

ALTERAR PARA PORTUGUÊS

MY RIGHTS/DUTIES AS
THE OWNER OF A BUILDING



WHAT DO I NEED TO KNOW WHEN BUYING A BUILDING? ?

FAQ

Who should take the initiative to request payment of IMT (Municipal Property Transfer Tax) and IS (Stamp Duty) and how should it be done?

The initiative to pay IMT and IS (Item 1.1 of the TGIS (General Stamp Duty Table) is, as a general rule, the responsibility of the buyers and must be carried out before the acquisition for valuable consideration of the building.

To pay IMT and IS, the buyer must hand in IMT Model 1 at any Tax Office or via the Internet, even if the transfer may benefit from being exempt from IMT or IS.

What information do I need to pay IMT/IS (Municipal Property Transfer Tax/ Stamp Duty)?

You need the following:

- Identification of the buyers and sellers (name, taxpayer identification number, tax residence, civil status and matrimonial property regime).
- Identification of the building (building registration number).
- Value of the act or contract.

If the building is to be my own permanent place of residence, could I be exempt from paying IMT (Municipal Property Transfer Tax)?

Yes. Acquisitions of urban buildings or individual units in urban buildings, which are **exclusively for the owner's permanent residence** and whose value that would be used as a basis for the payment does not exceed € 92,407 (€ 115,509 in the Autonomous Regions) are exempt from IMT.

In that case, in the IMT model 1 declaration, you should indicate benefit code 74 (exclusively for your own permanent residence) or 78 (an undivided share, in co-ownership, exclusively for your own permanent residence).

What are the IMT (Municipal Property Transfer Tax) rates?

- When purchasing an urban building or an individual unit in an urban building **exclusively for your own permanent residence** (sub-paragraph a) of paragraph 1 of article 17 of the IMT (Municipal Property Transfer Tax Code):

Building located on the Mainland – own permanent place of residence:

IMT taxable value (€)	Marginal Rate to be applied (%)	Deductible portion (€)
Up to 92,407	0	0
From over 92,407 and up to 126,403	2	1,848.14
From over 126,403 and up to 172,348	5	5,640.23
From over 172,348 and up to 287,213	7	9,087.19
From over 287,213 and up to 574,323	8	11,959.32
Over 574,323	Single rate of 6%	

It should be highlighted that when property is not actually used as your own permanent place of residence within 6 months as from the date of acquisition or when the property is used for a different purpose from the one on which the benefit was based, within six years, counting from the date of acquisition, except in the case of sale, it no longer benefits from exemption and reduced rates.

- When purchasing an urban building or an autonomous unit in an urban building **exclusively for residence** (sub-paragraph b) of paragraph 1 of article 17 of the IMT Code):

Building located on the Mainland – residence:

IMT taxable value (€)	Marginal Rate to be applied (%)	Deductible portion (€)
Up to 92,407	1	0
From over 92,407 and up to 126,403	2	924,07
From over 126,403 and up to 172,348	5	4,716.16
From over 172,348 and up to 287,213	7	8,163.12
From over 287,213 and up to 550,836	8	11,035.25
Over 550,836	Single rate of 6%	

- In the case of urban buildings located in the Autonomous Regions of the Azores and Madeira exclusively for the buyer's own permanent place of residence or exclusively for residence, 25% is added to the values in those tables within the following terms:

Building located in the Autonomous Regions – own permanent place of residence:

IMT taxable value (€)	Marginal Rate to be applied (%)	Deductible portion (€)
Up to 115,509	0	0
From over 115,509 and up to 158,004	2	2,310.18
From over 158,004 and up to 215,435	5	7,050.29
From over 215,435 and up to 359,016	7	11,358.99
From over 359,016 and up to 717,904	8	14,949.15
Over 717,904	Single rate of 6%	

Building located in the Autonomous Regions – residence:

IMT taxable value (€)	Marginal Rate to be applied (%)	Deductible portion (€)
Up to 115,509	1	0
From over 115,509 and up to 158,004	2	1,155.09
From over 158,004 and up to 215,435	5	5,895.20
From over 215,435 and up to 359,016	7	10,203.90
From over 359,016 and up to 688,544	8	13,794.06
Over 688,544	Single rate of 6%	

- IMT rate on the purchase of rustic buildings: 5%
- IMT rate on the acquisition of other urban buildings and other acquisitions for valuable consideration: 6.5%

What is the IS (Stamp Duty) rate – item 1.1 of the TGIS (General Stamp Duty Table)?

The acquisition for valuable consideration of property rights¹ or part shares in those rights is subject to IS (Stamp Duty) at a rate of 0.8% – on the value used as a basis for payment of IMT (Municipal Property Transfer Tax).

