

**FIDELITE**  
YOUR VISION · YOUR GOALS · OUR SOLUTIONS

# WHY PORTUGAL



# LIVING IN PORTUGAL



## AVERAGE TEMPERATURE

25°C (summer)  
16°C (winter)



## WORLD'S LEADING DESTINATION

**#1**  
World Travel Awards 2018



## MOST EXCITING CITY IN THE WORLD

**#2**  
Porto



## BEST PLACE IN THE WORLD TO RETIRE

**#7**  
Annual Global Retirement Index 2019



## TOURISM COMPETITIVENESS

**#14**  
Global Travel & Tourism Competitiveness  
Index 2017



## NUMBER OF TOURISTS

**12.762.532**  
2018



## MOST PEACEFUL COUNTRY IN THE WORLD

**#4**  
Global Peace Index 2018



## BEST COUNTRY TO LIVE AND WORK IN THE WORLD

**#6**  
Expats Insider 2018



## WORLD'S BEST HEALTH SYSTEMS

**#12**  
World Health Organization's Ranking



## WORLD'S COMPETITIVENESS TALENT

**#17**  
World Talent Ranking 2018



## COUNTRY WITH BETTER INFRASTRUCTURES IN THE WORLD

**#18**  
The Global Competitiveness Report  
2017-2018



## QUALITY OF SCIENTIFIC RESEARCH INSTITUTIONS

**#22**  
The World Bank 2017

# WHY INVESTING IN PORTUGAL



**Strategic position to access key worldwide markets**



**Privileged platform for the commercial relationship**



**Mobility facilitated by international airports**



**The new destination to invest**

Forbes 2018



**Simpler countries to create a new company**

Portugal: one-stop-shop registration - 1 day  
The 2nd country in EU-28



**Most stable places to do business**

34th (out of 190)  
World Bank's Doing Business Ranking 2019



# TAX BENEFITS

- A 20% flat rate for certain Portuguese source income (employment and self-employment income), and an exemption for almost all foreign source income.
- Beneficial tax treatment for pensions and other life insurance products (including unit linked) may further significantly reduce the effective tax burden on capital invested.
- Portuguese companies may take advantage of EU non discrimination rules and EU Directives on mergers, dividends, interest and royalties, as well of Portuguese double tax treaties.
- A tax exemption for gifts or inheritances to spouse, descendants or ascendants. Inheritance or gifts to other individuals will be either not taxable, due to the generous territoriality rules, or subject to a flat 10% stamp tax rate.
- Companies licensed to operate in the Madeira International Business Centre (MIBC), including branches of non-resident entities, with a license issued until 31 December 2020, benefit from a 5% CIT rate until 31 December 2027.
- Portugal has signed more than 60 double tax treaties, including with Malta, Macao and Hong Kong, as well as more than 50 investment protection agreements. It has more than 15 tax information exchange agreements signed (most of which are already in force) e.g., Bermudas, Cayman and Guernsey, and several social security agreements, offering interesting opportunities in a tax friendly environment.
- No wealth tax and free remittance of funds either to Portugal or abroad. Nil taxation on dividends with proper planning or otherwise a 28% flat tax rate will apply. Tax credit for international double taxation may be available.
- The reduced CIT rate applies on income derived from transactions with non-residents (or with other MIBC entities), limited to thresholds of taxable income and depending on the creation of jobs. The MIBC special tax regime also provides for generous benefits regarding withholding taxes on interest, royalties and services.

# INCENTIVES AND GRANTS

## PRODUCTIVE INVESTMENT

### FINANCIAL INCENTIVES

(Portugal 2020)

- Loan: 35% of eligible expenses as an interest-free loan;
- 8-years reimbursement period;
- Cash Grant: Loan conversion of up to 50% of the incentive depending on the performance of the project.

### TAX INCENTIVES

(Investment Tax Code)

- Corporate Income Tax Credit from 10% up to 25% of eligible investment;
- Tax benefits up to a 10-year period after the conclusion of the investment.
- Exemption from Municipal Property Tax, Municipal Tax and Stamp Tax Transactions.

