CUATRECASAS

TAX

Newsletter

1st Quarter 2019

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EDITORIAL

Having closed 2018 with indicators above the best expectations, some slowdown is expected in 2019, albeit highly marked by the trends of the most recent years.

The tax area will certainly not be an exception.

At international level, we have witnessed the expected developments within the Multilateral Convention ("MLI"): Ireland, Malta, Singapura and Guernsey have deposited their ratification instruments and, by reference to March 29, MLI has entered into force in relation to 24 jurisdictions. In this respect, it is worth noting that Portugal has already submitted to the Portuguese Parliament the motion for the approval of the MLI, as well as the Portuguese reservations and declarations.

Progress can also be found at the level of Action 5 of the BEPS Project via publication of the *2018 Harmful Tax Practices - 2018 Progress Report on Preferential Regimes*, which highlights the increasing number of jurisdictions willing to combat harmful tax practices, imposing increasing substance requirements in the context of the application of preferential tax regimes.

Within the context of the several actions of the BEPS Project we have also witnessed several developments, largely in the context of the peer review processes under which taxpayers and other industry players are given the opportunity to comment on the targeted areas and measures. In this respect, special emphasis is given to consultation processes under Action 14 (dispute resolution), Action 6 (prevention of abuse of treaties) and challenges of the digital economy.

Digital economy and its challenges within the tax arena were also on the spotlight in this first quarter of 2019, with the discussions focused on two main pillars: on the one hand, the allocation of taxing rights between States vis-à-vis the inadequacy of traditional transfer pricing methods; on the other, all the remaining issues included in the BEPS Project, to be potentially addressed through the creation of interlocking rules and mechanisms to ensure effective taxation when dealing with low-tax jurisdictions.

The growing digitisation is also present in the working documents recently published by the OECD addressing the changes in the employment market and the impact they will surely have in the way employment income is taxed. A discussion that will surely mark the forthcoming years.

At the OECD level a final word for the launch of a new tool that will surely be well levered by the several tax authorities: the beneficial owner toolkit. It essentially consists of a guide aimed at guiding the various countries in the creation and implementation of effective and uniform regimes for the purposes of identifying effective beneficial owners by reference to any and all structures. An essential step in gathering information that will subsequently be the subject of international exchange between the tax authorities of the various countries.

At the European level, special emphasis is on the Commission's proposal for the legislative procedure in tax matters. According to the proposal, the Commission intends to amend the current provision, under which tax initiatives are taken exclusively by the Council under the unanimity rule, in order to adopt the qualified majority rule (also commonly referred to as the double majority rule), with Council and European Parliament having joint competences in this area.

As expected, the focus of the European institutions in the first quarter of 2019 was the no-deal Brexit. We have witnessed the adoption and release of several measures in the field of customs duties, as well as the preparation and dissemination of detailed guidelines and recommendations for the various operators.

On customs, the General System of Preferences, which applies to the European Union, Switzerland and Norway, is to replace (and update) the

agreement so far in force based on exchange of letters.

The list of non-cooperative jurisdictions of the European Union has undergone further changes with 10 new jurisdictions being added, which raises the number of non-cooperative jurisdictions to 15.

Notwithstanding the importance of the above developments in the international context, there are two key milestones in this first quarter of 2019: the invitation to Portugal to submit comments within the context of the State Aid procedure moved by the Commission and the decisions given by the European Court of Justice in the cases C-115/16, C-118/16, C-119/16 and C-299/16 and cases C-116/16 and C-117/16 (commonly referred to as Danish Cases).

The first is the culmination point of process initiated in 2015 that questions the fulfilment by Portugal of the favourable tax regimes approved by the Commission in the framework of the Madeira Free Trade Zone. In general terms, the Commission understands that Portugal, by not properly monitoring the requirements of their application, has been granting the relevant companies unauthorised state aid. Should the Commission's position prevail, Portugal should require companies that over the years have benefited from this regime the payment of taxes that would have been due in the absence of the special tax regime. This is an unparalleled situation in Portugal which we will follow closely.

