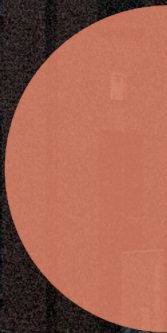


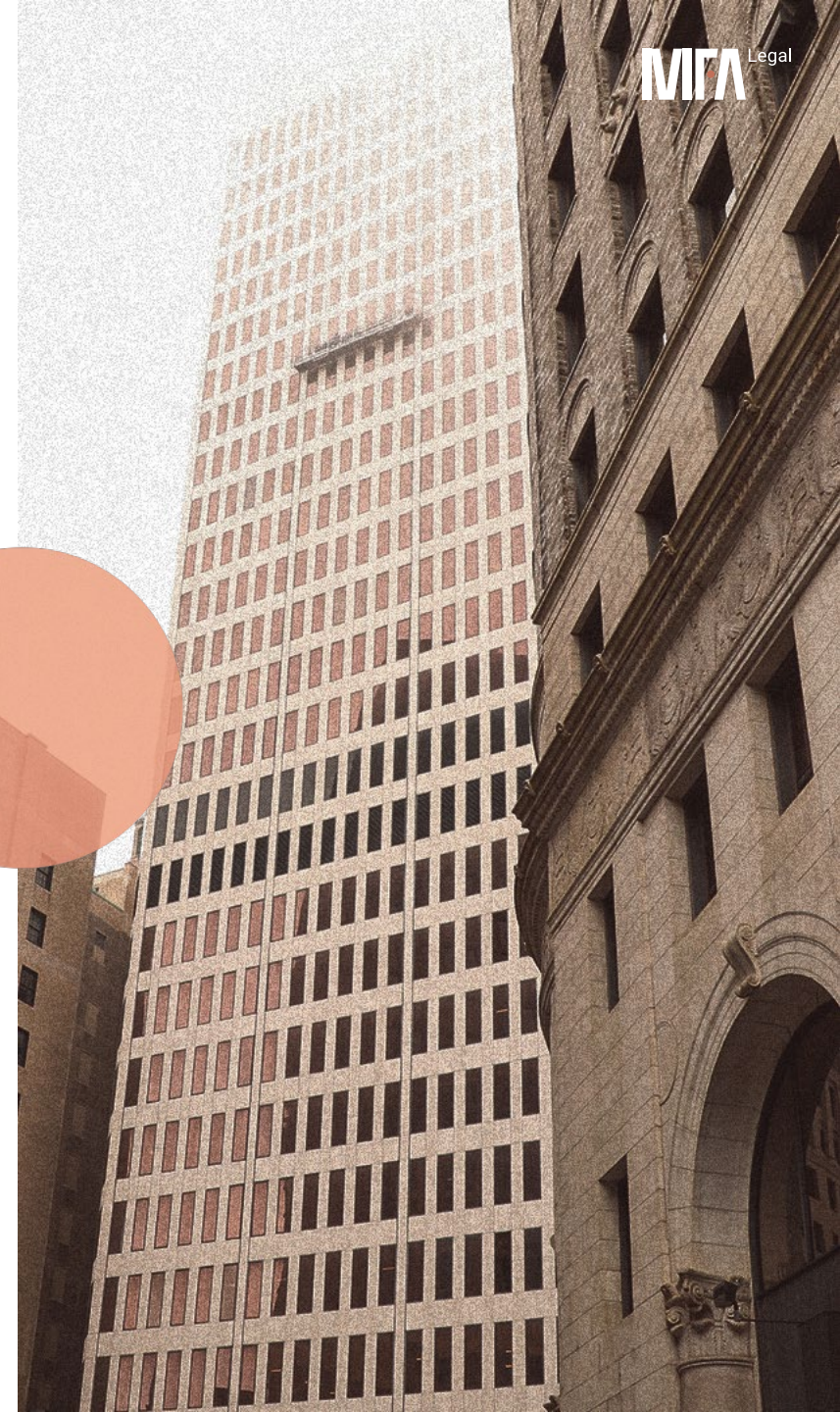
MIFA Legal



Tax Alert: The new NHR 2.0

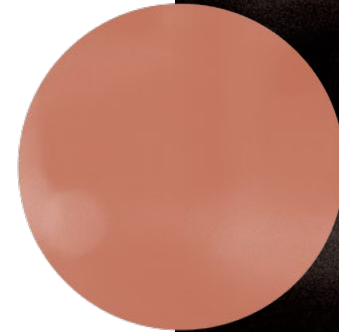
Opportunities for Highly
Qualified Professionals
and Investors

February 2025



“NHR.2.0”

- ✓ On December 23, 2024, Ministerial Order No. 352/2024/1 was gazetted, outlining the rules and procedures applicable to the new Tax Incentive for Scientific Research and Innovation, which replaces the former Non-Habitual Tax Resident regime, as foreseen in Article 58-A of the Tax Benefits Statute (EBF)
- ✓ Additional forms and guidelines are expected to be released by the Portuguese Tax Authorities in the upcoming weeks, allowing further clarity and full enforcement of the regime



Eligible Activities



Eligible Activities

