



Mais Habitação - Update: Residence Permits for Investment Activity (Golden Visa)

Law no. 56/2023 of 6th October was published today, which approves measures in the field of housing, making several legislative changes, with the aim of establishing measures to guarantee more housing in Portugal.

Among the measures stipulated in the new Law, the revocation of residence permits for investment activity (Golden Visa) is now determined. Below we indicate the main changes to this regime, responding to the pertinent questions that currently arise.

1. What types of investments have been revoked?

As of tomorrow, October 7th, 2023, **new applications for residence permits for investment (Golden Visa) will not be accepted, namely when the investment determines:**

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1. The transfer of capital in an amount equal to or greater than 1.5 million euros;
2. The acquisition of real estate with a value greater than € 500,000.00 (five hundred thousand euros) OR
3. The acquisition of properties whose construction has been completed for at least 30 years or are located in an Urban Rehabilitation Area (ARU), for the execution of rehabilitation works, in the global amount of € 350,000.00 (three hundred and fifty thousand euros).

2. Regarding the types of investment that have been revoked, will residence permit holders be able to renew their residence cards?

Yes. The Law provides that the revocation is done without prejudice to the possibility of renewing residence permits for investment activity when such permits have been granted under the legal regime applicable until the date of entry into force of the new Law.

2.1. Will the main investor's family members also be able to renew the residence permit (family reunification)?

Yes.

2.2. Can holders of a residence permit for investment and their family members apply for a permanent residence permit after 5 (five) years of legal residence in Portugal?

Yes, the Law provides that it will be possible to apply for permanent residency, under the same terms as previously determined.

3. Will the renewal of the residence permit for investment be carried out under the same terms?

No. The Law provides that the renewal determines the conversion of the residence permit into a residence permit for immigrant entrepreneurs under the terms of paragraph 4 of article 89 of Law no. 23/2007, of 4 July, and its holders must comply with the minimum period of stay of seven days, consecutive or interspersed, in the first year and 14 days, followed or interspersed in subsequent two-year periods.

Paragraph 4 of article 89 of Law no. 23/2007, of 4 July, determines that: *A residence permit is granted to a third-country national who develops an entrepreneurial project, including the creation of an innovative-based company, integrated in a certified incubator under the terms defined by ordinance of the members of the Government responsible for the areas of internal administration and economy, provided that it fulfils the general requirements of Article 77, with exemption from the provisions of paragraph 1(a).*



4. What about the pending applications and renewal procedures that are awaiting a decision?

Pending applications, which are awaiting a decision, remain valid.

The Law provides that they will, with the necessary adaptations, be converted into a residence permit for immigrant entrepreneurs under the terms of paragraph 4 of article 89 of Law no. 23/2007, of 4 July, and their holders must comply with the minimum period of stay of seven days, consecutive or interspersed, in the first year and 14 days, followed or interspersed in subsequent two-year periods.

In this framework, the adequacy of the investment will be analyzed by the following entities, depending on the matter:

- a) The Agency for Investment and Foreign Trade of Portugal, E.P.E.;
- b) Banco Portuguese de Fomento, S.A.;
- c) IAPMEI – Agency for Competitiveness and Innovation, I. P.;
- d) The National Innovation Agency (ANI);
- e) The Office of Cultural Strategy, Planning and Evaluation (GEPAC);
- f) Other entities that prove to be appropriate in relation to the matter.

We are awaiting developments on this matter to find out how these processes will be handled, given the intervention of entities completely

unrelated to the Emigration Services and, as well, to the residence processes.

5. Considering the above, has the Golden Visa Program been fully revoked?

No, there are still eligible types of investment.

6. What types of investment will continue to be accepted for the application for a residence permit for investment?

1. Creation of at least 10 jobs;
2. Transfer of capital in an amount equal to or greater than € 500,000.00 that is applied in research activities carried out by public or private scientific research institutions, integrated in the national scientific and technological system;
3. Transfer of capital, in an amount equal to or greater than € 250,000.00, which is applied in investment or support for artistic production, recovery or maintenance of the national cultural heritage, 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, intermunicipal 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 the national cultural heritage;

4. Transfer of capital in an amount equal to or greater than € 500,000.00, intended for the acquisition of shares of non-real estate collective investment funds, which are incorporated under Portuguese law, whose maturity, at the time of the investment, is at least five years and at least 60% of the value of the investments is carried out in commercial companies headquartered in national territory;

5. Transfer of capital in an amount equal to or greater than € 500,000.00, intended for the incorporation of a commercial company headquartered in national territory, combined with the creation of 5 (five) permanent jobs, or for the reinforcement of the share capital of a commercial company headquartered in national territory, already incorporated, with the creation of at least 5 (five) permanent jobs or maintenance of at least 10 (ten) jobs, with a minimum of 5 (five) permanent jobs, and for a minimum period of 3 (three) years.

Please note that the new Law provides that none of the investment activities mentioned above may be intended, directly or indirectly, for real estate investment.

In view of the above, with the new Law, real estate investment will no longer be eligible for the application for a residence permit for investment (Golden Visa).

In summary, it is not the end of the Golden Visa, but we are now facing a regime with several changes that need legal development and clarification and the correct adaptation of the public services to this new reality.