



SOCIEDADE DE ADVOGADOS, SP,RL  
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# NEWSLETTER

THE PORTUGUESE  
 PASSIVE INCOME VISA (I)  
 (2021 STATUS)

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 Chambers & Partners – Band 1 Tax "RFF Ranked Lawyer", 2013, 2014, 2015, 2016, 2017, 2018, 2019 and Band 1 "Private Wealth Law" - HNW "RFF Ranked Lawyer", 2018  
 International Tax Review – "Best European Newcomer" (shortlisted) 2013 / "Tax Controversy Leaders", 2014, 2015, 2016, 2017, 2018, 2019 / "Indirect Tax Leaders", 2015, 2016, 2017, 2018, 2019 / "Women in Tax Leaders Guide", 2015, 2016, 2017, 2018, 2019 / "European Best Newcomer", 2016 / "Tax Firm of the Year", "European Tax Disputes of the Year" and "European Indirect Tax Firm of the Year", (shortlisted) 2017  
 Best Lawyers – "RFF Tax Lawyer of the Year", 2014 / "Recommended Lawyers", 2015, 2016, 2017, 2018  
 Who's Who Legal – "RFF Corporate Tax Adviser of the Year", 2013, 2015, 2016 / "RFF Corporate Tax Controversy Thought Leader", 2017 "Corporate Tax: Advisory and Controversy", 2017, 2018, 2019  
 Legal Week – RFF was the only Portuguese in the "Private Client Global Elite Lawyers" 2018, 2019  
 STEP Private Clients Awards - RFF "Advocate of the Year 2019" (shortlisted)  
 IBFD Tax Correspondent Angola, Mozambique and East-Timor, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020

## SUMMARY

Besides the Golden Visa, there are other alternatives for residency in Portugal. The Passive Income Visa (also known as "Type I Visa" or D7 Visa") is a two step process that allows third country residents (outside the EU) to obtain a residence permit in Portugal.



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## INTRODUCTION

The Passive Income Visa (also known as "Type I Visa" or "D7 Visa") is a two-step process that allows third-country residents (outside the EU) to obtain a residence permit in Portugal.

This type of Visa was implemented for citizens who intend to relocate to Portugal and are able to prove to the Portuguese authorities that they have enough funds to support their life in Portugal.

## VISA APPLICATION AT THE PORTUGUESE CONSULATE

The requirements of each Consulate may vary, but as a rule, the applicant for this type of Visa must present the following documents before the Portuguese Consulate near his/her residence area:

- a) Valid Passport at least 6 months before the expiration date;
- b) Two recent passport-size colored photos;
- c) Declaration explaining the reasons for relocation to Portugal;
- d) Valid health insurance policy with coverage in Portugal;
- e) Criminal record certificate;

- f) Proof of address in Portugal (hotel or short time rental reservations not sufficient);
- g) Evidence of sufficient funds to sustain life in Portugal and that these funds are available for use in Portugal.

The purpose of this Visa is to obtain a valid Visa (120 days) that will allow the applicant to relocate to Portugal and prepare the application for the residence permit before the Portuguese Authorities.

Once this Visa is obtained, the applicant's family members can also apply for residence permits under the "Family Reunification" rules, with no need of a previous application for a Visa.

## RESIDENCE PERMIT APPLICATION IN PORTUGAL

Once the Visa is issued, the applicant is entitled to travel to Portugal and start the residence authorization application. The Visa allows for a maximum of two entries and a stay in the country up to 120 days.

The documentation to request the residence permit application that must be

submitted before the Immigration and Borders Service is the following:

- a) Passport with the stamped residency Visa.
- b) Documents attesting the sufficient financial means and permanent accommodation in Portugal, as previously submitted to the Portuguese Consulate.
- c) Health insurance policy, if acquired in Portugal.
- d) Documents attesting the registration before the Portuguese Tax Authorities and Portuguese Social Security.

Once the residence authorization is approved, the correspondent cards are issued and remain valid for a period of one year (temporary residency).

Card holders are entitled to enter all Schengen Area countries without the need of an additional Visa.

Except in the case of duly justified personal or professional reasons, a temporary residence holder is expected not to be outside Portugal for more than 6 consecutive months or 8 non-consecutive months during the validity of each permit.

## MAIN BENEFITS

This permit/Residence authorization is the best alternative to the Investment Visa (“Golden Visa”). It is considerably faster and more cost effective when compared with the Golden Visa. In addition, the holder is also entitled to the main benefits of being a Portuguese resident, namely:

- a) Permanent free entry and circulation in the Schengen Area.
- b) Possibility to have a professional activity in Portugal.
- c) Possibility of Family Reunification.
- d) Option to become a “non-habitual tax resident” in Portugal.
- e) Access to public education, healthcare, social security, etc.

## RENEWALS

The residence permit must be renewed at the end of the second year and then every three years.

The renewal process is similar to the first application process, and the documentation to be submitted is, basically, the same

The residence permit holders may apply for permanent residency or citizenship



at the end of 5 years of legal residency  
in Portugal.

Lisbon, April 14<sup>th</sup>, 2021

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