Higher Education and Scientific Research

- University professors and lecturers
- Academic researchers in institutions linked to the national system of science and technology
- Employees and members of corporate bodies in entities recognized as technology centers or innovation hubs

Entities with investment projects under Contractual Regime and Entities deemed of economic relevance as recognized by AICEP or IAPMEI

- Qualified jobs and members of corporate bodies in companies benefitting from tax incentives under contractual regime (applicable for projects with investments above 3M)
- Qualified jobs and members of corporate bodies in companies deemed strategically relevant by AICEP or IAPMEI

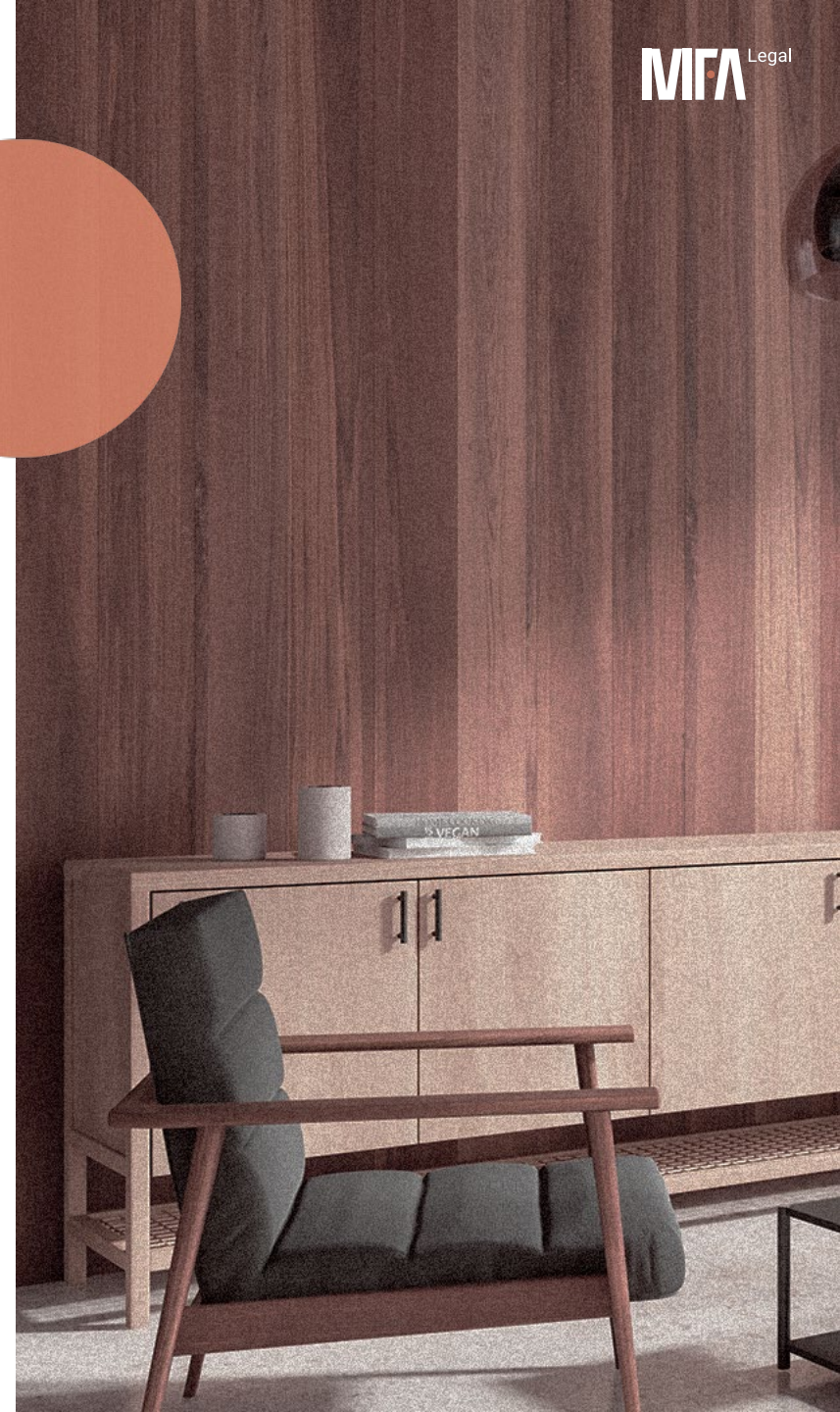
Research and Development (R&D)

