

Update to NHR – February 2024



Repeal of the Non-Habitual Regime (NHR)

Tax Information IRS Law no. 82/2023, of December 29 (State Budget for 2024)

Repeal of the Non-Habitual Residents Regime (NHR)

Article 236.9 of the State Budget Law for 2024 revoked the Non-Habitual Residents Regime (NHR).

However, intermediate rules were approved that still allow access to the regime for taxable persons who become tax resident in 2024.

People who became residents in 2023 or who already have their NHR status before the 1st January 2024.

The regime will continue to apply to taxpayers who:

- Were registered as non-habitual residents at the time the law was passed (1 January 2024) and until the ten-year period provided for in the regime ends
- On 31 December 2023, met the conditions for registration as non-habitual residents, or hold a residence visa valid on that date. These individuals must register by 31 March 2024.

Application of NHR for taxable people who become tax resident in 2024

The regime will continue to apply to taxable persons who become resident for tax purposes until 31 December 2024.

Upon applying for NHR they should meet one of the following conditions:

- Have an offer of employment or signed employment contract until 31 December 2023 with a Portuguese employer.(the job functions must be carried out in national territory) or
- Entered into a Lease/Rental agreement or signed an offer to purchase (CPCV) of real estate in the Portuguese territory which should have been entered into by the 10th October, 2023 or – Enrolment or enrolment of the dependents, in an educational establishment domiciled in Portuguese territory, completed by October 10, 2023 or
- Obtained a residence visa or residence permit valid until December 31, 2023 or
- Initiated the application process for residence visa or permit by December 31, 2023 or
- If you are a member of the household of the taxable person referred to in the previous paragraphs.



Procedures for obtaining NHR status.

You can only do this after you are registered as resident in Portugal.

The taxpayer must apply for registration as a non-habitual resident, electronically, on the Finance Portal.

DISCLAIMER

The information shared is based on current legislation, always ensure you are up to date with any new rules, additions and/or laws that come into effect regarding this topic.

Website: www.dmatax.pt

Email: info@dmatax.pt

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