

Move to Portugal...Why Not?!

The Golden Visa Guide

By The Expat Homes Team

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Note: This guide was created as a supplement to our more robust guide that has spent some time on the bestseller list, [*Move To Portugal...Why Not?! A Complete Guide For Wannabe Expats.*](#)

If all you need is Golden Visa information, the guide you are reading right now should do you just fine.

We will update this guide from time-to-time as the rules change and as new information becomes available. If you purchased this for a Kindle or Kindle App, it will be updated automatically whenever we publish changes.

Please contact us with any Portugal Golden Visa questions that weren't answered here. If we don't know the answer, we will help you find someone who does!
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Introduction

Regardless of your background or your interests, it is safe to say there is something for everyone in Portugal.

Portugal is a popular relocation option for those who are looking for a relaxed lifestyle, low cost of living, high quality healthcare and personal safety. People also enjoy food, wine, access to the Schengen area, favorable income taxes and a crypto-friendly government.

Portugal is one of Europe's hidden gems that is becoming less hidden every day. (And those favorable articles in the big US media outlets are not helping us keep the secret about how great it is!)

"Golden Visa" is the term commonly used for the visa by investment program in Portugal (and other countries). The countries that offer these programs allow you to obtain residency and sometimes citizenship in exchange for your money and a little paperwork/bureaucracy. There are a few dozen countries in the world with Golden Visa programs.

The ease of getting proper residency is a big advantage to the Portugal Golden Visa program. The process is straightforward and they *want* people to use it. As long as you follow the guidelines and meet the requirements, you shouldn't have any problem getting approved.

The Golden Visa program was launched in order to attract foreigners with money to Portugal. Portugal is not a wealthy country and they have an aging local population. Until recent history, the young citizens who had any upward mobility were leaving for greener pastures as soon as they were old enough to do so. That created a void of sorts. The government decided to take action with their ambitious efforts to replace those people by making it attractive to foreigners who want to move there.

In order to attract foreign investments and skilled professionals, Portugal launched their Golden Visa program in 2012. So far, about 11,000 people have used the Golden Visa program. The largest numbers of applicants have come from China, Brazil, Turkey, South Africa and the United States.

How does the Golden Visa work?

There are a few options for the Golden Visa. The most popular version involves the purchase of real estate in Portugal.

The real estate needs to meet certain requirements (more details on this below). As of January 2022, many of the popular areas in Portugal no longer qualify for Golden Visa property investments in residential real estate. However, commercial real estate purchases still qualify in those areas.

The “popular areas” mentioned above will be no surprise. Basically, most or all of Lisbon, Porto, the Algarve and most beachfront land in the entire country no longer have residential properties that qualify for the Golden Visa.

Why the restrictions? The Portuguese government wants to direct new investment money into the areas that could use more redevelopment. The big metro areas that are already popular with tourists don't need as much help because they are already thriving. They also wanted to prevent the prices from getting out of control in the major metro areas (some would argue it's already too late for that).

Authors' note: This next statement is our opinion and not based on any inside knowledge. If history is any guide, we would not be surprised to see the restrictions on areas allowed for Golden Visa investments continue to tighten in the coming years. If people keep flocking to Portugal in large numbers, it would be wise for the government to direct that new money into the poorest parts of the country. There have been no announcements about plans to change the map as of today (August '22), but we are keeping a close eye on it.

What is the difference between residential and commercial property?

Residential property is classified specifically for housing purposes. This includes single family homes, apartments (condos), townhomes and villas.

The residential properties in Portugal have common classifications depending on the type of property, and type and number of rooms. Apartments have T classifications and houses have V classifications.

For example, a T2 apartment is an apartment with two separate bedrooms, and a T0 is a studio apartment with no separate bedrooms. An apartment with an additional room that is not a full bedroom (like den, sitting room or small bedroom) will be classified with a +1. A one-bedroom apartment with a den would be a T1+1.

Houses work the same way, but with a V instead of a T. A three-bedroom house would be a V3.

