



Hints on taking up residence & Living conditions in Portugal

Going to live abroad is a major decision and you should obtain a wide range of information and advice before you go. The following tips and sources of information provide a guide to help you.

In addition to this information about Portugal, the Foreign and Commonwealth Office produce a range of information booklets which you may find helpful and interesting. These are available on the FCO website:

www.fco.gov.uk/en/travel-and-living-abroad/publications

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1. Registration Certificates

Under EU directives and in compliance with a recent change in Portuguese law, you may remain in Portugal for a maximum of 3 months without having to comply with any formalities.

If you intend to remain in Portugal for a period exceeding 3 months, you must apply to your nearest town hall or to the Portuguese Immigration Service - the Serviço de Estrangeiros e Fronteiras (SEF) - for a *Registration Certificate*, during the 30 days following the 3-month period. This certificate will be valid for 5 years from the date of issue, or for your period of intended residence (if this is less than 5 years).

To obtain a registration certificate, you will be required to show your British passport and make a sworn declaration to the effect that you fulfil the conditions of residence. These are:

- a) that you are working or are self-employed, or
- b) you have sufficient funds to support yourself and your family (if appropriate), or
- c) you are enrolled on a course of study and have sufficient funds to support yourself and your family (if appropriate).

If you are applying for a registration certificate on behalf of a dependant relative, e.g. a child or an elderly relative, you will also be required to produce their passport and documentary evidence of their relationship to you as the main applicant.

EU nationals, who have lived legally in Portugal for a consecutive period of 5 years, may apply to the Immigration authorities (SEF) for a *Certificate of Permanent Residence*.

If you are already resident in Portugal and are the holder of a “residence permit”, you may continue to hold this document until it expires. Thereafter, you should apply to have it replaced, as appropriate, with a registration certificate or certificate of permanent residence.

2. Proof of Identity

There is a legal requirement in Portugal for people to be able to show some form of identification, if requested by the police or judicial authorities. A Portuguese national would be expected to show his identity card. For UK nationals, this means a passport. A driver’s licence or credit card would not be considered sufficient proof of identity.

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In most cases, it should be sufficient to carry a photocopy of the data page of your passport. However, you should be prepared to be accompanied by the police to collect the original document, if necessary, or to produce it within 12 hours of notification. The police can detain anyone who is unable to produce satisfactory identification until such a time as his/her identity has been established.

The requirement to carry the original document is rigorously enforced in the case of those stopped while driving in Portugal.

3. Housing, Accommodation and Rents

Accommodation is expensive, particularly in and around Lisbon, Oporto and Funchal. Long term rentals in the Algarve are difficult to find and, if available, are often very expensive. Locating suitable accommodation can be a time-consuming process.

Hotels are subject to Government control. Pousadas (Government hotels) range from reasonable to expensive. Hotel lists are available from the Portuguese National Tourist Office, most travel agents or via the internet.

4. Property Purchase

Buying a property in Portugal has many potential pitfalls and requires careful preparation and research to ensure that everything goes smoothly. There are many different types of property purchase in Portugal, including buying from a developer (i.e. in a residential or tourist complex), timeshare, and buying an existing property. The legal and other procedures relating to the sale and purchase of property in Portugal are different to those in the UK, so it pays to do all the necessary research in advance.

This is not intended as a detailed guide to buying a property in Portugal. Much information is available through the Internet and a number of useful books have been published on this subject, including the guide recently published by the Portuguese-British Chamber of Commerce (www.portuguese-chamber.org.uk). A key element in the process is the need to take expert professional advice from an independent lawyer based in Portugal with experience of property issues. We cannot recommend a specific legal firm, nor can we give legal advice on property purchase. However, we can provide a list of English-speaking lawyers, some of whom have experience of property issues.

One golden rule is NEVER SIGN ANYTHING unless you fully understand the contents and implications. You may be pressed to sign a document to secure

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the property and you want to sign because you don't want to risk losing the property. Don't risk anything. Ask your agent to fax a copy of the document to your lawyer, speak with your lawyer and follow his/her advice.

