

Finpartner
YOUR BUSINESS PARTNER


AmCham
CÂMARA DE COMÉRCIO AMERICANA . PORTUGAL

Moving to Portugal: Tax Representation and Self-Employment Essentials

Speakers:

Claudiu Vancea

Ana Castelhana



About Finpartner

Founded in 2006, Finpartner has specialized in providing accounting, taxation, payroll processing, and consulting services at both the national and international levels. Our work is directed towards national and international companies, as well as individuals.



Clients
+ 3500



Projects
+200



Get to know the **speakers**

Claudiu Vancea

Key Account Assistant

cvancea@finpartner.pt

Specialist in self-employment and personal income tax (IRS), supporting international clients with tax obligations.



Ana Castelhana

Head of Immigration Desk

acastelhana@finpartner.pt

Expert in tax representation and relocation strategies, guiding clients through the residency requirements.

Let's talk about



First Steps

What to do
after moving to
Portugal



Tax Representation

When it's
required and
how it works



Self- Employment

Obligations for
independent
workers, choosing a
tax regime



Taxes & Social Security

IRS brackets, social
security
contributions



First Steps to move to Portugal



Why Portugal?

Portugal is a small country in Southern Europe, known for its safety, good weather, and high quality of life.

Many international students and expats choose Portugal because:

It is one of the safest countries in the world

The cost of living is lower than in the United States

The climate is mild, with many sunny days

The food and culture are very rich



First Steps in Portugal

When you arrive in Portugal, you should:

1. Get your NIF;
2. Open a Portuguese bank account;
3. Find accommodation (rental or buy);
4. Register for healthcare services.

These steps are essential to start your life in Portugal.



What is the **NIF**?

The NIF (Número de Identificação Fiscal) is mandatory for any legal act in Portugal.

- Lease/Property acquisition
- Opening a bank account
- Utilities & Internet contracts
- Freelance activity registration

Tax Residency Concepts

The 183-Day Rule

Spending more than 183 days in Portugal within a 12-month period usually triggers tax residency.

Habitual Abode

Possessing a home that suggests an intention to maintain it as a habitual residence also confirms residency.

Strategic Alert: Tax residency triggers global income reporting obligations in Portugal.

Tax Representation

When is it required?

Tax representation is mandatory for non-residents from outside the EU/EEA who possess assets or income in Portugal.

How it works:

- The representative acts as a liaison with the Tax Authority (AT).
- Guarantees the receipt of notifications and compliance with tax duties.
- Essential for NIF application for non-EU residents.



Non-EU

Mandatory for Non-EU/EEA Residents



Independent workers



Simplified Regime vs. Organized Accounting



Simplified Regime :

100% of annual revenue

- 75% is considered taxable income
- 25% is activity expenses

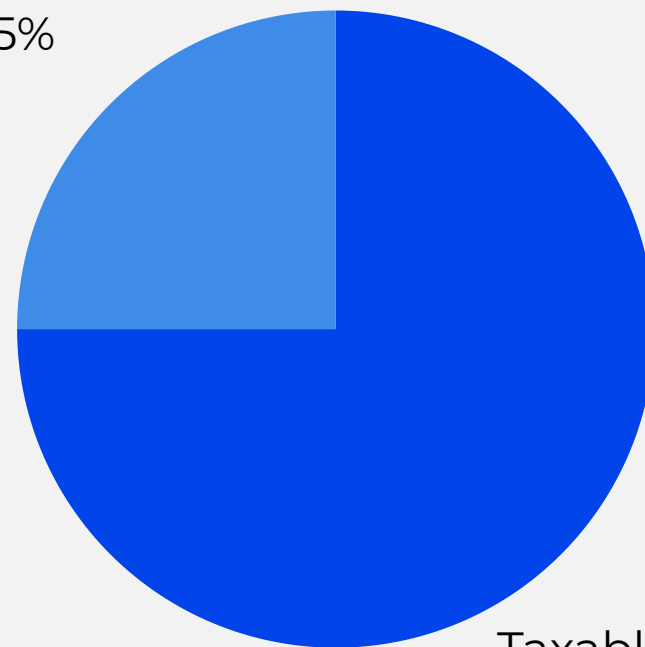


Organized Accounting:

- Annual income from the activity - Annual expenses from the activity = Profit/Loss
- Mandatory if annual revenue exceeds €200,000.

The 75% Rule (Simplified)

Presumed Expenses
25%



Taxable Income
75%

75%

Taxable Base

The Tax Authority assumes 25% of your revenue covers your business costs.

Example: Revenue €50,000
Taxable Income €37,500.

***Note:** A portion of the 25% must be justified via validated invoices in the "e-fatura" portal.

Declarative Obligations

IRS Declaration

Annual submission between April and June.
Covers all income earned from Jan 1st to Dec 31st. (including income earned from self-employment)

Recapitulativa Declaration

This is where sales/services provided within the European Union market are declared.
It is an accessory declaration and has a direct correlation with VAT declarations.

VAT Declarations (IVA)

The €15,000 Threshold

If your annual revenue is below €15k, you may qualify for the Art. 53 exemption (no VAT collection).

Declarative Obligations

☑ Model 30

- Delivery is made when payments are made for services rendered to non-residents.
- Delivery date: by the end of the second month following payment

☑ IES (Simplified business information)

- Only mandatory for self-employed workers with organized accounting
- This statement includes the Profit/Loss statement, the balance sheet for the year, accounting and tax information.

Declarative **Obligations**

Billing Communication

The 5th Day Rule - The Golden Rule

All invoices issued must be communicated to the Tax Authority by the 5th day of the following month.