What is the deadline for paying IMT (Municipal Property Transfer Tax) and IS (Stamp Duty) – item 1.1 of the TGIS (General Stamp Duty Table)?

As a general rule, IMT and IS should be paid on the date of the tax settlement or on the next working day, but always before the transfer is carried out.

¹ - The concept of shares is the right whereby an entire property can be divided, namely usufruct, surface rights or land rights, use and residency rights, property rights of way.

Where can the IMT (Municipal Property Transfer Tax) and IS (Stamp Duty) be paid – item 1.1 of the TGIS (General Stamp Duty Table)?

At any of the following places:

- Tax Offices (Payment Sections)
- CTT (Portuguese Post Office) Desks
- Compliant Credit Institutions' Desks
- Credit Institutions' online services
- ATM network

Find out more about how to pay taxes, duties and other taxation [here](#).



WHAT DO I NEED TO KNOW AS
THE OWNER OF A BUILDING ?

EXEMPTION FROM IMI (MUNICIPAL PROPERTY TAX) ON PROPERTY FOR THE OWNER'S PERMANENT PLACE OF RESIDENCE

Could I benefit from IMI (Municipal Property Tax) exemption on the urban building that is my own permanent place of residence?

Yes, within the terms of paragraph 1 of article 46 of the Tax Benefits Statute (EBF), urban residential buildings or parts of urban residential buildings built, extended, improved or acquired for valuable consideration and **to be used as the permanent place of residence** of the taxpayer or the respective family unit, whose **taxable income**, for the purpose of the previous year's Income Tax is not more than **€ 153,300**, are exempt from IMI, as long as such buildings are actually used for that purpose within six months following the acquisition, conclusion of the construction, extension or improvements, except for a reason not attributable to the beneficiary, and the taxable asset value (TAV) of the building does not exceed **€ 125,000**.

This tax benefit can only be awarded **twice**, at different items in time, to the same taxable person or family unit.

To benefit from exemption, the taxable person (taxpayer) cannot have any income tax, VAT or asset tax debt to the Tax and Customs Authority (AT) or to Social Security.

What is the period of IMI (Municipal Property Tax) exemption for the urban building that is used as my own permanent place of residence?

Exemption is awarded by the head of the Tax Office in the area of the building, for a period of 3 years.

How and when must I request exemption from IMI (Municipal Property Tax) for the urban building used as my permanent place of residence?

The duly documented request can be presented over the Internet using the Portal das Finanças (Tax Portal), after typing your tax identification number (NIF) and the respective password, proceeding as follows:

[Início](#) > [Entregar](#) > [IMI](#) > [Pedido de Isenção](#)

The request may also be presented at any Tax Office.

The request for exemption must be presented by taxpayers, **up to 60 days after the 6-month period** to which they are entitled for making the property their permanent place of residence and which starts as from the date of acquisition of the building or the conclusion of the works.



If it only becomes an own permanent place of residence after the end of the 6-month period or if the request is presented after the 60 days, exemption will commence as from the year of the communication, although it will terminate in the year in which it would have ended if it had become the permanent place of residence within the six months immediately after concluding the construction, extension, improvements or acquisition for valuable consideration.

For the purpose of granting that exemption, the building is considered to be the taxpayer or his or her family unit's permanent place of residence if it is their respective tax residence, which, unless otherwise stated, for natural persons, is their usual place of residence (paragraph 9 of article 46 of the Tax Benefits Statute (EBF)).

Can the utility rooms, storage rooms and garages of the building used as my own permanent place of residence benefit from IMI (Municipal Property Tax) exemption?

Yes. Utility rooms, storage rooms and garages that have been acquired for valuable consideration, although physically separated from the building used for the taxpayer's permanent place of residence or that of his family unit, but which are part of the same building or residential complex, are exempt from IMI (Municipal Property Tax), within the same terms as the residential building to which it is associated, as long as they are exclusively used by the taxpayers or their family unit as a complement to the exempt residence, or in the case of rented buildings, as long as they are used exclusively by the tenant or his family unit.

If the utility rooms, storage rooms and garages are autonomously registered, request for IMI (Municipal Property Tax) exemption must mention the unit corresponding to those outbuildings, as well as the land registry of the exempt residence.

However, if they are acquired after the exempt residence, exemption must be

requested within 60 days as from the date of acquisition, and will end in the year in which exemption on the residence ends.

Could I benefit from IMI (Municipal Property Tax) exemption on the urban building rented for residence?