The following list of DOs and DON'Ts may be of use for those considering buying a property in Portugal:

DO

- Make sure you are well informed about Portuguese procedures and have done all the necessary research in advance (for example, think carefully about buying in a remote location).
- Make sure you use a properly qualified and registered Estate Agent (always remember to ensure that they are licensed and have an AMI number). And bear in mind that Estate Agents are representing the owners of the property they are selling.
- Engage an experienced and competent lawyer, preferably one who is independent of the lender, vendor and agent. In Portugal, lawyers must be registered with the Portuguese Law Society. You can check their registration number on-line: www.oa.pt.
- Make sure you obtain an estimate in advance of all the fees and costs involved in the property purchase, including Lawyers Fees, Notary Fees, Property Transfer Tax, etc.
- Compare prices - shop around and ensure that you are getting the best deal possible.
- Insist on having sight of updated documents on title to ensure that the seller is the registered owner and has all the necessary licenses in place, and **DO** make sure that your lawyer sees all the relevant documents.
- Make sure that any alterations to the property you are buying have been formally authorised and that the title deeds have been updated to reflect these changes.
- Make sure that anything you have verbally agreed with the seller during your negotiations is put in writing when you sign the promissory contract of purchase and sale.
- Make sure that any translations are true/legal.
- Ensure that for new properties the developer has a good reputation and is financially sound.

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- For peace of mind, **DO** make sure that a qualified surveyor inspects the property prior to completion, whether it is a resale or a new build, and insist that any visible defects are immediately pointed out.
- Make sure that you are fully aware in advance of all the costs involved in running the property you intend to buy, for example, condominium charges, management charges, annual municipal tax, etc.
- Make sure that if you or your legal representative change address that the local tax office is informed. This way any correspondence regarding tax will not be lost.

DON'T

- Make any payments without insisting on receiving the necessary receipts.
- Be rushed into making a decision to purchase a property - it is a lifetime commitment and you should insist on being given time to reflect on your options before making a binding decision.
- Purchase a property without having made at least one visit, even if it is just to see the building site - brochures are like postcards, they show only the positive aspects.
- Sign anything without understanding the contents.

5. Importation of Personal Belongings

If you intend to settle in Portugal, you may import your personal belongings (i.e. household effects, tools, bicycles, camping equipment, etc, which have no commercial value and are intended solely for your for personal use) duty-free provided such belongings have been used by you in your country of origin for at least six months prior to your departure. The company handling your removal will deal with the formalities on your behalf and it is therefore essential to appoint an experienced international mover, preferably one with an office in Portugal.

Further information can be obtained from your nearest Portuguese Consulate or from the Portuguese Customs and Excise authority (*Direcção Geral das Alfândegas*, Rua da Alfândega, 5, r/c, 1149-006 Lisbon, tel: 21 881 3700, e-mail: dgaiec@dgaiec.min-financas.pt), or a reputable agent. Information is also available in Portuguese on *the Direcção-Geral's* website at www.dgaiec.min-financas.pt.

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6. Importation of Domestic Animals

An animal arriving in Portugal from another EU country must be accompanied by a health certificate (*Atestado Sanitário*) issued by the competent authority in the animal's country of origin. The certificate should state that the animal is in good health and does not come from a region where contagious diseases, such as Rabies, prevail. It should be translated into Portuguese and presented to the customs authorities on arrival in Portugal.

The competent authority in Britain is the Department of Environment, Food and Rural Affairs, Nobel House, 17 Smith Square, London SW1P 3JR, tel 0044 0207 238 6000, e-mail helpline@defra.gsi.gov.uk.

If the authority in the animal's country of origin requires official notification of the need to issue a certificate, such notification may be requested from the *Direcção-Geral de Veterinária*, Largo da Academia Nacional das Belas Artes 2, 1200-005 Lisboa (tel 21 323 9500, e-mail veterinaria@mail.telepac.pt).

Animals arriving from outside the EU may be subject to other formalities and you are advised to contact the Portuguese Consulate in your country of origin or the *Direcção-Geral de Veterinária*, as mentioned above.

7. Cost of Living

Portugal is not a cheap country. Imported consumer goods are taxed and expensive. The cost of domestic fuel is high, as are international and regional telephone calls. Grocery bills can amount to more than is expected though local produce, such as olive oil, fruit, vegetables and wine, is still relatively cheap. Public transport fares are also reasonable in comparison with those in Britain and it is still possible for a family of four to eat out for little more than €60 (about £55).

The cost of private dental and medical treatment is high, and the only medicines that are available free-of-charge are those used to treat the sufferers of certain chronic illnesses, such as diabetes and Parkinson's disease. All other medicines have to be purchased, though many are subsidised to some extent when obtained on prescription and on presentation of a Portuguese National Health Insurance card.

