped family with the residence permit holders for investment activity, according to the article 90 – A of Law No. 23/2007 of 4 July; | € 2.586,80 |
| By the issuance of the duplicate of the residence title for the investment activity – 50% of the value of the provided rate in the paragraph a); | € 258,70 |
| By the issuance of the third copy and following of the residence title for the investment activity – 100% of the provided rate in paragraph a) | € 517,40 |
| By the substitution of the residence title for the investment activity, by changing the provided elements in the article 86 of Law No. 23/2007 of 4 July – 25% of the value of the expected rate in the paragraph a); | € 129,40 |

2.6 How long will the application take to be processed and does the investor have to pick up the Golden Visa in person?

Once the application is submitted at **SEF**, it will take a few months for the application to be processed (please note that this is just an estimate based on our recent experience).

Once the application is processed, **SEF** will contact the investor or the investor's legal representatives in Portugal and set up an appointment with the investor (and family members) to collect signature and fingerprints.

It should be noted that in some cases, it is possible for the investor to go to the immigration services to leave the fingerprints and signature shortly before the investment and/or submission of the required documents.

2.7 Are there any grounds for refusing the issuing of a Golden Visa or its renewal?

The investor (or any family member) will only be refused the Golden Visa (or its renewal) if:

- a) He/she has not maintained the investment (in case of renewal);
- b) He/she has not complied with the minimum periods of stay in Portugal (in case of renewal);
- c) He/she has been convicted of a crime punishable with a prison sentence of more than one year;
- d) The investor is in a period where he/she has been banned entry into Portuguese territory following a removal measure of the country;
- e) On the grounds of public health (this may only be based on diseases that have been defined by the World Health Organization or other infectious or parasitic contagious diseases which are the object of protection measures in Portuguese territory);
- f) A Golden Visa may be refused on the grounds of public order, public security or public health.

2.8 What happens to the investment after 5 years – can the investor sell the property / transfer the money to another country/extinguish the job positions?

The investor only needs to hold the investment during the Golden Visa's validity period if he/she does not want its renewal.

2.9 Can the investor sell the investment at any time if he no longer needs the Golden Visa?

The investor may sell the investment at any time, but without proof that the investment has been kept, the investor will not be able to renew the Golden Visa Permit.

2.10 Does the investor need to live in/use the property he is purchasing or can it be rented out?

The investor does not need to occupy the property and it can be rented out to obtain income.

3. REQUIREMENTS THE INVESTOR HAS TO COMPLY WITH

The simplicity of the Golden Visa Programme implies an extremely reduced amount of requirements being asked from the investor. The Golden Visa Programme sets out that the investor must comply with general requirements applicable to all types of qualifying investments and also with the specific requirements of each type of qualifying investment.

3.1 General Requirements

In general, all investors have to comply with the following requirements:

- a) Accomplish the investment before the presentation of the residence permit request;
- b) Promise to keep the investment for a minimum period of **5 years**;
- c) Funds for investment should come from abroad;
- d) Entry in Portugal with **a valid Schengen visa**;
- e) Absence of references in the Portuguese Immigration and the Schengen services;
- f) Absence of conviction for relevant crime;
- g) Minimum stay in Portugal: 7 (seven) days during the first year and 14 (fourteen) days during each subsequent period of two years;

3.2 Specific requirements for each type of qualifying investment

Each type of qualifying investment has specific characteristics, as follows:

a) Property Acquisitions

i. Acquisition of property equal to above € 500.000:

- Minimum investment of € 500.000;
- Purchase of one or multiple properties;
- All property types qualify;
- Possibility of co-ownership;
- Freedom to use, rent or lease;
- The investment amount may be reduced by 20% (€ 400.000,00) in case such investment is made in low density population areas

ii. Acquisition of property equal to or above € 350.000 for properties more than 30 years old or located in areas of urban renovation

- For properties more than 30 years or located in areas of urban regeneration. This value includes not only the property but also the investment in the refurbishment works;
- Possibility of co-ownership;
- Freedom to use, rent for commercial or agricultural purposes;
- The investment amount may be reduced by 20% (€ 280,000) in case such investment is made in low density population areas

b) Transfer of Funds

i. Transfer Funds equal to or above € 1.000.000

- Minimum investment of € 1 million
- Funds transferred from abroad to a bank in Portugal
- Total freedom to invest the funds
- Possibility of using the funds to invest in shares of companies

ii. Transfer of Funds of at least € 350.000 applied to research activities carried out by entities which are part of the national scientific and technological system