Commercial property is property that serves a business purpose. The most common forms of commercial property are office buildings, retail shops, industrial buildings and hotels.

How much do I need to invest in real estate in order to qualify for the Golden Visa?

- €500,000 for property in qualifying areas
- €350,000 for property of a certain age that needs some rehabilitation
- €350,000 for a commercial property
- Minus 20% of the amounts listed above for qualifying properties that are ALSO in government-designated "low density" areas

The "minus 20%" bit deserves some more explanation.

A commercial property in a low density area that needed to be rehabilitated would reduce the minimum investment amount by 20%. So an even €350,000 minus €70,000 would mean you can make it happen for €280,000. The same would apply to a residential property that needed to be rehabilitated in an interior area of the country that is also low density.

To make it more fun, you can also add the cost of renovations into the total calculation. So if you purchased a qualifying property for €200,000 and spent €80,000 on renovations, that would work too.

Can I purchase more than one property and use the aggregate amount to qualify for a Golden Visa?

Yes! You can mix and match different properties and types of properties as long as the total still fits the parameters of the minimum investments.

For example, you could buy five villas for €100,000 each to reach the €500,000 level as long as the villas are all located in an area that qualifies for residential Golden Visa investments.

Can I use a mortgage to qualify for the minimum investment amount?

No. You can use a mortgage as a part of your purchase in addition to the minimum investment amounts required, but the mortgage cannot be used as part of the investment for the Golden Visa.

For example, you could purchase a property for €950,000 and get a mortgage for €450,000, but you would still need to show that you spent €500,000 of your own money coming from outside of Portugal as part of your purchase in order to qualify for the Golden Visa.

How do I know where a property sits (geographically) and if it is in an area that qualifies for a Golden Visa investment or not?

It would be nice if the Portuguese government would publish a detailed map of the boundaries for “low-density” and “high-density”, or “qualifying” and “not qualifying” for Golden Visa purposes. Alas, government bureaucracy has prevented this from happening so far. Therefore, the process is a bit more complicated and not as clear.

Once you have narrowed your search to a general area, there are two things we recommend.

First, you will want to find a local real estate agent who is knowledgeable about the Golden Visa rules and boundaries in that area. Not all of them know the rules, so you might have to talk to a few before you find a winner. We have a collection of agents we trust and

we would be happy to put you in touch if we know one for the area(s) that matter to you. Feel free to email us goldenvisa@espatriati.com and we'll see what we can do to help.

Second, you will want to verify what the agent is telling you about the specific area by checking on the official government website. It is wise to get a second set of eyeballs on this before you get too far into a transaction. You may need a translator to help you make sense of it as well (usually not too expensive). These are the counties in Portugal that are considered low-density as of summer 2022.

1. Abrantes
2. Aguiar da Beira
3. Alandroal
4. Alcácer do Sol
5. Alcoutim
6. Alfândega da Fé
7. Alijó
8. Aljezur
9. Aljustrel
10. Almeida
11. Almodôvar
12. Alter de Chão
13. Alvaiázere
14. Alvito
15. Ansião
16. Arcos de Valdevez
17. Arganil
18. Armamar
19. Arouca
20. Arraiolos
21. Arronches
22. Avis
23. Baião
24. Barrancos
25. Beja
26. Belmonte
27. Borba
28. Boticas

29. Bragança
30. Cabeceiras de Basto
31. Campo Major
32. Carrazeda de Ansiães
33. Carregal do Sal
34. Castanheira de Pêra
35. Castelo Branco
36. Castelo de Vide
37. Castro Daire
38. Castro Marim
39. Castro Verde
40. Celorico da Beira
41. Celorico de Basto
42. Chamusca
43. Chaves
44. Cinfães
45. Constância
46. Coruche
47. Covil
48. Crato
49. Cuba
50. Elvas
51. Estremoz
52. Évora
53. Fafe
54. Ferreira do Alentejo
55. Ferreira do Zêzere
56. Figueira de Castelo Rodrigo
57. Figueiró dos Vinhos
58. Fornos de Algodres
59. Freixo de Espada à Cinta
60. Fronteira
61. Fundão
62. Gavião
63. Góis
64. Gouveia
65. Grândola

