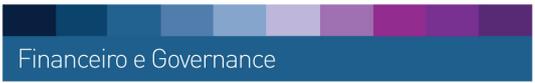




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Financeiro e Governance

July 1, 2015

RESIDENCE PERMIT FOR INVESTMENT ACTIVITIES (GOLDEN RESIDENCE PERMIT)

NEW ELIGIBLE TYPES OF INVESTMENT

On October 8, 2012, a new legal regime was introduced in Portugal allowing citizens of Third States, i.e. States that are neither members of the EU nor of the Convention that implemented the Schengen Agreement, to obtain a Portuguese residence permit, subject to said citizens making certain types of investment in the country. This residence permit goes by the name of Golden Residence Permit or Golden Visa (Autorização de Residência para Atividade de Investimento or ARI, in Portuguese).

Three types of investments were initially foreseen for the granting of this residence permit: (i) the transfer of capital amounting to at least 1 million Euros; (ii) the creation of at least 30 jobs or (iii) the acquisition of real estate property of a cost amounting to at least 500,000 Euros.

Yesterday, Law n. 63/2015, of June 30, was published and which amended Law n. 23/2007, of July 4, as last amended by Law n. 29/2012, of August 9, which defines the conditions and procedures for entry, stay, exit and removal of foreign citizens from Portuguese territory, as well as the statute of long-term resident. The publication of this amendment foresees new types of investment eligible for the granting of the residence permit, namely the ones listed below:



1. Acquisition of real estate property whose construction has been concluded in, at least, the last 30 years, or that is located in an area of urban rehabilitation, and investing at least 350,000 Euros in the rehabilitation of said real estate property;
2. Transfer of capital amounting to at least 350,000 Euros and which is used to fund scientific research developed by public or private institutions and that is integrated into the national science and technology system;
3. Transfer of capital amounting to at least 250,000 Euros and which is used to fund art production, the recuperation or maintenance of national cultural heritage, through the central or regional direct administration services, public institutions, entities integrating the public business sector, public foundations, private foundations with public utility status, inter-municipal entities, entities integrating the local business sector, associative municipal entities and public cultural associations, all carrying out activities in the areas of art production, recuperation or maintenance of national cultural heritage;
4. Transfer of capital amounting to at least 500,000 Euros for the acquisition of shares in investment or venture capital funds aimed at the capitalisation of small- and medium-sized enterprises that present a viable capitalisation plan for this purpose.

With regard to the types of investment that were already eligible, the number of minimum jobs to be created was lowered, once again, from 30 to 10.

In relation to the types of investment previously referred to in points 1 to 3, as well as for the creation of jobs and acquisition of real estate property, a reduction of 20% of the minimum required amount was introduced in cases where these investments are made in areas of low density. So, if an investor buys a real estate property in an area of low density, the 500,000 Euro threshold is lowered to 400,000 Euros, this also being the case with investments made into research developed by institutions in areas of low density, where the amount of the minimum required investment is reduced from 350,000 Euros to 280,000 Euros. This amendment is quite relevant and important for the development of those areas in Portugal which have most suffered desertification. It should be highlighted that, the Law clarifies that



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the areas considered to be of low density are those with Level III of the Nomenclature of Territorial Units for Statistics (NUTS III) with fewer than 100 inhabitants per Km² or a gross domestic product (GDP) *per capita* that is lower than 75% of the national average.

Lastly, another important point to highlight in the amendment is the possibility of children who are over 18 and who are dependent on the couple or on one of the spouses, and who are single and studying, to be considered as members of the eligible family nucleus. In the previous regime, only those dependent children over 18 who were studying in Portuguese education institutions were eligible. Although, in practice, the Portuguese Immigration and Borders Service already had this understanding, this legal provision now expressly clarifies which family members can benefit from being part of the eligible family nucleus.

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