- Qualified positions and research & development (R&D) activities with an impact on the national economy, particularly in productive investment and innovation

Qualified job positions and corporate bodies in certified startups

Jobs by tax residents in the Autonomous Regions of the Azores and Madeira

Highly qualified professions



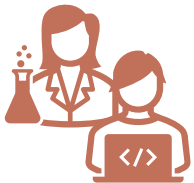
01

Highly Qualified Professions



1. Business Managers and Directors

- General and executive managers
- Directors of administrative and commercial services
- Directors of production and specialized services



2. Science and Technology

- Specialists in physical sciences, mathematics, engineering, and related fields
- Specialists in information and communication technologies (ICT)
- Industrial or equipment product designers



3. Health and Education

- Medical doctors
- University and higher education professors



Qualification Requirements:

- ✓ **Academic Qualification:** Level 8 (PhD) of EQF or equivalent in ISCED
- ✓ **Professional Experience:** Alternatively, level 6 (Bachelor's) of EQF/ISCED with 3 years of proven experience

01

Eligible Entities and Activity Sectors

Highly Qualified Professions must be carried out in following enterprises:

- ✓ Entities with relevant investments, during the year of employment or in the previous five years, which benefit or have benefited from the fiscal regime for investment support (RFAI)- *tax benefit that grants corporate income tax deductions to companies investing in tangible fixed assets and non-consumable biological assets, aimed at fostering business expansion and economic development*
- ✓ Industrial and service companies whose main activity falls within the eligible sectors and that export at least 50% of their turnover in the first year of employment or in either of the two preceding years