66. Guarda
67. Idanha-a-Nova
68. Lamego
69. Lousã
70. Marção
71. Macedo de Cavaleiros
72. Mangualde
73. Manteigas
74. Marvão
75. Meda
76. Melgaço
77. Mértola
78. Mesão Frio
79. Miranda do Corvo
80. Miranda do Douro
81. Mirandela
82. Mogadouro
83. Moimenta da Beira
84. Monção
85. Monchique
86. Mondim de Basto
87. Monforte
88. Montalegre
89. Montemor-o-Novo
90. Mra
91. Mortágua
92. Moura
93. Mourão
94. Murça
95. Nelas
96. Nisa
97. Odemira
98. Oleiros
99. Oliveira de Frades
100. Oliveira do Hospital
101. Ourique
102. Pampilhosa da Serra

103. Paredes de Coura
104. Pedrógão Grande
105. Penacova
106. Penalva do Castelo
107. Penamacor
108. Penedono
109. Penela
110. Peso da Régua
111. Pinhel
112. Ponte da Barca
113. Ponte de Sor
114. Portalegre
115. Portel
116. Póvoa de Lanhoso
117. Proença-a-Nova
118. Redondo
119. Reguengos de Monsaraz
120. Resende
121. Ribeira de Pena
122. Sabrosa
123. Sabugal
124. Santa Comba Dão
125. Santa Marta de Penaguião
126. Santiago de Cacem
127. São João da Pesqueira
128. São Pedro do Sul
129. Sardoal
130. Sátão
131. Seia
132. Sernancelhe
133. Serpa
134. Sertã
135. Sever do Vouga
136. Soure
137. Sousel
138. Tábua
139. Tabuaço

140. Tarouca
141. Terras de Bouro
142. Tondela
143. Torre de Moncorvo
144. Trancoso
145. Valpaços
146. Vendas Novas
147. Viana do Alentejo
148. Vidigueira
149. Vieira do Minho
150. Vila do Rei
151. Vila do Bispo
152. Vila Flor
153. Vila Nova da Barquinha
154. Vila Nova de Cerveira
155. Vila Nova de Foz Côa
156. Vila Nova de Paiva
157. Vila Nova de Poiares
158. Vila Pouca de Aguiar
159. Vila Real
160. Vila Velha de Ródão
161. Vila Verde
162. Vila Viçosa
163. Vimioso
164. Vinhais
165. Vouzela

I found a developer program that says I can qualify for a Golden Visa by investing with them, and they will buy the property back from me later. It sounds shady, but I would do it if it was allowed. Is that legitimate, or a scam?

This is a tricky one.

Personally, we haven't found any of these where we like the setup or the team (or both!) for projects like this. However, some of the projects offering this arrangement MAY be legitimate and totally safe.

Our biggest challenge with these sorts of projects is the larger philosophy behind them. We are interested in **helping people make Portugal their home**, not using Portugal as some sort of stopping point on their way to somewhere else. Because these projects seem to be exploiting a loophole in the rules (again, maybe totally legit), they also seem like ripe targets for the government to ban or disqualify from Golden Visa investments in the future. Buyer beware.

To take that thought one step further, we don't want our company to be assisting with something that could have an adverse effect on the overall immigration policies in Portugal. Helping people skirt around the spirit of the law is bad for our conscience and bad for our business. The result of these programs being abused could be the end of the Golden Visa program as we know it, or a dramatic change in the rules. We don't want that to happen.

Most of these investment arrangements sound like timeshares. That's all fine and good if you are into that sort of thing, but timeshares have never been appealing to us. Timeshares are notoriously difficult to sell if you choose to sell them someday, they usually have exorbitant fees attached to them and they have strict limits on what you can do with the property (such as the number of days you can visit per year). These projects are not calling themselves timeshares, but they sure do look like timeshares when you dig into them a bit.