- Minimum investment of € 350.000;
- Funds transferred from abroad to a bank in Portugal;
- To be used in research activities conducted by public or private scientific research institutions involved in the national scientific or technologic system;

iii. Transfer of Funds of at least € 250.000 applied to investment or support to artistic production or recovery or maintenance of the national cultural heritage

- Minimum investment above € 250.000;
- Funds transferred from abroad to a bank in Portugal;
- Investing in artistic output or supporting the arts, for reconstruction or refurbishment of the national heritage;

iv. Transfer of Funds of at least € 500.000 for acquisition of participation units investment funds or capital investment companies for capitalization of small and medium size companies

- Minimum investment above € 500.000;
- Funds transferred from abroad to a bank in Portugal;
- Investment used for purchasing shares in investment funds or in venture capital.

(c) Job Creation

- Creation of a minimum of 10 jobs;
- No minimum investment value;
- No limitation on areas/activities;
- Compliance with Social Security obligations;
- Possibility of grants/incentives/benefits;
- Investment amount may be reduced by 20% (8 employees) in case such investment is made in low density population areas.

3.3 Documents required to apply for the Golden Visa

The application for the Golden Visa must be accompanied of the following documentation relating the investor:

- Passport or other valid travel document;
- Supporting Documents on the legal entry and stay in Portugal;
- Documentary Evidence of adequate health Insurance (issued within the prior three months), specifically:
 - Document attesting that the applicant is covered by the National Health Service, or;
 - Document attesting that the applicant is covered by an internationally acknowledged Health Insurance Plan for the duration of the stay, with indication of automatic renewal on the expiry date;
- Extract from the criminal record – duly certified by a Portuguese diplomatic or consular post abroad – of the country of origin, or country of residence in case the applicant has lived in another country for over one year. This document must be translated into Portuguese and must have been issued within the prior three months;
- Completed application form (see official template) with permission for checking the Portuguese Criminal Records;
- Affidavit, whereby the applicant declares on his / her word of honour that he / she shall comply with the minimum quantitative requirements and maintain the investment for a minimum period of five years;
- Up-to-date declarations issued within the prior 45 days by the Portuguese Tax Authorities and by the Portuguese Social Security confirming the absence of any debts to those authorities, and where that is not applicable, declaration confirming that the applicant is not registered with those authorities;
- Receipt for the payment of the ARI / Golden Visa Application Examination Fees.
- Proof of Investment (see detailed information bellow);

The documents that are not issued by the Portuguese authorities needs to be translated to Portuguese and the translation needs to be certified.

The documents issued by foreign authorities need to be legalized before being submitted in Portugal. This legalization means obtaining the Apostille of the Hague Convention (when applicable) or legalization by the Portuguese Consular services.

3.4 Proof of Investment

a) Capital transfer with a value equal to or above € 1.000.000

For investments by way of capital transfer with a value equal to or above 1 million Euros, the applicant must prove that an investment in the minimum value was made, either as an independent entrepreneur, or as proprietor of a single member limited company, by delivering a supporting document of an actual international bank transfer, according to the type of investment, as follows:

- **Bank Deposits:** the statement issued by a financial institution accredited or registered in the national territory by the Bank of Portugal, **confirming the sole ownership of bank accounts with a balance equal to or above 1 million Euros**, in which the funds were actually transferred from abroad, or the ownership of a share in the same value in omnibus accounts;
- **For the Purchase of Portuguese Public Debt Instruments**, namely Treasury bonds, savings certificates and ordinary Treasury bills: supporting documents of the sole burden-free ownership of such instruments in value equal to or above 1 million Euros, issued by the Agency for the Management of the Public Debt [*Agência de Gestão de Tesouraria e Dívida Pública – IGCP, E.P.E*], and a Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer, for this investment;
- **For the purchase of book-entry securities (*valores mobiliários escriturais*):** the supporting documents of burden-free ownership issued by the relevant registering entity, pursuant to paragraphs 1 and 2 of Article 78