Yes, buildings or shares in buildings that have been newly built, extended, improved or acquired for valuable consideration, **concerning the part used for residential rental**, are also exempt when it is a case of the first transfer, as long as the conditions mentioned in the final part of paragraph 1 of article 46 of the Tax Benefits Statute (EBF) are fulfilled, the exemption period commencing as from the date of entering into the first rental contract.

Is there any IMI (Municipal Property Tax) exemption for low asset value property of low-income taxpayers?

Yes, there is.

Rustic and urban building for the taxpayer or his family unit's own permanent residence, which are actually used for that purpose are exempt from IMI (Municipal Property Tax), as long as:

- The total gross income of the family unit as a whole for the purpose of IRS (Personal Income Tax) is equal to or less than 2.2 times the value of the IAS (Social Support Reference Rate) **€ 14,630.00²** ; and
- The VPT (Taxable Asset Value) of the total of the rustic and urban buildings belonging to the tax person, is equal to or less than 10 times the annual value of the IAS (Social Support Reference Rate) **€ 66,500.00³** .

For the purpose of exemption, the family unit's income is that of the year prior to which the exemption refers, while the total overall gross income for the purpose of IRS (personal income tax) is calculated on an individual basis whenever the taxpayer is no longer part of that family unit in the year of the exemption request. (article 48 of the EBF (Tax Benefits Statute) and Circular no.7/2012, of the 4th of May, from the Director-General of the Tax and Customs Authority)

How and when can I request exemption for low asset value properties of low-income taxpayers?

Exemption for buildings of reduced value is recognised by the head of the tax office in the area where the buildings are situated, on presentation of a request by the interested parties.

2 and 3 – Amounts thus calculated: € 14,630.00 = [(RMMG (Guaranteed Minimum Monthly Remuneration)*14 months)*2.2] and € 66,500.00 = [(RMMG*14 months)*10], whereby the value of the RMMG (Guaranteed Minimum Monthly Remuneration) is € 475. This value, which was in effect for 2010, must be applied while the annual value of the IAS (Social Support Reference Rate) does not reach the value of the RMMG (Guaranteed Minimum Monthly Remuneration). (article 1 of the 48th Tax Benefits Statute (EBF) and transitional application regime of the exemption set out in paragraph 1 of article 122 of the State Budget Law for 2011).

Request for IMI (Municipal Property Tax) exemption must be presented:



- Up to the 30th of June of the year for which the exemption is requested;
- Within 60 days, counting from the date of the acquisition of the building and never after the 31st of December of the year the requested exemption begins;
- Up to the 31st of December of the year for which the exemption is wanted, in the situations in which such exemption is the result of factors other than the acquisition of buildings in the year in which the request is made.

Once the exemption is granted, it is not necessary to request any renewal.

When any of the conditions that led to IMI (Municipal Property Tax) exemption being granted cease to exist, what should I do?

When any event occurs that determines the termination of IMI (Municipal Property Tax) exemption, the tax person must declare that fact at any Tax Office, within 30 days, counting from the respective occurrence, except if that event is of unofficial knowledge.

In which situations should I present IMI (Municipal Property Tax) model 1 declaration?

You must present **IMI model 1** declaration on the Portal das Finanças (mandatory for legal entities) or at any Tax Office, within **60 days**, following:

- Conclusion of the works on a new or improved, extended or renovated building;
- Occurrence of events that determine the termination of exemption;
- Knowledge that the urban building has not been registered in the registry (omitted building).

In order to submit the IMI model 1 declaration, using the [Portal das Finanças](#) (Tax Portal), after typing your NIF (taxpayer identification number) and the respective password, you must proceed as follows:

Início > Cidadãos > Entregar > Declarações > IMI > Modelo 1 > Inscrição/Atualização de prédios

What documents must I present with the IMI (Municipal Property Tax) model 1 declaration?

Depending on each case, you must present the following documents:

- Photocopy of the building's purchase document.
- Architectural plans of the construction corresponding to the final blueprints approved by the Town Hall of the city where the building is situated, or a certified photocopy of them.

- In the case of unlicensed constructions, these plans are your responsibility, except regarding buildings built before the 7th of August 1951.
- For plots of land for construction, you should present a photocopy of the land division license, which must be replaced if there is no land division, by a photocopy of the construction license, approved plans or a document proving construction feasibility.

What are the IMI (Municipal Property Tax) rates?

Within the terms of article 112 of the CIMI (Municipal Property Tax Code), the IMI rates applicable to all buildings that the taxpayer has in Portugal are as follows:

- Rustic buildings: **0.8%**;
- Urban buildings: **0.3% to 0.5%**;
- Regardless of their type, buildings owned by entities, which are not natural persons, whose tax residence is in a country, territory or region subject to a clearly more favourable tax regime⁴: **7.5%**;

On the decision of the respective municipal assembly, municipalities can increase or reduce the above-mentioned general rates, namely when it is a question of buildings situated in areas undergoing urban rehabilitation or operations to combat desertification, or rented or deteriorated buildings.