Extractive Industries



Manufacturing Industries



Information and Communication Activities



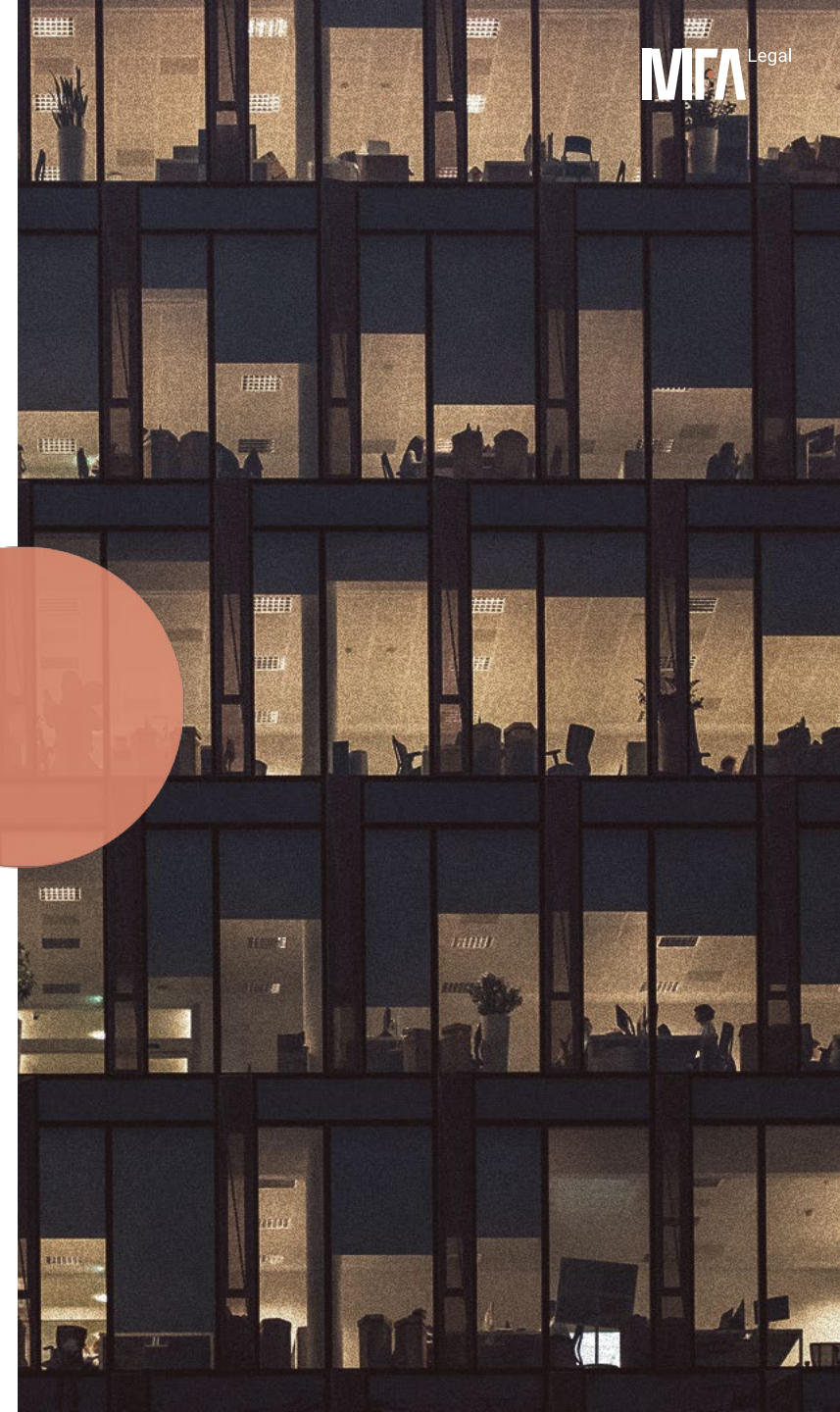
Research and Development in Physical and Natural Sciences



Higher Education



Human Health Activities



Tax Resident

Eligible Activities

Higher Education and Scientific Research

Qualified Jobs and Corporate Bodies

Research and Development (R&D)

Job carried out in by tax residents in the Autonomous Regions of the Azores and Madeira

Highly qualified professions

in

Companies benefitting from contractual tax incentives

Companies engaged in relevant economic activities recognized by AICEP or IAPMEI

Startups

- General directors and executive managers of companies
- Directors of administrative and commercial services
- Directors of production and specialized services
- Specialists in physical sciences, mathematics, engineering, and related fields
- Specialists in information and communication technologies (ICT)
- Industrial or equipment product designers
- Medical doctors
- University and higher education professors