We have heard MANY stories about people who invest in "development projects" in Portugal and those projects experience endless delays or are simply never completed. That isn't a phenomenon specific to Portugal--it's a common problem in many other countries where there aren't good controls or legal recourse for those who get burned.

We don't want to discourage you from looking at these as an option, but I would take extra care before sending money to any of them. Ultimately, spending some money on a Portuguese attorney to do some due diligence would be the proper way to move forward. They can check on things like the record of the developers, the history of their projects, any pending legal issues that might show up, etc. We would also be happy to take a look at any you are considering if you email us goldenvisa@espatriati.com.

What are the qualifying Golden Visa investment options besides buying real estate?

If you have some money, you also have some options. There are a few investments outside of real estate that qualify for the Golden Visa:

- €250,000 invested in Portuguese culture, arts or heritage
- €500,000 invested in a small business in Portugal
- €500,000 in an investment fund in Portugal
- €500,000 in scientific or technological research
- €1.5 million in capital transfer (just moving your money to a Portuguese bank...NOT a branch of your current bank that happens to have a location in Portugal)
- The creation of 10 jobs in Portugal
- The creation of 5 jobs COMBINED with at least €500,000 in investment in that existing company

In any of the investment scenarios, you will need to hang onto the investment for at least five years. There is a potential tax advantage, too. For Golden Visa holders who spend fewer than 183 days per year in Portugal, they will not be taxed in Portugal on their worldwide income.

What are the fees for a Golden Visa?

At the time of this writing (August '22), it costs about €5400 for the initial Golden Visa, and about €2700 for each subsequent renewal. The initial filing fee is about €540 with an additional €85 per family member. Visa fees frequently change, so be sure to double-check these numbers before you get too far into the process if you think you'll be cutting it close with the cash requirements.

Some family members can be added to the Golden Visa. Spouses, dependent children (minors or adults who are studying in Portugal), dependent parents and dependent siblings. It costs just over €5100 per person to add qualifying family members.

What documentation is required for Golden Visas?

This is the required documentation for any visas other than tourist or transit visas:

- Two recent passport photos
- A valid passport or other travel document with at least six months left before expiration
- Permission for a local criminal record check
- Criminal record check from your home country (like FBI for US citizens)
- Proof of health insurance
- Proof of registration with the local tax authority
- Completed forms and fees
- Marriage certificate (if applicable)
- A personal statement explaining why you want to live in Portugal and any other pertinent details about your situation (if applicable)

It seems I don't qualify for a Golden Visa, or would prefer to take another route in order to get to Portugal. What are my options?

(Reader: Skip this section if you are definitely going for the Golden Visa)

D7

The D7 visa is designed for people who can support themselves in Portugal with their savings, investment income and/or pension income. Basically, the Portuguese government just wants you to prove that you won't end-up destitute in Portugal and become a burden to their system.

The amount of money you will need depends on the length of your visa. You will need to be able to prove the minimum amounts in passive income OR savings and investments per year for the visa you are requesting (UPDATED 2022)

- €8460 for the first adult
- €4230 for the second adult
- €2538 for each dependent child

It is best if you can show income, savings or investments that exceed the minimum required amounts. It is risky for your application to be cutting it close, and it is risky for your happiness in Portugal to be cutting it close! Portugal is generally inexpensive for most people moving from the US, UK or Canada, but it's no fun to live without a financial cushion of some sort.

Some people have been able to secure a D7 visa by showing proof of regular income from an "online" or "remote" job. The D7 is not designed to be issued for those people, but some consulates and embassies allow it if you can provide the proper documentation. The word on the street is it takes a bit of luck to get a D7 this way and there's no rhyme or reason to who is approved or denied through this method. If this path is your only option and you are in a hurry to move to Portugal, go ahead and give it a shot.

D2

The D2 visa is designed for entrepreneurs who wish to move to Portugal to start a business. The term used for starting a business in this case is "an investing activity." You don't have to plan for a massive, multinational corporation--a small to medium business is suitable. The D2 visa can also be used if you have an existing company you would like to relocate to Portugal.

