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WEALTH INHERITANCE & GIFT TAX

PORTUGAL

BELIM

Introduction

This fact sheet intends to provide a short overview of wealth, inheritance and gift taxes in Portugal. We shortly address taxes on immovable properties located herein owned by private individuals.

Is there wealth tax in Portugal?

Portugal does not have wealth taxes.

What about inheritance tax in Portugal?

Stamp tax is levied at a 10% rate to Portuguese located assets but inheritance passed to spouses and (direct) descendants and ascendants are exempt.

What about gift tax in Portugal?

Stamp tax is levied at a 10% rate to Portuguese located assets but inheritance passed to spouses and (direct) descendants and ascendants are exempt.

Portugal does not have wealth taxes

What about acquisition and holding of immovable property by individuals?

Immovable properties located in Portugal are taxed when purchased.

The “IMT” is levied at rates between 0% and 7.5% depending on the type, value and use of the property. Urban properties valued above **€ 1 000 000** have the highest rate.

Annual municipal tax “IMI” is also charged on the tax value of the property at rates that vary from 0.3% to 0.45% in urban properties.

An additional to the IMI “AIMI” is applicable to individual ownership of residential properties and construction plots with tax value (global sum of the value of all urban properties reported as of January 1 each year) exceeding **€ 600 000**. The applicable rate (after deduction of the € 600 000) for individuals is 0.7%. A marginal rate of 1% applies to the taxable amount of more than **€ 1 000 000** but equal or lower than **€ 2 000 000**. A marginal rate of 1.5% is applicable to the taxable amount higher than **€ 2 000 000**.

This information is correct at the time of publishing but may change at any time. The information is produced for general guideline purposes and is not intended to substitute recourse to expert tax and legal advice for the solution of real and specific cases.