With regard to the Danish Cases, it should be noted that we are in the presence of two groups of cases: the first concerning the concept of beneficial owner in the context of the Interest & Royalties Directive, the second, on the application of the Parent-Subsidiary Directive. Common to both decisions is the concept of abuse and the obligation for Member States to deny the application of the benefits of these two Directives whenever in the presence of this figure, irrespective of the national legislation containing a standard for that purpose. Going further, and pronging on the need to assess the existence of subjective and objective elements to determine the existence of abuse, the Court identifies a series of elements which, as a rule, allow to infer the artificiality of a structure and, consequently, of abuse. This decision is also relevant at the level of the burden of proof since in the Court's view tax authorities are only required to demonstrate the artificiality of a structure, not having to identify the final beneficial owners.

Anticipating the domestic effects of these decisions, it is expected that the Portuguese tax authorities will be resorting to the indexes listed by the Court in the context of tax inspections, denying the application of domestic exemptions on the basis of information that it has internally or which it obtains via information exchange mechanisms, whereas taxpayers will be unable to provide evidence of facts relating to third parties, the parents, as the law does not confer them any rights of access or exchange of information.

At the domestic level, the first quarter was not particularly rich.

Nevertheless, three aspects are to be highlighted.

Firstly, the long-awaited and fair amendment to the General Tax Law which now foresees the right to indemnity interest in case of improper payment of taxes on the grounds of an unconstitutional or unlawful provision.

Secondly, the approval of the Convention between the Portuguese Republic and the Republic of Angola to Eliminate Double Taxation on Income Taxes and Prevent Fraud and Tax Evasion, simultaneously with the approval of the Agreement between the Portuguese Republic and the Republic of Angola on Mutual Administrative Assistance and Cooperation in Tax Matters.

Lastly, and by reference to the real estate market, a word for the approval of the long-awaited Regime of Real Estate Investment and Management Companies. Responding to market need, one should note that this opportunity should have been accompanied by the approval of a special tax regime

on property taxes, and also used to address the issues that arise in the context of the application of the real estate investment funds regime to real estate development activities.

It is now the moment to invite you to join us in the analysis of the themes that we selected for this quarter, hoping that the months ahead will bring us new opportunities for joint reflection.

Diogo Ortigão Ramos

I. CESE AND THE CONSTITUTIONAL REGIME OF THE FINANCIAL FEES IN FAVOR OF PUBLIC ENTITIES

In a ruling dated January 8, 2019, the Constitutional Court assessed the compatibility of the Levy on the Energy Sector ("CESE") with the constitutional framework on levies and financial fees.

Following the usual approach within these cases, the Court firstly analyzed the legal nature of this levy and subsequently its compatibility with the constitutional principles of equivalence and proportionality.

As regards its legal nature, the Court sustained that CESE should be qualified as a financial fee (and not as a tax or levy).

This qualification derives, on the one hand, from the fact that CESE's revenue is aimed at funding mechanisms that promote the sustainability of the energy sector, through the Fund for the Systematic Sustainability of the Energy Sector ("FSSEE").

On the other hand, the Court held that CESE is specifically charged on entities that are part of the national energy sector, including the electricity, natural gas and oil areas, being therefore fair to assume that these entities benefit from the implementation of the sustainability policies mentioned above.

In other words, according to the Court, CESE is a bilateral and commutative financial fee, given that it aims at funding public activities that benefit a homogenous group of taxpayers.

Having established CESE's legal nature, the Court then assessed the compatibility of this fee with the principles of equivalence and proportionality.

In this context, the Court sustained from the outset that CESE is grounded on the benefits obtained by the taxpayers from the intervention of the FSSEE as a homogeneous group and on the public costs that such taxpayers presumably generate. According to the Court, this ensures both the necessary reciprocity between this fee and the public actions that it funds, being therefore compliant with the principle of equivalence.

