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Case study in regard to a Chinese citizen and resident that desires to become resident of Portugal, enabled by the Portugal Golden Visa Programme and The Portuguese Non-Habitual Residency Regime

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Introducing Mr Z and his family

- Mr Z agrees to purchase a Portuguese home for Euro +500,000 being the minimum real estate value to qualify for a Golden Visa that will also be extended to his wife and 2 children.
- It is decided to acquire The Golden Visas in 2018, a process that will take 3 months, to formalise the property purchase and then relocate to live in Portugal from 2019, since they only wish to register their 2 children with one of the international local schools, one of which has offered official places to their 2 children for 2019.
- 7 days are required to be spent residing in Portugal for the first year so an extended holiday is planned later the same year. Owing to Portugal being a Schengen member nation, the family will enjoy a few days holiday in Rome, Paris and Prague, since Golden Visa holders will receive a Passport stamped Schengen Visa enabling them to enjoy Visa free access to Austria, Belgium, Czech, Estonia, Finland, France, Greece, Hungary, Iceland, Latvia, Lithuania, Luxembourg, Netherland, Norway and Poland.
- Sovereign Portugal assist in introducing Mr Z to reliable property agents, an English speaking lawyer to assist with the property purchase, leaving Sovereign to deal with the Golden Visa formalities, to registering Mr and Mrs Z with the local authorities, to dealing with their in-bound and on-going fiscal obligations, to addressing the placement of the 2 children with the international school and ensuring that all associated requirements are handled.

Portuguese Non-Habitual Residents Regime

Mr Z, in advance of becoming officially resident of Portugal in 2019 requests Sovereign to register him as a Portuguese resident and applicable to the Portuguese Non-Habitual Residency Scheme

The benefits of this residency programme are:

Relief from local taxation on overseas rental income, overseas capital income, overseas pensions and overseas property gains.

As Mr Z will be offering specialist Information Technology consultancy to his Chinese and increasing global client base, this activity is considered qualifying, therefore earnings from this activity will only be exposed to a flat rate of Portuguese Tax of 20%.

Closing submissions

Even upon the family being granted Golden Visas they will all enjoy access to the Portuguese public services, to obviously include health and education. Also a passport can be applied for, subject to conforming to certain conditions after 6 years of residence.

The following statistics are rather relevant:

OVERALL INVESTMENT AMOUNT that the Golden Visa has created for Portugal Euro 3.380.862.618,18

NATIONALITIES:

China – 3575
Brazil – 463
South Africa – 216
Russian - 192
Lebanese – 108

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