What is the time limit for paying IMI (Municipal Property Tax)?



IMI must be paid annually:

- In a single payment, in **April**, when the amount is equal to or less than **€ 250**;
- In two instalments, in **April and November**, when the amount is **more than € 250 and equal to or less than € 500**;
- In three instalments, in **April, July and November**, when the amount is more than **€ 500**.



No other situations are provided for in the law, in which, during the voluntary collection phase, payment of the tax can be made in a different number of instalments or annual amounts than those mentioned above.

How can I obtain my building's title certificate?

You can obtain it free of charge from the [Portal das Finanças](#) (Tax Portal).

To do so, after typing your NIF (taxpayer identification number) and respective password, proceed as follows:

[Início](#) > [Cidadãos](#) > [Património](#) > [Consultar](#) > [Imóveis](#) > [Património Predial/Cadernetas](#)

You can also request it from any Tax Office.

⁴ - Country, territory or region within the list approved by Directive no. 292/2011, of the 8th of November

Is IMI (Municipal Property Tax) the only tax to be paid on my property?

No, it may not be the only tax to be paid annually.

Ownership, usufruct or surface rights on urban buildings whose VPT (taxable asset value) in the registry, within the terms of the IMI Code, is equal to or more than € 1,000 000 are subject to stamp duty (item 28 of the TGIS (General Stamp Duty Table), falling on their VPT (taxable asset value) for the purpose of IMI:

- Per housing building or per land for construction, authorised or planned for residential building, within the terms of the provisions of the IMI Code – **1%**; and
- Per building, when the tax persons who are not natural persons are resident in a country, territory or region, subject to a tax regime which is clearly more favourable, within the list approved by a directive of the Minister of Finance – **7.5%**.(article 4 of Law no. 55-A/2012, of the 29th of October and item 28 of the TGIS – General Stamp Duty Table)

If I rent out a building do I have any tax obligation?

Yes you have.

1. If the landlord is a legal entity or a natural person acting within the scope of a commercial or industrial activity or as a service provider, it is his responsibility, as a tax person, to settle and pay the tax by the 20th of the month following the signing of the contract.
2. If the landlord is a natural person:
 - 2.1. And the tenant is a legal entity or a natural person acting within the scope of a commercial or industrial activity or as a service provider, it is his responsibility, as a taxpayer, to settle and pay the tax by the 20th of the month following the signing of the contract.
 - 2.2. If the tenant is also a natural person, the tax will be settled by the public entity where the rental contract was presented.
3. In any of the above situations, the landlord or the tenant, as taxpayers, must communicate the rental or sub-letting contract and respective promises, as well as any changes, to the Tax Office of the area where the building is situated, by the end of the month following its commencement.
 - 3.1. In the case of natural persons, communication and tax payment can be made at any Tax Office.
4. The value of the stamp duty is 10% of the monthly rent. The onus for the stamp duty lies with the landlord.

HOW TO COMMUNICATE WITH THE AT (TAX AND CUSTOMS AUTHORITY)

To communicate with the AT, using the [Portal das Finanças](#) (Tax Portal), you can request the respective access password at www.portaldasfinancas.gov.pt, using the option [Novo utilizador](#), on the right side of your computer screen, and fill out the form with your personal details, within the terms that are requested.

You can also authorize the AT to send you optional messages and support for voluntary compliance, by SMS and email. This service is completely free and of a personal and confidential nature. However, so that we can provide it securely, we need you to validate your email and mobile phone number.

As soon as the password request is made, two codes are automatically provided:

- to validate a mobile phone, by SMS;
- to validate an email, by electronic mail.

These codes can only be confirmed on the Portal das Finanças (Tax Portal) in [Cidadãos > Outros Serviços > Confirmação de Contactos](#) following receipt of the password to access the Portal das Finanças, which is sent to the tax residence by post in a message-envelope.

FOR FURTHER INFORMATION

- See the information [leaflets](#) on the Portal das Finanças (Tax Portal)
- See the [FAQ](#)
- Contact the Tax and Customs Authority's [Telephone Contact Centre](#) (TCC) on 707 206 707, every working day from 8.30 a.m. to 7.30 p.m.
- Contact by email, using the form at the [e-desk](#) service
- Please consult webpage the [Tax System in Portugal](#)
- Go to a [Tax Office](#)



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