As regards the compatibility of CESE with the principle of proportionality, the Court affirmed that such analysis entails the assessment of the balance between the fee and the public costs it finances.

Recognizing from the outset that the judicial power is not entitled to assess the level of effective development of the public functions that underlie the enactment of CESE and that the proportionality judgement does not necessarily entail the identification of effective, tangible and measurable benefits underlying this fee, the Court still ended up by concluding that CESE is compatible with the principle of proportionality.

The Court supports this conclusion stating that, on one side, CESE's taxpayers are entities that presumably benefit from the public actions funded by this fee and, on the other side, that the criteria adopted to assess the amount of the fee is not overtly unfair.

In this context, the Constitutional Court once again had the opportunity to consolidate and harmonize the rules and principles underlying the enactment of financial fees set forth in favor of public entities,

assuming the legislator's task, set forth within the constitutional revision of 1997, to approve a general regime of such financial fees.

However, the Court merely undertook a generic assessment of the benefits arising from the functions pursued by the FSSEE in favor of the underlying taxpayers, without effectively analyzing the balance between CESE and the public functions that it funds.

In the absence of an effective assessment of the consequences arising from the legislator's choices regarding the enactment of financial fees, this approach may ultimately enable that these fees be charged irrespective of effectively financing functions of public interest, thus failing to comply with their legitimacy within the fiscal system.

Nevertheless, the Court stated that the enactment of these fees implies the existence of a homogeneous group of taxpayers which, due to their economic activity, benefit from regulatory actions whose costs they presumably generate and that therefore should borne.

The homogeneity of taxpayers and the existence, even if merely presumptive, of the benefits to such taxpayers arising from public policies, are therefore highlighted as key requisites for the compatibility of financial fees with the principles of equivalence and proportionality.

In conclusion, the Court seems to disregard the analysis of the balance between the financial fees and the public functions, which they fund. Instead, the Court focuses its attention (i) on the criteria taken into account by the legislator upon defining the group of taxpayers responsible for the payment of financial fees as well as (ii) on the scope of the public activities to be funded by these fees.

All in all, in the absence of a general regime of the financial fees in favor of public entities, which, in accordance with the constitutional revision of 1997, should provide the relevant criteria for the enactment of such fees, in light of this decision, taxpayers should ascertain whether they are legitimately being included in the group of entities that supports the costs of the public regulatory activity, taking into account the characteristics of their own economic activity and the competences of the public entity funded through the fees.

Fernando Lança Martins
Mariana Mendonça Saraiva

II. REAL ESTATE CAPITAL GAINS FROM NON-RESIDENTS – CHANGE IN SIGHT?

On January 24, 2019, the European Commission ("EC") issued a press release regarding the infringement proceedings initiated against Member States, in which Portugal is targeted. Concerning taxation, Portugal has been in the spotlight due to the current regime regarding the taxation of non-residents' capital gains from real estate.

The EC has sent a reasoned opinion to the Portuguese Government, in which it urges Portugal to amend "*restrictive provisions on exit tax for capital gains, bringing it in line with the relevant judgments of the Court of Justice of the EU*."

The EC's infringement proceedings against Portugal concern its domestic provision under which non-resident taxpayers can only benefit from the Personal Income Tax ("PIT") regime that applies to resident taxpayers' capital gains when making an option for that purpose. If non-residents do not exercise that option, capital gains are fully taxed at a 28% flat rate, rather than 50% of their amount at progressive rates.

The topic under analysis has a long history. Until Law No. 67-A/2007, of December 31 ("2008 Budget Law") entered into force, the option described above was not available. While resident taxpayers' capital gains from real estate were taxed at progressive rates of only 50% of their value, non-resident taxpayers' gains

were fully taxable at a flat rate (ranging from 25% to 28% overtime).