8. Heating, Lighting, Etc.

Electric voltage in Portugal is 220v 50 cycles. Sockets are two pin round. Electricity is used for cooking but less frequently than gas. Natural gas is increasingly available, but butane gas in cylinders is still widely used. Some

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modern houses have central heating systems. While there may be brilliant sunshine out of doors, houses and flats inside can be very cold and damp during the winter. Good heating is therefore essential.

9. Driving in Portugal

Portugal has one of the highest rates of road accidents and fatalities in Europe. Driving can be hazardous due to deficient illumination on narrow, uneven roads and poorly marked road works. Excessive speed and unpredictable driving habits are an additional hazard. Fines for traffic offences are substantial and can be imposed on the spot. Traffic police frequently carry out road checks and you should carry with you at all times, when driving, the vehicle registration documents, insurance certificate, your driver's licence and passport. The police will also check the validity of the vehicle's road tax and MOT certificate, if applicable.

Motorway users in Portugal are required to pay tolls to cover the cost of maintenance. Hefty fines are imposed on those who cannot pay on demand at toll collection gates. The private companies that maintain the motorway system operate an automatic payment scheme (Via Verde) to make the passage through toll gates speedier. Subscribers to this scheme are issued with vehicle identification units and are entitled to use the green lane marked "V" at toll gates. Penalties are imposed for the unauthorised use of the "green lane" and care must be taken not to enter this lane inadvertently.

10. Driving Licences

It is not compulsory to exchange a UK-issued driver's licence on settlement in Portugal. These licences may be used until they expire. However, if you chose to continue to use your UK-issued licence, you must register it with the *IMTT – Instituto da Mobilidade e dos Transportes Terrestres*.

If you intend to make Portugal your main or permanent home, there are a number of very good reasons for exchanging your licence for a Portuguese-issued one. These are:

- If lost, stolen or damaged, the licence can only be renewed or replaced by the original issuing authority. Some licensing authorities, such as the DVLA, will not renew or replace a licence to an overseas address.
- When the licence eventually expires, the Portuguese authority cannot renew it as it was not issued by them. This means that you will have to take (and pass) a driving test in Portugal before the Portuguese authorities can issue you with a licence.

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In order to exchange your driver's licence, you should apply to the nearest office of the *IMTT - Instituto da Mobilidade e dos Transportes Terrestres* (Portuguese Driver and Vehicle Licensing Authority). You will be required to surrender your original licence in exchange for a locally-issued one.

A British citizen residing in Portugal is able to hire a car in the UK with their Portuguese Driver's Licence.

11. Importation of Motor Vehicles

New and second-hand cars are available locally without difficulty and it therefore makes sense to buy a Portuguese-registered car in Portugal. However, vehicles can be imported duty-free from another EU member state provided you were resident in that country prior to settlement in Portugal and the vehicle is already fully tax paid. For more information, we recommend that you contact your local customs office (*Alfândega*). See also our [leaflet](#) on the importation of motor vehicles.

12. Banking and Currency Regulations

On 1 January 2002, euro notes and coins replaced the Portuguese escudo. The Bank of Portugal will continue to exchange escudo notes and coins for a period of 30 years.

Items in shops are sometimes still priced in both escudos and Euros. Bills may also occasionally bear the amount to be paid in both currencies. However, this is becoming less frequent and will eventually be phased out.

The Euro is divided into 100 cents. There are seven bank notes (€5, €10, €20, €50, €100, €200 and €500) and eight coins (1, 2, 5, 10, 20 and 50 cents and €1 and €2).

Both resident British nationals and those who come to Portugal as visitors may open a bank account in Euros or any other foreign currency. Banks are open to the public from 08:30 until 15:00 Monday to Friday. The use of ATM machines is extensive and on-line banking is becoming increasingly popular.

There is no restriction on the amount of currency entering or leaving Portugal, but large sums of money should be transferred through proper banking channels.

13. Taxation

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Residents in Portugal are liable to Portuguese tax. Non-residents who own property in Portugal are liable to some taxes, such as IMT - *Imposto Municipal sobre Transmissões Onerosas de Imóveis* (Municipal Tax on the Transfer of Property) and IMI - *Imposto Municipal sobre Imóveis* (Municipal Tax on Property). Anyone who is due to pay taxes in Portugal should apply for a taxpayer's number (*número fiscal de contribuinte*) from their local tax office (*Repartição das Finanças*). A tax number is also necessary for opening a bank account, entering into a long-term rental agreement, purchasing property and road tax, etc.

The Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income was ratified between the UK and Portugal on 17 January 1969. This allows for income to be taxed once only in the taxpayer's country of residence.

In Portugal, it is incumbent upon the taxpayer to submit his own income tax return annually between 1 February and 15 March for earnings derived from salaried employment and/or pensions, and between 16 March and 30 April for all other sources of income. Married couples must submit a combined tax return. There are eight income tax brackets ranging from 11-45% and an array of tax deductions, credits and special benefits.

Tax laws and regulations are frequently subject to change and it is therefore advisable to seek professional guidance from a reputable firm of accountants or your local tax office (*Repartição de Finanças*). Their website is: www.dgci.min-financas.pt. You may also request clarification by e-mail from the tax authorities' (*Direcção-Geral dos Impostos*) enquiry line dsdsitarp@dgci.min-financas.pt

For help with UK tax matters, you may wish to contact the Inland Revenue's Centre for Non-Residents. For more information, consult their website at www.hmrc.gov.uk

14. Business

If you are intending to set up a business in Portugal, you should seek information from ICEP - *Investimento, Comércio e Turismo*, Avenida 5 de Outubro 101, 1050-050 Lisboa (tel 21 790 9500, fax 21 790 9578, e-mail icep@icep.pt, website www.icep.pt).

15. Health Service

Under EU legislation, British citizens who are legally resident in Portugal are entitled to state medical treatment on the same terms as any Portuguese

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national who is covered by the National Health Service. Non-resident British visitors to Portugal are entitled to emergency medical treatment at state facilities on production of their European Health Insurance Card (EHIC).

In order to benefit from state-funded health care as a resident, you should apply for a National Health Service “user card” (*cartão de utente*) at your local health centre (Centro de Saúde) producing your passport as evidence of national status, and your registration certificate (see paragraph 1 above). Until such a time as a registration certificate has been issued, you will only be entitled to emergency treatment from state facilities. Routine consultations, complementary exams, such as x-rays and blood tests, and prescriptions for existing illnesses only become available on National Health Service terms once a registration certificate has been issued and a user card has been applied for.

There is, however, one exception to this rule. If you are retired and are in receipt of a UK state retirement pension, you may apply for a user card and enrol with a state GP immediately on arrival, on the production of your passport and Form S1 which you should obtain from the Department for Work and Pensions before leaving the UK. This confirms your status as a UK pensioner to the Portuguese authorities, and speeds-up the issue of a Portuguese health service user card.

Please note that the only medicines that are available free-of-charge in Portugal, are those used to treat the sufferers of certain chronic illnesses. All other medicines have to be purchased, though many are subsidised to some extent when obtained on prescription and on presentation of a health service user card.

There are several good but extremely expensive private clinics in Portugal. If you are considering using private health facilities, you may wish to take out health insurance, either in the UK or locally on arrival.

16. Pensions and Benefits

You must be clear about your financial situation on your retirement. Remember to allow for exchange rate fluctuations and inflation. Even if you live overseas, you will still receive your state pension on retirement (provided you have reached state pension age). For more information, see our section on Pension, Healthcare and Benefits: www.ukinportugal.fco.gov.uk.

You may also ask for a UK state pension forecast from the State Pension Forecasting Team, Future Pension Centre, The Pension Service, Tyneview Park, Whitley Road, Newcastle-upon-Tyne NE98 1BA, tel 0845 300 0168. This will tell you at today’s prices, the amount of state pension you have earned already and the amount you can expect to receive at state pension

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age. For more information, visit the Pension Service website:
www.dwp.gov.uk.

If you wish to obtain a pension forecast from abroad, you should contact the National Insurance Contributions Office, Centre for Non-Residents, Longbenton, Newcastle-upon-Tyne NE89 1ZZ, tel 00 44 191 203 7010, and ask for form CA3638. You may also wish to visit their website:
www.hmrc.gov.uk/nic.

17. Death

Cremation is legal in Portugal and there are now 18 crematoriums throughout the country, though there are still none in the Algarve.