Carried out in

Eligible Entities

Companies with relevant investments, during the first year of employment or in the previous five years, which benefit or have benefited from the fiscal regime for investment support (RFAI)

Industrial and service companies whose main activity falls within the eligible sectors and that export at least 50% of their turnover in the first year of employment or in either of the two preceding years

Eligible Sectors

- Extractive Industries
- Manufacturing Industries
- Information and Communication Activities
- Research and Development in Physical and Natural Sciences
- Higher Education
- Human Health Activities

Tax Benefits



02

Tax Benefits

- ✓ A special PIT rate of 20% applied to income from Categories A (employment) and B (self-employment) earned in Portugal
- ✓ Exemption of foreign-sourced income from categories A (employment income), B (self-employment income), E (capital income), F (rental income), and G (capital gains), provided that (i) taxable subject remains tax resident in Portugal; and (ii) obtains eligible income in Portugal under Category A or B. **Note:** still to clarify whether the exemption method applicable to foreign-sourced income is subject to similar rules as the former NHR, notably being taxable in the source country under a relevant Double Tax Agreement
- ✓ The regime is valid for a maximum period of **10 consecutive years**, non-renewable.



How to Access the Regime

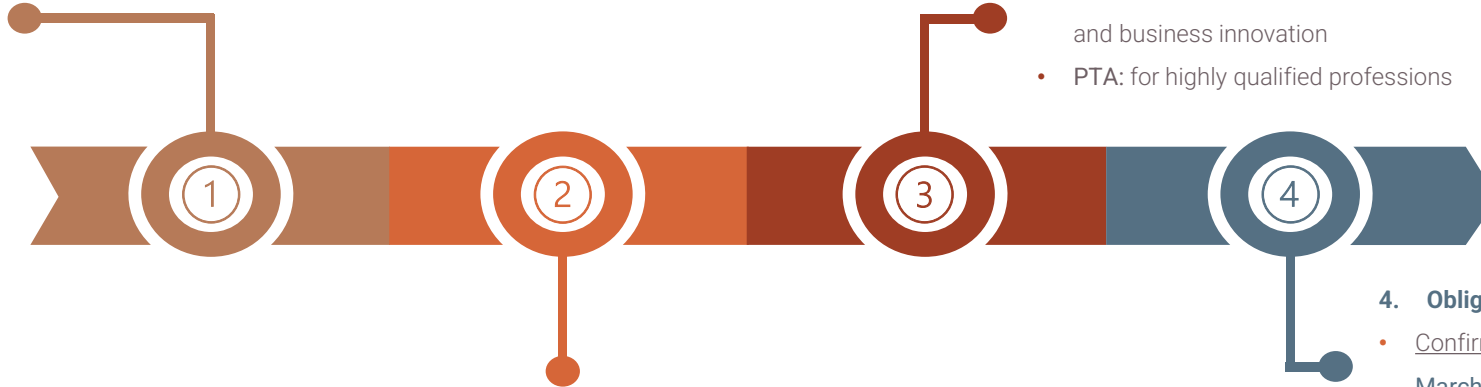


03

How to Access the Regime (1/2)

1. Required Documentation

- Employment contract
- Updated commercial certificate
- Scholarship agreement for I&D
- .Proof of academic qualifications for highly qualified professionals
- Certification from competent entities (when applicable)
- Additional documents



2. Registration Deadline

Until **January 15** of the year following the acquisition of tax residency in Portugal

3. Registration Deadline

Applications must be submitted to relevant entities, as detailed below:

- FCT: for teaching activities in higher education and scientific research
- AICEP or IAPMEI: for activities related to productive investment and business innovation
- PTA: for highly qualified professions