This entailed a notorious and flagrant discrimination between residents and non-residents, conflicting with the principle of the free movement of capital, as uphold in the decision of the Court of Justice of the European Union ("CJEU") in cases C-443/06 (*Hollmann*) and C-184/18.

In the first case, Ms. Hollmann, tax resident in Germany, sold a property located in Portugal in 2003, for which she was taxed over 100% of the capital gain at a 25% rate.

Ms. Hollmann challenged the tax assessment by invoking discrimination in the treatment of real estate capital gains between resident and non-resident taxpayers. The Administrative Supreme Court ("STA") asked the CJEU whether the provisions of the PIT Code were contrary to the Treaty establishing the European Community.
In 2007, the CJEU ruled that the provisions of the PIT Code were contrary to the principle of the free movement of capital.

Following the CJEU's decision, Portugal was obliged to amend the PIT Code to eliminate the different treatment between residents and non-residents. The 2008 Budget Law made it possible for non-residents to opt for the taxation that applies to residents' gains from real estate.

About a decade after the ruling of the *Hollmann* case, the CJEU was again called on to give its opinion on the issue, this time to assess the application of fundamental freedoms (free movement of capital) to third states, notably Angola (C-184/18). On September 6, 2018, it was decided that the rules of the PIT Code that sustained tax assessment on real estate capital gains of tax residents in Angola were contrary to the free movement of capital applicable to third states.

The recent decision of case C-184/18, besides its effects on the underlying proceedings, may also have prompted the EC to analyze and question Portugal on the mechanism used in 2008 to eliminate the restriction on the free movement of capital.

Over the years, this mechanism has been challenged by both scholars and judicial and arbitral courts. By resorting to the Community case law arising from the *Gielen* case (C-440/08), many have argued that the option introduced in 2008 constitutes a burden exclusively imposed on non-resident taxpayers (vis-à-residents) and is not sufficient to exclude the discriminatory effects of the regime. In fact, even if one were to recognize a merit in relation to the existence of the option, such a recognition would in itself constitute the validation of a tax regime that would continue to breach the free movement of capital.

The EC actually stated, "*EU case law holds that a mere option to be treated as a resident taxpayer does not remedy the infringement if the default taxation still imposes a greater burden on non-resident taxpayers*".

In the press release, the EC gave Portugal two months to provide a satisfactory response to the opinion submitted, under which the provisions of the PIT Code must be amended. To the best of our knowledge, by the end of March, Portugal was yet to respond.

Will Portugal continue to ignore the CJEU and the national courts' decisions? Will it establish a single taxation regime for residents and non-residents? Will it create a (not forbidden) positive discrimination by allowing only 50% of the real estate capital gains of non-residents to be taxed at 28%? Will it remove the mandatory aggregation of this income for residents, with both residents and non-residents being taxed at 28% on only 50% (or on 100%) of the real estate capital gains?

The EC's approach is a significant step towards amending provisions that go against the principles governing the European Union, in line with the prevailing doctrine and national courts' decisions.

Although it seems the long-awaited review of the PIT taxation regime of capital gains by non-residents may have arrived, we will have to wait to see how

Portugal will react to the EC's position. What is certain is that any measure other than the creation of a single regime for residents and non-residents will be worthy of a follow-up article on the subject.

Ana Helena Farinha
Tiago Gonçalves Marques

III. *PROGRAMA REGRESSAR*: THE NEW TAX REGIME FOR FORMER RESIDENTS

Law no. 71/2018, of December 31 ("2019 State Budget") has established a temporary tax regime for Personal Income Tax ("PIT") purposes which applies to individuals who were former residents in Portugal, returning between January 1, 2019 and December 31, 2020.

This regime is commonly known as *Programa Regressar*. The aim of *Programa Regressar* is to encourage individuals (particularly high-skilled workers) who emigrated when the country was subject to the financial assistance program to return to Portugal.