## R&D INVESTMENT

### FINANCIAL INCENTIVES

(Portugal 2020)

- Base Rate: 25% of eligible expenses;
- Bonuses: up to +60 pp according to project scope and company size;
- Cash Grant: up to €1,000,000 of incentive;
- For incentive amount that exceeds €1,000,000, 25% as an interest-free loan and 75% as cash grant.

### TAX INCENTIVES

(SIFIDE II)

- Corporate Income Tax Credit: Base rate: 32.5%;
- Incremental Rate: 50% of the increase in expenses incurred during that period compared to the average from the previous two fiscal years, up to €1,500,000.

## JOB CREATION

• Monthly support up to 656.15€  
(Internship)

• Annual support up to 2'012.26€  
(Unemployed people)

• Exemption from payment of Social Security Contributions - 23.75% for a maximum period of 36 months - only applies to permanent contracts. (For first job, aged under 30 years or long-term unemployed)

# ENTREPRENEURSHIP PROGRAMS

## **START UP VOUCHER**

Supports the development of projects in the idea phase.

## **ROAD 2 WEB SUMMIT**

Supports and prepares Portuguese startups to maximize participation in the largest technological entrepreneurship event in the world.

## **TRAINING FOR ENTREPRENEURS**

Courses intended for entrepreneurs and their teams.

## **KEEP- KEY EMPLOYEE ENGAGEMENT PROGRAM**

Tax incentive to support the retention of workers in technology companies under 6 years.

## **CALL MVP - MINIMUM VIABLE PRODUCTS**

New ideas, technologies, products or services that foresee the creation of an MVP and its commercialization in the global market.

## **TECH VISA**

Visa for technological and innovative companies, aimed at the global market, wishing to attract highly qualified staff from countries not included in the Schengen area.

## **INCUBATION VOUCHER**

Management services, marketing, legal advice and support, digitization support intellectual property protection and support for applications for entrepreneurship and innovation contests.

## **STARTUP HUB**

Digital platform for mapping startups and national incubators, which includes information on the supports available to the ecosystem.

## **INTERNATIONAL CO-INVESTMENT FUNDS**

Promotes the attraction of venture capital funds in Portugal.

## **CO-INVESTMENT INSTRUMENTS WITH INCUBATORS AND ACCELERATORS**

Co-financing lines with incubators and accelerators.

## **METRO ACCELERATOR FOR HOSPITALITY POWERED BY TECHSTARS**

International acceleration program with Techstars focused on the use of technology in the hospitality industry (accommodation & catering).

## **INTERNATIONALIZATION SUPPORT MISSIONS**

Participation of Portuguese startups in major international technology events and in state visits abroad with members of the Government.

## **PITCH VOUCHER**

Promotes the strengthening of the relationship between startups and large companies.

## **STARTUP DNA LINE**

Financial support line for startups and micro-enterprises.

## **CAPITAL + ACCELERATION**

Financing line for capital inflows to accelerate the growth of startups.

## **COMPANY SPACE FOR STARTUPS**

Point of service for foreign entrepreneurs with bilingual service (Portuguese and English), ensuring a simple and fast process of company creation.

# RESIDENCE PERMIT FOR INVESTMENT ACTIVITIES

## GOLDEN VISA BENEFITS

- Visa exemption to enter in Portugal and to travel in the Schengen area (26 EU countries).
- Family reunification (spouse, minor children, children above 18 who are still studying and who are financially dependent).
- Possibility to apply for permanent residence (after completing 5 years and comply with the other requirements).
- Live and work in Portugal.
- A person may apply for Portuguese citizenship from the 6th year if he/she complies with the requirements.

# FID ELITE'S INVESTMENT PORTFOLIO

## INVESTMENT PROFITABILITY

HOTELS

UP TO 15.7%

COMMERCIAL AND RETAIL

UP TO 7.70%

INDUSTRIAL SECTOR

UP TO 41.59%

# FID | ELITE

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