

Proposal for Provision of Services

Non-habitual residents ('RNH') - Portugal

WHO IS IT DESTINED TO?

→ The professions eligible for the 'RNH' scheme are the following:

- Architects, engineers and similar technicians;
- Plastic artists, actors and musicians;
- Auditors and Tax Consultants;
- Doctors and dentists;
- University lecturers;
- Psychologists;
- Liberal, technical and similar professions; (*eg computer programmers; computer consultancy and programming as well as activities related to information and computer technologies; activities of information services; activities of data processing, custody of information and related activities; Web portals; activities of services of information; Scientific research and development activities; Research and development of the physical and natural sciences; Designers*);
- Investors, administrators and managers; business executives

→ You cannot have been considered a resident of Portugal in the previous five years.

→ The citizen who is considered resident in Portuguese territory, in the year that he / she intends to start the taxation as a non-habitual resident, can apply for registration as a non-habitual resident:



RESIDENCY REQUIREMENTS:

- i. Permanence in Portugal for more than 183 days, followed or interspersed;
- ii. When the stay is less than 183 days, but have accommodation in conditions that imply the current intention to maintain and occupy as usual residence;
- iii. That on December 31, they are crew of ships or aircraft, provided that they are at the service of entities with residence, headquarters or effective domicile in that territory;
- iv. That they perform functions or commissions of a public nature abroad, at the service of the Portuguese State.

FISCAL REGIME

Regime in force for a maximum period of 10 consecutive years from the year, inclusive, of its registration as a resident;

INCOME OBTAINED IN PORTUGAL

Type of Income	Type of Activity	Types	Withholding	Notes
Cat. A <i>(income from dependent work)</i>	Cat. A Activities of high added value with scientific, artistic or technical features	20%	20%	Possibility of being included with the remaining income obtained, by option of the owner of the income
Cat. B <i>(income from independent job)</i>	Cat. B Activities of high added value with scientific, artistic or technical features	20%	20%	Regarding the remaining income categories A and B (not considered high added value) obtained by non-habitual residents, they are included and taxed according to the rules established in IRS Code- same as IRPF- (IRS max 53%);
Cat. E <i>(capital income)</i>	Interests, dividend, reserves, certain indemnities, profits, results of swaps of interests operation, income from insurances, etc.	28%*	16,5%	*The owner of these income may choose to include them
Cat. F <i>Income from rent of real estate)</i>	Rental of real estate	28%*	25 %	*The owner of these rentals may choose to include them, according to the rule established in the IRS Code (max rate 53%)
Cat. G <i>(Capital gains)</i>	Appreciation, certain indemnities	28%*	28%*	* The rents of this category that result from real estate gains will be included and taxed according to the rules established in the IRS Code (maximum rate of 53%); * The owner of these rents can choose to include, in which case these rents will be taxed in accordance with the rules established in the IRS Code (maximum rate of 53%);

The types of retention indicated are merely indicative and vary according to the type of income of each category

FOREIGN INCOME

Type of Income	Method	Application Field	Notes
<p>Cat. A</p> <p><i>(income from dependent work)</i></p>	<p>Exemption Method</p> <p><i>(exempted from taxes in Portugal)</i></p>	<p>Requirements :</p> <p>a) That are taxed in another State, according to the Convention to eliminate double taxation celebrated by Portugal with that State, or good.</p> <p>b) That they are taxed in another country, territory or region, in cases where there is no agreement concluded by Portugal, provided that the revenues should not be considered obtained in Portuguese territory, in accordance with the IRS Code.</p>	<p>Mandatory inclusión into total for the purpose of determination of rate applicable to the remaining income.</p> <p>Option for the tax credit method</p>
<p>Cat. B, E, F and G*</p> <p><i>income from independent job, of capitals, of real estate and capital gains</i></p>	<p>Exemption Method</p> <p><i>(exempted from taxes in Portugal)</i></p>	<p>Requirements:</p> <p>a) That may be taxed in another State, pursuant to the Agreement to eliminate double taxation concluded by Portugal with that State or good</p> <p>b) That they are taxed in another country, territory or region, according to the model of fiscal agreement of the OECD on income and assets, in cases where there is no agreement held by Portugal, provided that the rents should not be considered as obtained in Portuguese territory, in accordance with the IRS Code, and the other State is not contemplated in the List of Countries with a favorable tax regime.</p>	<p>* This method is also applied to income from intellectual or industrial property;</p> <p>Mandatory inclusion into total for the purpose of determination of rate applicable to the remaining income</p> <p>Option for the tax credit method</p>
<p>Cat. H</p>	<p>Exemption Method</p>	<p>Requirements:</p> <p>a) That may be taxed in another State, pursuant to the Agreement to eliminate double taxation concluded by Portugal with that State or good.</p>	<p>Mandatory inclusion into total for the purpose of determination of rate applicable to the remaining income.</p>

<p><i>(Pensions)</i></p>	<p><i>(exempted from taxes in Portugal)</i></p>	<p>b) That the incomes should not be considered obtained in Portuguese territory, according to with the IRS Code (in the particular case of pensions, these are taxed in Portugal when any entity that has its seat, residence, effective domicile or stable establishment which the payment is imputed)</p>	<p>Option for the tax credit method</p>
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