

RESIDENCE PERMIT FOR INVESTMENT (GOLDEN VISA) - INVESTMENT IN THE CULTURAL SECTOR



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“(…) THE APPLICANT, IN THEIR PERSONAL NAME OR THROUGH A COMPANY INCORPORATED IN PORTUGAL, MUST MAKE A CAPITAL TRANSFER IN AN AMOUNT EQUAL TO OR GREATER THAN €250,000 WHICH IS APPLIED IN INVESTMENT OR SUPPORT FOR ARTISTIC PRODUCTION, RECOVERY OR MAINTENANCE OF NATIONAL CULTURAL HERITAGE.”

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Following the legislative changes that put an end to the possibility of applying for a Residence Permit for Investment (also known as Golden Visa) through investment in the real estate sector, one of the options that has proved more attractive to foreign investors is the investment in the cultural sector.

Currently, this is the option with the lowest minimum investment, compared to the other legal options. In this type of investment, the applicant, in their personal name or through a company incorporated in Portugal, must make a capital transfer in an amount equal to or greater than €250,000 which is applied in investment or support for artistic production, recovery or maintenance of national cultural heritage.

This amount may also be reduced by 20 per cent - to €200,000 - when it is made in a low-density territory, i.e. a territory with fewer than 100 inhabitants per square kilometre or a gross domestic product (GDP) per capita of less than 75 per cent of the national average, in accordance with the applicable legislation.

In March, GEPAC – Cultural Strategy, Planning and Evaluation Office – published a list of cultural and artistic activities eligible for the Golden Visa investment. This list contains 11 eligible entities and their activities, including, by way of example, the Serralves Foundation, the Casa da Música Foundation, the Caixa Geral de Depósitos - Culturgest Foundation and the Organismo de Produção Artística, E.P.E (OPART), and can be consulted [here](#).

However, despite the existence of a list of cultural and artistic activities that have already been approved to receive Golden Visa investment, it is possible to submit new applications, either at the

initiative of the investor or group of investors, or at the initiative of the organisation operating in the cultural and artistic sector seeking investment or support.

In order to be granted a Residence Permit for Investment, the investor must apply to GEPAC, after the investment has been made, for a declaration attesting to the bank transfer made to the entity and the activity that has been assessed by the competent body. In addition to the transfer of capital in the minimum amount and other legally required documentation, the foreign national must fulfil a time criteria of maintaining the investment for a minimum period of 5 years.

In addition, investment activity in the cultural sector, like other existing investment avenues, requires an evaluation every two years of its impact on scientific and cultural activity and on the promotion of foreign direct investment and job creation.



How can a Cultural and Artistic Entity that is not on GEPAC's list of eligible entities apply to receive investment or support?

The law provides that Golden Visa investment can be made through central and peripheral direct administration services, public institutes, entities that are part of the public business sector, public foundations, private foundations with public utility status, inter-municipal entities, entities that are part of the local business sector, municipal associative entities and public cultural associations, which pursue attributions in the area of artistic production, recovery or maintenance of national cultural heritage.

As such, any organisation that falls into one of these categories and is looking for investment or support for a cultural or artistic activity can submit an application to GEPAC and be included on the list of organisations eligible to receive Golden Visa investment or support.

“(…) DESPITE THE EXISTENCE OF A LIST OF CULTURAL AND ARTISTIC ACTIVITIES THAT HAVE ALREADY BEEN APPROVED TO RECEIVE GOLDEN VISA INVESTMENT, IT IS POSSIBLE TO SUBMIT NEW APPLICATIONS, EITHER AT THE INITIATIVE OF THE INVESTOR OR GROUP OF INVESTORS, OR AT THE INITIATIVE OF THE ORGANISATION OPERATING IN THE CULTURAL AND ARTISTIC SECTOR SEEKING INVESTMENT OR SUPPORT.”

The application process begins by filling in the form available on the GEPAC website. Subsequently, the application is forwarded to the department or organisation under the supervision of the Minister of Culture responsible for the area for which the investment is intended, for prior assessment, which must be made within 10 (ten) working days, after which it is sent to GEPAC.

It should be noted, however, that one of the parameters to be assessed by the competent authority will be the appropriateness of the amount to be invested or supported, both for the proposed activity and for the territorial area to which the activity relates.

For further information, please contact TPA at info@tpalaw.pt