- of the Securities Code [*Código dos Valores Mobiliários*], and a Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer, for this investment;
- **For the purchase of securities held individually deposited with a Safekeeper**, pursuant to Article 99 of the Securities Code: supporting documents of the sole burden-free ownership, issued by the Safekeeper, and Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer, for this investment;
 - **For the purchase of securities held individually and not integrated in a central securities depository**: supporting documents of the sole burden-free ownership, issued by the securities issuer, and a declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer for this investment; or
 - **For the purchase of securities integrated in a central securities depository**: supporting documents of the sole burden-free ownership, issued by the financial intermediary holding the account, and a Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer for this investment;
 - **For the purchase of share capital not included in the former items**: certificate issued within the prior 45 days by the Commercial Register [*Registo Comercial*], confirming the ownership of the share capital, acquisition contract, and Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer for this investment.

b) Creation of, at least, 10 job positions

The applicant must show that has carried out the actual hiring and subsequent registration of workers in social security - presenting updated certificate issued by that entity.

Note: For investments by way of creation of, at least, 10 job positions, this requirement may be reduced in 20% (8 job positions) provided the investment is made in sparsely populated territories (NUT III level with less than 100 inhabitants per sq.km. or with GDP per head less than 75% of national average).

c) Purchase of real estate property with a value equal to or above 500 thousand Euros

This type of investment may be carried out by the applicant as an independent entrepreneur or as proprietor of a single member limited company.

For this type of investment, the Investor must prove his / her ownership of the real estate (or in case this is not feasible, must deliver a copy of the promissory contract, indicating the payment of an initial deposit [*Sinal*] in value equal to or above € 500.000), which can be done in one of the following ways:

- Purchasing the real estate in co-ownership, provided that the applicant invests 500 thousand Euros or more;
- Purchasing the real estate by means of a single member limited company of which he/she is the proprietor;
- Mortgaging, or otherwise, encumbering, the property in the share exceeding the minimum investment value of 500 thousand Euros;
- Lease the real estate for business, agriculture or tourism purposes.

Documents:

- Final Deeds of purchase, or Promissory Contract;
- Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer for purchasing or for payment as initial deposit [Sinal] of the sale agreement, amounting to 500 thousand Euro or more;
- Certificate of the Land Registry Office [Conservatória do Registo Predial] issued within the prior 45 days, comprising the registrations, endorsements and entries in force and proving the
- ownership of the real estate, free of any encumbrances, or certificate of registry comprising the provisional record of purchase, when legally feasible, with an initial deposit [Sinal] of 500 thousand Euros or more;
- Official Tax Description [*Caderneta Predial*] of the real estate, when legally feasible;
- Excerpt of the Commercial Register [*Registo Comercial*] issued within the prior 45 days in case the investment is made by means of a single member limited company of which the applicant is the proprietor.

Note: For investments by way of purchase of real estate property with a value equal to or above 500 thousand Euros, the investment amount may be reduced in 20% (400 thousand Euros) in case such investment is made in sparsely populated territories (NUT III level with less than 100 inhabitants per sq.km. or where the GDP per head is below 75% of the national average).

- d) 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

For investments by way of real estate purchase, in a value equal to or above € 350.000, that include refurbishment / buildings upgrade:

- * the construction of which was concluded 30 years ago, or more; or

- * located in urban regeneration areas (by refurbishing / upgrading the properties, pursuant to the Decree-Law n. 307/2009 of 23 October, that sets out the legal framework of urban regeneration).

This type of investment can be done by the applicant as a sole entrepreneur or the proprietor of a single member limited company.

For this type of investment, the Investor must prove his / her ownership of the real estate, by one of the following ways:

- Purchasing the real estate in co-ownership, provided that the applicant invests 350 thousand Euros or more;
- Purchasing the real estate by means of a single member limited company of which he/she is the proprietor;
- Mortgaging, or otherwise, encumbering, the property in the share exceeding the value of 350 thousand Euros;
- Renting the Estate for commercial or agricultural purposes, or for tourism.