In order to qualify for the D2 visa, you will need to provide a business plan, proof of the viability of your business, an explanation of why you are choosing Portugal and proof that you have the financial means to sustain yourself in Portugal.

Most people who might qualify for the D2 visa prefer to go for the D7 visa instead. Why? You will need to prove your ability to financially support yourself with the D2 visa anyway. There are special cases where the D2 visa would make sense, but many times the D7 is the easier way to go.

Temporary Stay

A temporary stay visa is good for one year. There are specific ways to be granted a temporary stay visa:

- Work for a Portuguese employer lasting longer than 90 days but not longer than one year
- Medical treatment
- Medical treatment for a family member
- Official training and/or work with the World Trade Organization or a World Trade Organization-related entity
- Verified work as an independent contractor
- Approved scientific or academic work
- Approved amateur sports activity
- Seasonal work
- Academic studies from an approved institution

Work Visa

Employment at a level that will allow you to meet the minimum financial requirements for subsistence is an option as well. You will need a proof of employment from an employer along with some financial documentation from them showing their ability to pay you.

Keep in mind that salaries in Portugal are generally low (average wage 580 euros per month) and jobs for foreigners can be difficult to obtain. If you are pursuing a work visa, the way to do it is by securing the job and getting the go-ahead from your employer to apply before you arrive in Portugal.

Seasonal Work Visa

Maybe you want to visit Portugal and support yourself with some seasonal work while you are there. There is a special seasonal work visa that allows for a stay longer than 90 days when you qualify.

There is a large eco-minded population in Portugal and many people are working on projects involving farming and sustainability. Finding work on a farm shouldn't be too hard on any exploratory trips you make to Portugal.

There are several categories of seasonal work that qualify for the seasonal work visa.

- Agriculture, livestock, hunting, fishing and forestry
- Hospitality (restaurants and hotels)
- Food industry and tobacco
- Retail
- Construction
- Land transportation

Marriage, Partner or Family Reunification

Portuguese citizenship by marriage is available after three years of legal marriage or "legally recognized" cohabitation. Be prepared to show proof of cohabitation if you are going this route. Also, divorce after obtaining citizenship via marriage does not affect your citizenship.

Family reunification is designed for couples where one is a Portuguese citizen and the other is not. The documentation needed includes proof of your partner's citizenship along with all the other standard requirements.

Just a heads-up with family reunification: The processing time for these appointments is VERY LONG right now, sometimes taking up to a year (August '22). It will require some patience to get it done unless something drastic changes at the immigration office.

How much time do I need to spend in Portugal every year in order to qualify for citizenship at the end of five years?

For a Golden Visa, you have to be in Portugal for seven days in the first year, and at least 14 days for every two-year renewal period (for a total of 35 days in five years).

For other visas, you have to be in Portugal for a minimum of 183 days per year. Some say you should plan for at least eight months per year for the first two years of your visa to demonstrate that you live in Portugal, but there is conflicting information in practice about how strictly that is monitored and/or enforced. If citizenship is your eventual goal, it's better to play it safe and do the eight months for the first two years of your time in Portugal.

A note about dual citizenship

Portugal allows for dual citizenship, but your home country may not allow it. Some countries require you to renounce your citizenship if you obtain citizenship in another country. Check with your home country's government to learn the rules for your situation.

What is the tax situation in Portugal?

The two taxes that matter the most with Golden Visas are property taxes and income taxes. There are programs in place to help with the income tax burden of those who move to Portugal, but the property taxes are gonna get you no matter what.

Let's start with the bad news.

Property taxes

IMI (Imposto Municipal sobre Imóveis)

IMI is a local tax that is only paid by property owners. The IMI tax rate varies on the general wealth of the area—wealthy areas pay more and poorer areas pay less. The tax revenue goes to municipal services such as maintaining roads, trash collection, etc.

