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## Residence Permit for the performance of investment activities – “Golden Visa”: amendments to minimum requirements

Law nr 23/2007, of 4 July (which approved the legal framework for the entry, permanence and exit of foreigners from national territory), as amended by Law nr 29/2012, of 9 August, lays down a new legal regime for obtaining a residence permit for the performance of investment activities. This new legal regime is, undoubtedly, one of the flagship measures taken in order to attract foreign direct investment into Portugal, along with the Portuguese tax expatriate regime (“non-habitual residents”).

This new legal regime is specifically addressed to nationals of third States, allowing a residence permit to be granted on account of the performance of an “investment activity” in Portugal, that shall be kept for a minimum period of five years, after which such resident permit may be granted on a permanent basis. In light of the significant interest shown by foreign investors in this measure, the Government decided to carry out a set of amendments aimed at simplifying the regime (*vide* the Joint Order of the Ministries of Foreign Affairs and Internal Affairs nr 1661-A/2013, of 28 January), which are summarised hereunder.

### Minimum quantitative requirements

Concerning the Golden Visa minimum requirements, the law now deems eligible financial investments made in non-listed companies. Furthermore, minimum number of jobs to be created was reduced from 30 to 10.

Therefore, pursuant to the current provisions, any of the following situations is qualified as an “investment activity”:

- > Transfer of capital in an amount of at least 1 million euros;
- > Creation of, at least, 10 jobs; or
- > Purchase of properties with a value of at least 500 thousand euros.

### Purchase of properties

In this regard, the requirements related to the purchase of properties are loosened. Initially, the law set out that the concerned property should be acquired free from any liens or encumbrances. Presently, the law allows for (i) the purchase of properties on a joint ownership basis (notwithstanding the maintenance of the minimum investment requirement of 500 thousand euros by each of the co-owners), (ii) the performance of the investment through a sale and purchase promissory agreement,

provided that the down payment amounts to no less than 500 thousand euros, (iii) the encumbrance of the properties over 500 thousand euros and (iv) the possibility of leasing or exploiting the purchased properties for commercial, agricultural or touristic purposes.

### Permanence period

The granting of a residence permit requires certain minimum permanence periods in Portuguese territory, that have now been reduced from 30 to 7 days (continuously or intermittently) in the first year, and from 60 to 14 days (continuously or intermittently) in the following two-year periods.

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