Documents:

- Statement issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming the actual international transfer of funds (into an unencumbered deposit bank account, in the sole name of the applicant, or the share of which in the name of the applicant corresponds to the minimum required investment amount), for the purchase of the property;
- Certificate of the Land Registry Office issued within the prior 45 days, comprising the registrations, endorsements and entries in force and proving the ownership of the real estate, free of any encumbrances;
- Official Tax Description [Caderneta Predial] of the real estate, when legally feasible;
- Excerpt of the Commercial Register [Registo Comercial] issued within the prior 45 days, in case the investment is made by means of a single member

- limited company, certifying that the applicant is the proprietor of that company;
- For the purchase of real estate located in urban regeneration areas, the following documents are required:
 - Documentary evidence of (i) having applied for previous feasibility, or (ii) having obtained previous feasibility or (iii) having applied for planning consent together with a statement by the entity managing the urban regeneration appropriately accredited to conduct that operation of urban regeneration.
 - For the purchase of real estate with construction dating back more than 30 years:
 - Documentary evidence of (i) having applied for previous feasibility, or (ii) having obtained previous feasibility, or (iii) having applied for planning consent.
 - Where the purchase of the property is concluded before a building contract has been signed, the difference between the purchase price of the property and the minimum investment value required must be deposited in a banking institution duly accredited or registered in Portugal by the Bank of Portugal in an unencumbered bank account in the name of the applicant, and the applicant must submit a bank statement as documentary evidence of the existence of such deposit.
 - Where the purchase of the property is concluded after a building contract has been signed with a contractor appropriately accredited to conduct that operation of urban regeneration by the relevant authority [Instituto da Construção e do Imobiliário IP], the applicant must submit that contract, a receipt for the payment, or, if unable to submit that receipt for reasons beyond his / her control, a written declaration stating that the deposit was made, in value equal to, or above the price, in a banking institution duly accredited or registered in Portugal by the Bank of Portugal in an unencumbered bank account.

Note: The value of this investment may be reduced in 20% (280 thousand Euros) provided it is made in sparsely populated areas (less than 100 inhabitants per sq.km., or where the GDP per head is below 75% of the national average).

- e) Capital transfer with a value equal to or above 350 thousand Euros for investing in research activities conducted by public or private scientific research institutions involved in the national scientific or technologic system

For this type of investment the applicant must prove to have invested the minimum required value, either as a sole entrepreneur or as the proprietor of a single member limited company.

Documents:

- o Statement issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming the actual international transfer of funds, in a value equal to or above 350 thousand euros, into a bank account in the name of the applicant;
- o Declaration issued by a public or private scientific research institution integrated in the national scientific and technologic system, attesting the actual transfer of the capital invested;
- o Certificate issued within the prior 45 days by the Commercial Register [Registo Comercial], for investment in a single member limited company, attesting that the applicant is the sole owner.

Note: The value of this investment may be reduced in 20% (280 thousand Euros) provided that it is made in sparsely populated areas (less than 100 inhabitants per sq.km., or GDP per head is below 75% of the national average).

- f) Capital transfer with a value equal to or above € 250.000 for investing in artistic output or supporting the arts, for reconstruction or refurbishment of the national heritage, through the local and central authorities, public institutions, public corporate sector, public foundations, private foundations of public interest, networked local authorities, local corporate sector organizations, local associations and public cultural associations, pursuing activities of artistic output, and reconstruction or maintenance of the national heritage

For this type of investment the applicant must prove to have invested the minimum required value, either as a sole entrepreneur or as the proprietor of a single member limited company.

Documents:

- Statement issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming the actual international transfer of funds, in a value equal to or above 250 thousand euros, into a bank account in the name of the applicant;
- Statement issued by the Cultural Strategy, Planning and Assessment bureau [Gabinete de Estratégia, Planeamento e Avaliação Culturais] after consultation to the competent authority for this cultural sector, confirming the actual transfer of funds;
- Certificate issued within the prior 45 days by the Commercial Register [Registo Comercial] for investment in a single member limited company, certifying that he applicant is the sole partner.

Note: The value of this investment may be reduced in 20% (200 thousand Euros) provided that it is made in sparsely populated areas (less than 100 inhabitants per sq.km., or GDP per head is below 75% of the national average).

