



THE PORTUGUESE GOLDEN VISA PROGRAM



MACEDO VITORINO & ASSOCIADOS
Sociedade de Advogados, RL



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WHAT ARE GOLDEN VISA

WHAT IS A GOLDEN VISA?

The Portuguese residence permits for investment, known as golden visa, offer citizens of non-European Union (EU) countries who invest in Portugal the opportunity to obtain a residence permit in Portugal.

The purchase of property in Portugal with a minimum value of €500,000 is the most used of all eligible forms of investment required under the golden visa program.

The holders of golden visa may also obtain residence permits for their families and, subject to compliance with certain requirements, apply for the granting of a non-permanent resident special taxation condition, which offers a reduced income tax rate.

Golden visa have become very popular with international investors immediately following its approval in 2012 given the low level of investment required, the straightforward application requirements and other advantages that are described in this paper.

ADVANTAGES OF GOLDEN VISA

Holders of Portuguese golden visa acquire the right to reside in Portugal and in the Schengen area countries, which include: Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Luxembourg, Malta, Norway, Poland, Slovakia, Slovenia, Spain, Sweden, Swiss and The Netherlands.

Golden visa are valid for 1 year and may be prorogated for successive 2-year periods subject to compliance of minimum duration of investment and of minimum stay requirements.

Holders have low minimum stay requirements: 7 days in the first year and 14 days for subsequent 2-year periods.

Properties acquired for the purposes of obtaining a golden visa may be leased, explored for commercial, touristic or agriculture related activities and can be mortgaged provided the mortgage value exceeds the minimum investment amount required.





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HOW TO OBTAIN A GOLDEN VISA

INVESTMENT REQUIREMENTS

Applicants to golden visa must complete and maintain an investment in Portugal for a minimum period of 5 years since the award of the residence permit. The investment may be made:

- Transfer of funds in the minimum amount of €1,000,000;
- Establishment of a business leading to the creation of a minimum of 10 jobs;
- Acquisition of a property for a minimum purchase price of €500,000;
- Acquisition of real estate, whose construction has been completed for at least 30 years or located in an urban recovery area and carry out rehabilitation works of real estate acquired in the overall amount of €350,000.00 or higher;
- Transfer of capital in the amount of no less than €350,000.00, to be applied in research activities;
- Transfer of funds in the amount of no less than €250,000.00, to be applied in investment or supporting artistic production, recovery or maintenance of national cultural heritage; or
- Transfer of funds in the amount of no less than €500,000.00, for the purchase of a unit investment trust or venture capital geared to the capitalization of small and medium enterprises.



FORMS OF INVESTMENT

Investments may be made:

- Directly by the individual applying to the golden visa;
- Indirectly through a company with head-offices in Portugal owned by the applicant; or
- Through a company with head-offices in another EU Member State with a permanent establishment in Portugal, owned by the applicant.

If the investment is made by a company, compliance with investment thresholds will be assessed in light of amount of the shareholding the applicant holds in the relevant company.



APPLICATION REQUIREMENTS

To apply for a golden visa the applicant must:

- Be physically present in Portugal, own or lease a residence in Portugal and have means to support himself/herself;
- Register with the Portuguese social security authorities in those cases where the business activity that he/she performs in Portugal is subject to registration;
- Not to have been convicted for a crime punishable with imprisonment in Portugal of 1 year or with the prohibition of entry in Portugal;
- Not to be signaled in the Schengen Information System and in the Portuguese authorities information system as prohibited from entering and staying in Portugal;
- Posses a valid Schengen visa; and
- Registration of the stay in Portugal within 90 days from the date of the first entry in Portugal.



APPLICATION DOCUMENTS

The application for a golden visa must include the following documents:

- Passport or another valid travelling document;
- Evidence of legal entry and permanence in Portugal;
- Health insurance;
- Authorization enabling the consultation by the Portuguese Immigration Service (*Serviço de Estrangeiros e Fronteiras*) of the applicant's Portuguese criminal record;
- Criminal Record Certificate from the relevant authority of the applicant's home country or from the country where he/she resided for at least one year;
- Good standing certificate issued by tax and social security authorities in respect of the applicant; and
- Documents evidencing the investment made in Portugal.



INVESTMENT DOCUMENTS

The documents required to evidence each type of investment are the following:

- Bank statement certifying effective transfer of the funds to bank account held by the applicant (solely or as first holder) and, to the extent funds are to be used to acquire shares in a company, certificate of the relevant company issued by the commercial registry office;
- Certificate issued by Portuguese social security authorities evidencing enrolment of the relevant employees; and
- Legal title of purchase or promissory purchase agreement of the property containing a bank statement certifying the transfer of funds for the acquisition or for the advance payment and certificate of the relevant property issued by property registry office evidencing, if applicable, the registration of the promissory agreement.



WHERE TO APPLY

Applications for golden visa may be submitted:

- Online at the Portuguese Immigration Service website (www.sef.pt);
- In any Portuguese embassy or consular post; or
- In Portugal in a Regional Directorate or at a Regional Delegation of the Portuguese Immigration Service.

More information about golden visa can be obtained at:

- Portuguese foreign office embassies and consular posts (www.secomunidades.pt);
- AICEP Portugal Global Trade & Investment Agency (www.portugalglobal.pt); and
- The Portuguese Immigration Service (www.sef.pt).

PRACTICAL ADVICE

Golden visa offer several advantages to non-European investors wishing to reside or develop business in the European Union.

The application process is straightforward. However, the time to obtain a golden visa may vary depending on how ease it is for the applicant to obtain the documentation required by the Portuguese Immigration Service.

The following are a few practical rules for obtaining a golden visa:

- Identify the property you wish to invest in or prepare your investment with the help of reputable advisors. There are many licensed local real estate mediators and investment advisory firms that can help you;
- Do not attempt to bend the rules and do not accept to pay any bribes; and
- Make sure you meet the legal requirements and obtain the application documents.





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ABOUT US

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Our advice includes:

- Contract law
- Foreign investment
- Incorporation of investment vehicles
- Property law
- Tax

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