



## REAL ESTATE AND TOURISM

# Golden Visa: Changes to the rules on obtaining a residence permit for investment in Portugal

**The reasons for the changes to the Golden visa rules:**

A legislative authorisation in the 2020 State Budget 2020 authorised the Government to review the rules on residence permits for investment provided for in Law 23/2007 of 4 July by the end of 2020. The aim is to encourage investment in inland areas, urban regeneration, cultural heritage, activities of high environmental or social value, and productive investment and job creation. This aim is to be achieved by:

- Increasing the minimum amount of the investments and the number of jobs to be created under article 3(1)(d); and
- Restricting real estate investments under article 3(1)(d)(iii) and (iv) to the inter-municipal communities of the interior and to the Autonomous Regions of the Azores and Madeira.

In this context, in accordance with the Council of Ministers Communication of 22 December 2020, the Decree Law amending the rules on residence permits for investment was approved and finally published on 12 February 2021.

**"The main objectives of the changes to the rules are to increase the minimum value of investments and to encourage investment in residential properties in inland areas."**

### Main changes introduced by the new Decree-Law:

Decree-Law 14/2021 published on 12 February 2021 amends the legal rules for residence permits for investment introduced by Law 23/2007 of 4 July. The highlights of the changes, which take effect from 1 January 2022, are:

- i) **Increase in the minimum amount of the investments** provided for in article 3(1)(d)(i)(v)(vii) and (viii);
  - o **Transfers of capital** must be at least EUR **1,500,000** (the previous requirement was at least EUR 1,000,000);
  - o Capital transfers of at least EUR **500,000** to be applied in research activities by public or private scientific **research institutions that are part of the national scientific and technological system** (the amount previously required was at least EUR 350,000);
  - o Capital transfers of at least EUR **500,000** to **acquire investment units in investment funds or venture capital funds dedicated to the capitalisation of companies** established under the Portuguese legislation, with a minimum maturity of five years at the time of the investment and at least 60% of the value of the investment being made in commercial companies based in Portugal (the amount previously required was at least EUR 350,000);
  - o Capital transfers of at least EUR **500,000** to (i) **incorporate a commercial company with its registered office in Portugal, in conjunction with the creation of five permanent jobs**, or to (ii) **increase the share capital** of an existing commercial company with registered office in Portugal, with the **creation or maintenance of jobs, with a minimum of five permanent jobs, and for a minimum period of three years** (the amount previously required was at least EUR 350,000);

**"Real estate investments for residential purposes will be excluded from the Golden Visa scheme in the Lisbon metropolitan area, the Porto metropolitan area (except for Arouca and the parishes of Vale de Cambra) and in almost the whole of the Algarve."**

- ii) **Restriction on real estate investments** provided for in Article 3(1)(d)(iii) and (iv) that are **intended for residential purposes in the Autonomous Regions of the Azores and Madeira or in the interior territories** identified in the Annex to Ministerial Order 208/2017 of 13 July:
  - o Therefore, **real estate investments for residential purposes will be excluded from the Golden Visa scheme in the Lisbon metropolitan area, the Porto metropolitan area** (except for the Municipality of Arouca and the parishes of Junqueira and Arões in the Municipality of Vale de Cambra) **and in almost all of the Algarve territory**. The exceptions in the Algarve are the Municipalities of Alcoutim, Aljezur, Castro Marim, Monchique and Vila do Bispo, the parishes of Alte, Ameixial, Salir, Union of Parishes of Querença, Tôr and Benafim in the Municipality of Loulé, the Parish of São Marcos da Serra in the Municipality of Silves, and the Parishes of Cachopo and Santa Catarina da Fontes do Bispo in the Municipality of Tavira.

#### Entry into force of these new rules:

**"The changes now introduced will only apply to applications for investment residence permits made after 1 January 2022."**

The amendments now introduced by Decree-Law 14/2021 of 12 February **will only apply to applications for investment residence permits made after 1 January 2022**, the date of entry into force of this Decree-Law. Contrary to what had been anticipated, in the end, the new legislation has not provided for any phased transitional implementation arrangements and 1 January 2022 is the sole date of entry into force.

Therefore, the conditions for obtaining a residence permit for investment in Portugal during 2021 remain unchanged and will be those currently in force (these conditions are detailed in PLMJ's Informative Note of July 2020, available [here](#)).

From 2022, the possibility of renewing residence permits will not be affected and nor will the granting or renewal of residence permits for family reunification provided for in Article 98 of Law 23/2007 of 4 July, when the residence permit for investment was granted up to 31 December 2021. ■