- g) Capital transfer with a value equal to or above € 500.000, for purchasing shares in investment funds or in venture capital geared to capitalize small and medium companies that, in turn, must present a feasible capitalization plan

For investments by way of capital transfer with a value equal to or above € 500.000, for purchasing shares in investment funds or in venture capital, the applicant must prove to have invested the minimum value required, either as a sole entrepreneur or as proprietor of a single member limited company.

Documents:

- Declaration issued by a financial institution accredited or registered in national territory by the Bank of Portugal, confirming an actual international bank transfer, in a sum equal to, or above, 500 thousand Euros, into a bank account in the name of the applicant;
- Certificate attesting the burden-free ownership of the shares purchased;
- Declaration issued by the Fund's Managing Company, attesting the feasibility of the respective capitalization plan;
- Excerpt of the Commercial Register [Registo Comercial] issued within the prior 45 days, in case the investment is made by means of a single member limited company, certifying that the applicant is the proprietor of that company.

4. MAIN ADVANTAGES OF THE PORTUGUESE GOLDEN VISA PROGRAMME

The Golden Visa Programme will provide investors with the following advantages:

4.1 The investor no longer need to obtain a visa to enter Portugal

The Golden Visa is a temporary residence permit valid for a period of 1 year from the date of its issuance and may be renewed for successive periods of two years, provided that the requirements for its grant are maintained.

In order that the residence permit is granted and renewed, applicants should regularize their stay in Portugal within 90 days of their first entry into the national territory (by obtaining, when mandatory, a short-stay visa at the Portuguese consulate in the country of origin) and prove that the minimum quantitative requirements of the chosen investment activity are fulfilled.

For renewal, applicants will have to demonstrate that stayed in Portugal for at least (i) 7 consecutives or interpolated days in the first year and (ii) 14 consecutive or interpolated days in each of the subsequent periods of 2 years.

4.2 The investor no longer need to obtain a visa to travel in Europe (Schengen area)

The Schengen Area is a group of 26 European countries that have abolished passport and immigration controls at their common borders. With a resident permit from Portugal, the investor is entitled to enter and travel freely throughout all the countries of the Schengen area.

The Schengen Area includes the following countries: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland.

Romania, Bulgaria, Cyprus and Croatia are currently candidate countries to the Schengen Area.

4.3 Living and working in Portugal, even with residency in a different country

The investor no longer need to has a working visa to work in Portugal.

4.4 Residency extended to family members

Under the Golden Visa Programme, the investor's family members may also apply and obtain a resident permit from Portugal by applying for "family reunification".

The application for Family Reunification can be made simultaneously with the family member/investor ARI / Golden Visa; however it is always subject to the approval of the ARI/Golden Visa application.

The following are considered family members:

- The spouse;
- Minors or incapable children under guardianship of the couple or of one spouse;
- Minors adopted by an unmarried applicant, by a married applicant or by the spouse, following decision taken by the relevant authority of the country of origin, provided that its legal framework comprises the same rights and duties of natural filiation and provided that such decision is acknowledged by Portugal;
- Children who are of full age, unmarried and dependent of the couple or of one of the spouses, and study in an education establishment, regardless of the Country in which that establishment is located;

- First-degree relatives in the direct ascending line of the resident or his/her spouse, provided that they are dependent on them;
- Minor siblings provided they are under the tutelage of the resident, in accordance with a decision made by the relevant authority of the country of origin, and provided that such decision is recognized by Portugal.

The family members will also be eligible for Permanent Residency after 5 years, and Portuguese Citizenship after 6 years.

4.5 Extremely low minimum stay periods

At least (i) 7 consecutives or interpolated days in the first year and (ii) 14 consecutive or interpolated days in each of the subsequent periods of 2 years.

