

MOVING TO PORTUGAL

SHOW AND SEMINARS 31 MAR 2022



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MOVING TOPORTUGAL

LEGAL STEPS TO BUYING PROPERTY

Gonçalo Figueira, Edge International

LEGAL STEPS TO PURCHASE A PROPERTY IN PORTUGAL

IN PARTNERSHIP WITH THE
PORTUGUESE CHAMBER OF COMMERCE IN UK

31.03.2022

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EDGE

INTERNATIONAL
LAWYERS

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PURCHASING A PROPERTY IN PORTUGAL

THREE STAGE PROCESS

DUE DILIGENCE

**SIGNATURE OF A PROMISSORY
CONTRACT OF PURCHASE & SALE**

**SIGNATURE OF A FINAL
DEED/CONTRACT OF PURCHASE
AND SALE**

PURCHASING A PROPERTY IN PORTUGAL

THREE STAGE PROCESS


DUE DILIGENCE

- Land Registry Certificate
- Tax Department Certificate
- Energy Certificate
- Utilisation License
- Technical Habitation Licence
- Company Certificate (if applicable)

PURCHASING A PROPERTY IN PORTUGAL

THREE STAGE PROCESS

**SIGNATURE OF A PROMISSORY
CONTRACT OF PURCHASE & SALE**
(not mandatory)

Buyer  Seller
or

Representatives

and

Payment of the Deposit amount

PURCHASING A PROPERTY IN PORTUGAL

THREE STAGE PROCESS

SIGNATURE OF A FINAL DEED/CONTRACT OF PURCHASE AND SALE

Constitutes the **Title Deed**

Must be submitted for immediate
registration at Land Registry

Payment of Property Taxes

PURCHASING A PROPERTY IN PORTUGAL

ADDITIONAL STAGE PROCESS

RESERVATION AGREEMENT (commercial document)

Useful to secure the Property while the Due Diligence stage is in progress

Requires that the Property is taken off the real estate market

Implies the payment of a symbolic amount for reservation, which must be refundable

PURCHASING A PROPERTY IN PORTUGAL

DEPOSIT PAYMENT

Usually it is an amount established between 10% and 20% of the purchase price, but it can be fully agreed between the parties;

Paid directly to the Seller at the time of the signature of the promissory contract of purchase and sale;

Within the terms of the contract, in case of breach by the seller, this amount must be reimbursed, in double;

In case this amount is not reimbursed within due time, the contract itself entitles the buyer to file a lawsuit against the seller before the Court.

PURCHASING A PROPERTY IN PORTUGAL

PROPERTY TAXES IN PORTUGAL

IMT (PROPERTY TRANSFER TAX)

The rates vary depending on the value and type of property and whether it is to be your main or second residence

- Paid on the act of Final Deed -

STAMP DUTY AND REGISTRATIONS

Calculated at the rate of 0.8% of the value of the transaction

- Paid on the act of Final Deed -

IMI (ANNUAL PROPERTY TAX)

Calculated based on the property's rateable value determined by the Portuguese Tax Authorities

AIMI (ADDITIONAL ANNUAL PROPERTY TAX)

Recent Property Tax for owners of large Estates

PURCHASING A PROPERTY IN PORTUGAL

IMT TAX RATES IN MAINLAND PORTUGAL

IMT - Residential property (non residents)		
Purchase Price	Rate	Amount to be deducted
Up to € 92,407	1%	€ 0
Over € 92,407 up to € 126,403	2%	€ 924,07
Over € 126,403 up to € 172,348	5%	€ 4.716,16
Over € 172,348 up to € 287,213	7%	€ 8.163,12
Over € 287,213 up to € 550,836	8%	€ 11.035,25
Over € 550,836 up to € 1,000,000	Single rate of 6%	
Above € 1,000,000	Single rate of 7.5%	
IMT - Non residential property and building land	Single rate of 6.5%	
IMT - Rustic land	Single rate of 5%	

PURCHASING A PROPERTY IN PORTUGAL

IMI TAX RATES IN PORTUGAL

Local tax – rates may vary according to the location of the Property

Property type	Rate
Rustic	0.8%
Urban	Between 0.3% and 0.5%

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ADDITIONAL IMI TAX RATES IN PORTUGAL

Calculated on the sum of the **tax values** of all the properties owned by the tax payer

	< € 600,000	> € 600,000	> € 1,000,000	> € 2,000,000
Individual	Exempt	0.7%	1%	1.5%
Companies	0.4%	0.7%	1%	1.5%

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For more information regarding the NHR regime please visit us at

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