Bodies buried at municipal cemeteries in Portugal are exhumed after 3 years when the next-of-kin may arrange to have the remains cremated or transferred to a wall box. If the body is not fully decomposed, it will be buried again for further periods of 2 years until decomposure is complete.

Due to the very great shortage of space, the British Cemetery in Lisbon is reserved for the burial of Protestants residing in Portugal whose normal place of worship is St George's Church, Lisbon, St Paul's Church, Estoril, St Vincent's Church, Lagos or St Andrew's Church of Scotland.

Transportation of a body or ashes to the UK is possible but costly and should be handled by a reputable firm of undertakers. A list is available from the Embassy and Consulates.

18. British Institutions

There are numerous British and international expatriate organisations in Portugal, some of which are as follows:

Churches

Church of England: St George's, Lisbon; St Paul's, Estoril; The British Church of St James, Oporto; St Vincent's, Lagos (Algarve); Holy Trinity, Funchal.

Church of Scotland: St. Andrew's, Lisbon.

Roman Catholic: St Mary's Parish Centre, São Pedro do Estoril (Irish Dominican Fathers).

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Schools

Lisbon area: St Julian's, Carcavelos;
The International Preparatory School, Carcavelos;
St Dominic's, Carcavelos,
St George's, Cascais.

Algarve: The International School of the Algarve, Lagoa;
International School São Lourenço, Almancil.

Porto: The Oporto British School, Foz do Douro

Madeira: The British School, Funchal;
The International School of Madeira, Funchal.

Clubs and Societies

Lisbon Casuals Sports Club
Royal British Legion
St Andrew's Society
The Royal Society of St George
St David's Society
The Women's Royal Voluntary Service
The British Historical Society of Portugal
The Lisbon Players (theatrical group)
The Royal British Club

For more information on the British community, you may wish to consult the British Community Council's website: www.bcclisbon.org.

The British Council maintains offices in Lisbon, Coimbra, Oporto, Algés, Parede and Foz do Douro.

19. English Language Newspapers

Algarve Resident, Apartado 131, 8401-902 Lagoa (tel: 282 342936/fax: 282 342939, e-mail features@the-resident.com) is published weekly. It is widely read by the international community and carries a classified ads section.

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Madeira has an on-line English language newspaper and island guide called The Madeira Times: www.weblog.themadeiratimes.com.

20. Language

English is spoken in the main commercial and tourist centres but some knowledge of Portuguese is essential for those who wish to settle in this country. It would not be possible to find permanent employment without the ability to communicate in Portuguese. There are many language schools that teach Portuguese as a foreign language, and individual tuition is also available.

21. Further Help and Advice

There are a number of resettlement agencies in Portugal who, for a fee, will help you through the maze of Portuguese bureaucracy.

However, AFPOP, an acronym for the Association of Foreign Property Owners in Portugal, is a non-profit making organisation, founded in 1987 with the objective of assisting foreign property owners overcome the many difficulties afflicting the Portuguese real estate market.

Nowadays, the Association covers a much wider range of services and activities. It is directed and administered by a management council and area delegates who have many collective years of experience of living in Portugal. It operates from an office in Portimão offering members a full time service and advice. For details of membership, contact AFPOP, Apartado 728, 8501-917 Portimão, tel 282 458509, fax 282 458277, e-mail info@afpop.com

21. Consular Offices in Portugal

The Consulates in Portugal may be contacted as follows:

British Embassy
Consular Section
Rua de São Bernardo, 33
1249-082 Lisboa

Tel: 808 203 537 (from Portugal)/+351 21 395 4082 (from abroad)

Fax: +351 21 392 4153

E-mail: Lisbon.Consulate@fco.gov.uk

Website: www.ukinportugal.fco.gov.uk

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British Consulate
Edifício A Fabrica
Avenida Guanaré
Apartado 609
8500-915 Portimão

Tel: 808 203 537 (from Portugal)/+351 21 395 4082 (from abroad)
Fax: +351 282 414054
E-mail: Portimao.Consulate@fco.gov.uk

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Travessa Barão de Forrester, 86
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Fax: +351 22 610 0438
E-mail: britcon.oporto@sapo.pt

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Rua da Alfândega, 10, 3C
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Madeira

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Fax: +351 291-212869
E-mail: britcon.funchal@netmadeira.com

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Largo Vasco Bensaude, 13
9500-108 Ponta Delgada
São Miguel
Azores

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Consular Section
British Embassy
Lisbon

October 2011

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