4.6 Low taxes

The acquisition and ownership of property in Portugal are subject to Portuguese taxes as follows:

| Investment option | Investment activities | Taxes | Comments |
|--------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------|---------------------------------------------------------------|
| Transfer of Funds equal or above € 1,000,000 | bank deposits | No tax | Interests subject to taxes |
| | Public debt securities of the Portuguese State | No tax | |
| | Purchase of securities or shares of a Portuguese Company | No tax | |
| Creation of a minimum of 10 jobs | Creation of jobs | No tax | There are tax obligations related to the labour relationships |
| Acquisition of property equal or above € 500,000 | Purchase of Property | IMT*+ IS**+IMI*** | |
| Acquisition of property for urban renovation | Purchase of property + urban renovation | IMT+ IS**+IMI***+VAT**** | there may be tax benefits |
| Transfer of Funds for research activities | Transfer of funds | VAT****+IS** | case by case scenario |
| Transfer of Funds for research activities | Transfer of funds | VAT****+IS** | case by case scenario |
| Transfer of Funds for capitalization of small and medium size companies | Transfer of funds | No tax | case by case scenario |

*IMT or "Property Transfer Tax", which is the tax on the transfer of ownership of property. Is due and paid only once at the time of the purchase. It ranges from 6% to 6,5% of the taxable amount.

**IS or "Stamp Duty", which is due and paid only once at the time of the contract. Corresponds to a 0,8%.

***IMI or "Council Tax", which is the annual municipal property tax due by the owner of the property on the 31st December each year. It is levied between 0.3% and 0.5% on the property's tax value

**** "VAT" or Value Added Tax, the standard Portuguese VAT rate is currently 23%.

Note: The exact amount of taxes to be paid varies according to the amount of the investment

Tax regime:

The holders of a temporary residence permit are in principle considered as non-residents for tax purposes by the Portuguese tax administration, unless they are considered as a resident for tax purposes. It is considered a tax resident for tax purposes in Portugal, namely, those who, in a given year, remain on Portuguese territory for more than 183 days (consecutive or not) or those who, having stayed less time, have, on the 31st December of that year, housing that reveals their intention to maintain and occupy as habitual residence.

The holders of a temporary residence permit that are qualified as a resident for tax purposes in Portugal may (provided that they have not been taxed as tax resident in Portugal in any of the previous 5 years) apply to benefit from the non-habitual residents tax regime, which the Tax Authorities assess case by case.

When granted, the non-habitual residents tax regime will benefit its holder for a period of 10 consecutive years, after which will be taxed according to the general rules of the IRS Code.

The non-habitual residents tax regime has the following advantages:

- i) Taxation of personal income on labor earned in Portugal at a fixed rate of 20%, considered those earnings result from activities that are considered of high added value, of scientific, artistic or technical nature (Art. 72, n.º 6 and Art 81, nº 5 CIRS);
- ii) The personal income resultant from the remuneration of Investors, Directors and managers of companies that promote productive investment may also be charged at a fixed rate of 20%, as long as those companies are connected to projects and concession contracts that are eligible for tax benefits by the Investment Tax Code;
- iii) The absence of double taxation in the case of pensions and dependent and independent work earned abroad.

Portugal has concluded double taxation agreements with several countries, which provisions must be taken in consideration regarding income taxes arising from transactions between entities resident in Portuguese territory and entities resident on those countries.

For consultation of Double Taxation Agreements signed by Portugal:
http://info.portaldasfinancas.gov.pt/pt/informacao_tax/convencoes_evitar_dupla_tributacao/convencoes_tabelas_doclib/

4.7 Permanent Residency after 5 years

Under Portuguese Law any person that has held a valid Portuguese temporary residency title (e.g. the Golden Visa) for a period of at least 5 years, he will be entitled to obtain Permanent Residency in Portugal.

The investor and family members will have to meet the following criteria in order to be able to apply for Permanent Residency in Portugal:

- Absence of conviction of relevant crime during the last 5 (five years)
- Proof of income / financial independence
- Proof of accommodation in Portugal
- Basic knowledge of Portuguese

4.8 Citizenship after 6 years

The Portuguese legislation also sets out that any person who has been validly resident in Portugal for at least 6 (years (either under a temporary or permanent residency title), is eligible for obtaining Portuguese Citizenship.

In order to be able to obtain Portuguese Citizenship, the investor and family members will also have to comply with the following requirements:

- Be at least 18 years old (or at least 16 but married or legally responsible);
- Absence of conviction of any relevant crime;
- Pass a simple Portuguese language test, which will serve to show sufficient knowledge of the language.