Portal das Finanças

Free but manual invoicing through the official system.

Certified Software

Mandatory if you issue your own receipts via external programs.

VAT & Compliance

The 15,000€ Rule

Self-employed workers with annual revenue below 15,000€ may be exempt from VAT under Article 53.

Key Deadlines

- Quarterly VAT: 20th of the second month after the quarter.
- VAT Payment: 25th of the same month.



IRS Progressive Rates 2026

Escalões (Income Level)	Annual Taxable Income	Marginal Rate
1.º	Until 7.479€	14,50%
2.º	7.479€ to 11.539€	23%
3.º	11.539€ to 15.000€	28,50%
4.º	15.000€ to 19.735€	35%
5.º	19.735€ to 28.196€	37%
6.º	28.196€ to 39.484€	43,50%
7.º	39.484€ to 51.997€	45%
8.º	51.997€ to 81.199€	48%
9.º	Above 81.199€	48%

Social Security Rules

21.4%

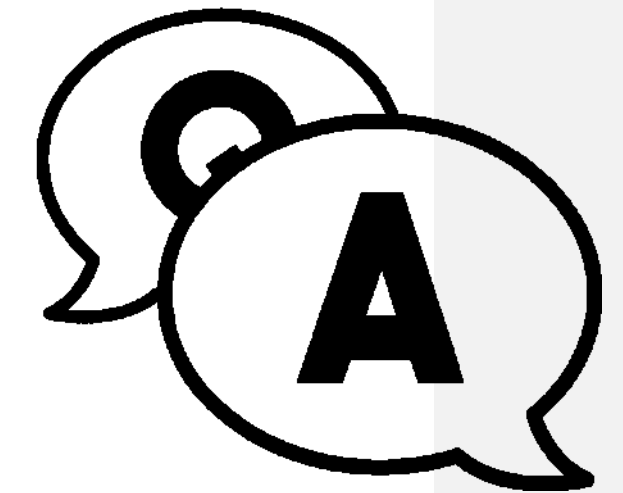
Contribution Rate

- 1st Year Exemption: No contributions required during the first 12 months of activity.
- Quarterly Basis: Contributions based on 70% of revenue from previous quarter.
- Flexibility: Option to increase or decrease contribution by 25%.
- Minimum: 20€/month even with zero revenue.

SS Calculation Example

Quarterly Revenue: €10,000

$$\begin{array}{|c|} \hline 70\% \text{ Base} \\ \hline \text{€7,000} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Rate} \\ \hline 21.4\% \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Total} \\ \hline \text{Contribution} \\ \hline \text{€1,498} \\ \hline \end{array}$$



This total is divided into three monthly payments (approx. €499/month).

When to **Incorporate?**

Self-Employed (IRS)

Up to 48%

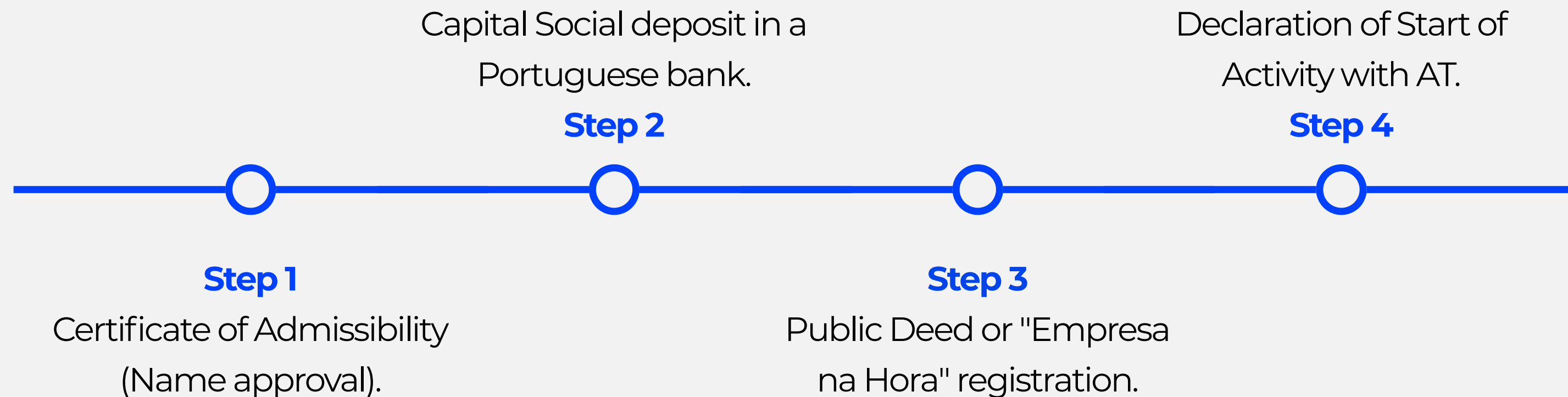
Corporate (IRC)

15% - 19%

For revenue exceeding €80,000 per year, forming a Limited Liability Company (Lda.), can be more tax-efficient.



Incorporation Journey



For revenue consistently exceeding €80,000, establishing a limited liability company (Lda.) often becomes significantly more tax-efficient.

Tax Incentives for Foreigners



NHR Status

Abolished in 2024, but existing holders maintain benefits of 20% flat rate for 10 years.



Return Program

50% income exemption for residents returning, capped at 250,000€ annual revenue.



IFICI (New NHR)

Created in 2025 for scientific research and innovation. Grants fixed 20% rate.

👉 **We're here to answer your questions!** 👉



**Thank you
for your
time!**

Finpartner
YOUR BUSINESS PARTNER