The rates are 0.3% to 0.45% for homes in urban areas and 0.8% for properties in rural areas. If the property is owned by a corporation in a known tax haven such as the Cayman Islands, Gibraltar, Jersey, Isle of Man, etc., the IMI tax rate will be 7.5%.

For people who own homes worth more than €600,000, there is a higher IMI rate. You can think of it as a luxury tax or a wealth tax.

IMT (Imposto Municipal sobre a Transmissão Onerosa de Imóveis)

The IMT is the property transfer tax, which is paid as part of the property acquisition process. It applies to property purchases, and corporate share purchases if the corporation's main purpose is the ownership of property in Portugal.

There are two primary categories of property subject to IMT—property for use as a primary residence, and property for use as a non-permanent residence (like a second home).

The tax rates vary depending upon the value of the property at the time of purchase. The rates for primary residences range from 0-8% and the rates for non-permanent residences range from 1-8%.

There are some variations in the IMT rates for properties that are not being used as residences by the owners. Rural properties pay 5%, commercial buildings pay 6.5% and properties purchased by people in known tax havens pay 15%.

AIMI (Adicional ao Imposto Municipal sobre Imóveis a.k.a. "wealth tax")

The AIMI is different from the IMI and requires a separate payment. It applies to most properties valued over €600,000.

The rates are calculated in several tiers:

Property valued from €600,000 to €1,000,000 = 0.7%

Property valued from €1,000,000 to €2,000,000 = 1.0%

Property valued more than €2,000,000 = 1.5%

Income taxes

Regarding income taxes, there are a few things to know.

The good news for expats: Tax treaties exist between Portugal and the countries where many expats used to call home (including the US, UK and Canada) so those people can avoid double taxation on some or all of their income.

The bad news: Tax treaties can be complex and confusing, often resulting in hefty fees paid to accountants every year to be sure you are properly filing everything.

Non-residents of Portugal are only taxed on the income they earn in Portugal. So if you live in the US and have a beach house in Portugal that you use for one month of the year and rent the other eleven months of the year, Portugal will only tax you on your rental income from the beach house (although the US may want a piece as well, depending on your situation). Any additional money you earn in the US would not be subject to taxation in Portugal.

Be careful here: Spending 183 days a year or more in Portugal can make you a tax resident by default, which could make your tax bill(s) very large and very messy.

To make it even more complicated, if you maintain a property in Portugal and spend less than 183 days there every year BUT it looks to the authorities like that is your primary home, you will be treated as a tax resident. It is at their discretion whether or not to classify you as a tax resident or not. So maybe don't get close to those 183 days unless you want to become a tax resident in Portugal, eh?

UPDATED 2022: Here are the income tax rates in Portugal (in euros):

Taxable income	Rate
0 - 7116	14.5%
7117 - 10,736	23%
10,737 - 15,216	26.5%
15,217 - 19,696	28.5%
19,697 - 25,076	35%
25,077 - 36,757	37%
36,758 - 48,033	43.5%
48,034 - 75,009	45%
75,010 +	48%

Non-Habitual Residency (NHR)

NHR is one of the most popular elements of moving to Portugal that is enjoyed by expats. The gist of it is most people can live in Portugal for ten years while only paying a flat income rate of 20%, and no tax on worldwide income.

You have to apply for this status (it's not automatic), and it can be denied if your application is incomplete or filed after the deadline.

An update in the law from recent times (2021) is that foreign retirees now have to pay taxes on their foreign-sourced pension income (10%). It used to be zero.

It is always a good idea to enlist the help of a tax professional who can help you with your taxes to be sure you are filing properly in Portugal, and anywhere else in the world where you may need to file (looking mostly at the US citizens here).

Conclusion

That's it for now! We hope you found this useful and informative. If you have questions we didn't answer, or if you need help finding a real estate agent to help you with your Golden Visa efforts, please contact us goldenvisa@espatriati.com.

Also, we always appreciate great reviews on Amazon. Those little stars make a big difference for us. A sentence or two works just fine!