4. Obligations of Employers/Entities

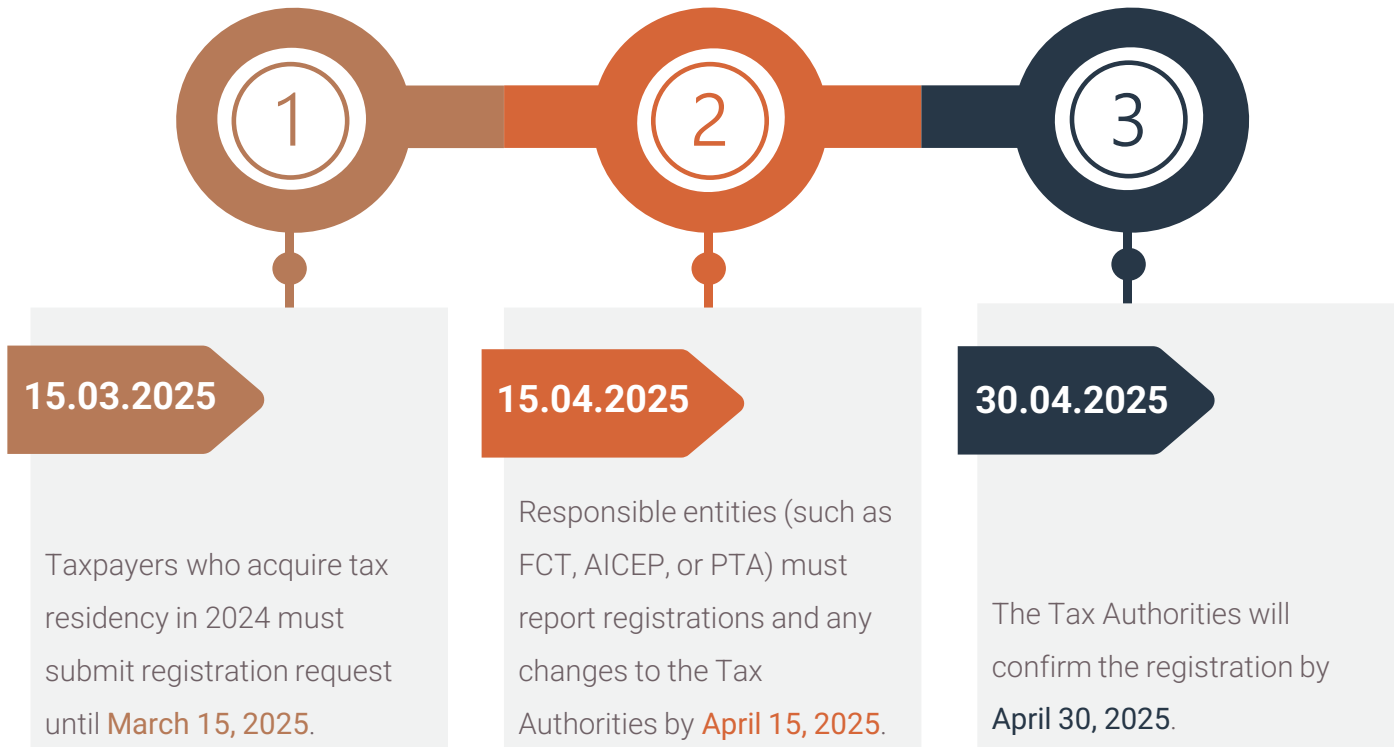
- Confirmation of Requirements: must confirm, by **March 15**, that professionals/employees meet the requirements through the Tax Portal
- Statements: must provide employees / professionals with a declaration certifying compliance with legal requirements



03

How to Access the Regime (2/2)

For income earned in 2024, the following **transitional regime** applies:



Exclusions



04

Exclusions

- ✓ Taxpayers who currently benefit or have benefited from the Non-Habitual Resident (NHR) Regime
- ✓ Taxpayers who have opted for tax regime applicable to former residents
- ✓ Employees whose salaries have already been considered for purposes of the fiscal regime for investment support ("RFAI")
- ✓ Income obtained from blacklisted jurisdictions (78 jurisdictions)
- ✓ Pension income



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