The regime establishes a PIT exemption of 50% of employment income (category A) and self-employment income (category B) received by individuals who become tax residents in Portugal between 2019 and 2020. However, to be eligible, individuals must (i) have not been resident in Portugal in the three years before the year they return; (ii) have been tax residents in Portugal before December 31, 2015; and (iii) have their tax situation regularized.

Programa Regressar has, however, a limited term: only applies for five years, starting from the year (inclusively) the former residents reacquire their Portuguese tax residency.

It should be noted that *Programa Regressar* is not cumulative with the Non-Habitual Resident regime, but alternative. Therefore, individuals who have already applied for the Non-Habitual Tax Resident regime are not able to benefit from *Programa Regressar*. If a taxpayer meets the eligibility requirements of both regimes, he or she should consider which of the regimes might be more favorable based on his or her personal and patrimonial situation.

To make an informed decision, the taxpayer should consider: (i) the term (five years for *Programa Regressar*, which cannot be interrupted, *versus* 10 years for the Non-Habitual Tax Resident regime, which can be interrupted and resumed); and (ii) scope of application (PIT exemption of 50% of employment and self-employment income, which does not have to derive from high added-value activities under *Programa Regressar, versus* a reduced PIT rate of 20% on the same type of income, provided it derives from high added-value activities (based on the list approved by Ordinance no. 12/2010, of January 7) and PIT exemption on foreign-source (passive) income under the Non-Habitual Tax Resident regime).

Although a case-by-case analysis is recommendable, if the taxpayer mainly (or exclusively) receives foreign-source passive income (e.g., investment income, rental income, pension), it may be anticipated that the Non-Habitual Tax Resident regime would, in principle, be more favorable than *Programa Regressar*. Conversely, *Programa Regressar* may be more attractive for taxpayers who mainly receive Portuguese-source income that does not derive from high added-value activities.

One of the major criticisms of the Non-Habitual Tax Resident regime is that the list of high added-value activities is not updated to adapt to the needs of the labor market. It is perhaps for this reason that the Non-Habitual Tax Resident regime is not so attractive for Portuguese citizens who have emigrated (based on the Ministry of Finance data, in 2018, only approximately 1,500 non-habitual tax residents were Portuguese citizens out of 27,400

non-habitual tax residents). Perhaps this is why *Programa Regressar* has been established, although it is probably not the only reason.

For example, *Programa Regressar* may also serve as a gateway for athletes (e.g., football players), whose return to Portugal was conditioned, amongst other, on not being able to benefit from the Non-Habitual Tax Resident regime, as sporting activities are not included in Ordinance no. 12/2010 of January 7. With *Programa Regressar*, athletes returning to Portugal who comply with the requirements described above will be able to benefit from a PIT exemption of 50% of their employment income.

We acknowledge the fact that *Programa Regressar* may raise constitutional issues, in the sense of violating the principle of equal treatment under article 13º of the Constitution of the Portuguese Republic. Is encouraging the return of Portuguese citizens residing abroad an appropriate legal justification for distinguishing between citizens? Constitutional issues aside, *Programa Regressar* is already up and running.

In fact, through the Resolution of the Council of Ministers no. 60/2019, of March 14 (the "Resolution"), *Programa Regressar* is approved as a strategic program to support the return to Portugal of Portuguese workers who have emigrated, as well as their descendants.
The Resolution stipulates that *Programa Regressar* contemplates taxation as a strategic area of intervention, establishing that the application of the new tax regime introduced by the 2019 State Budget should be secured. For this purpose, a structure exclusively dedicated to monitoring and making operative *Programa Regressar*'s objectives has been set up. This structure will have to submit semiannual reports on the implementation of the measures adopted under *Programa Regressar* (including the new regime for former residents).

We look forward to assessing the extent to which *Programa Regressar* is adhered to and whether it will achieve its goal of attracting qualified emigrants back to Portugal, therefore boosting Portuguese economy.

Marta Duarte Silva
Filipa Belchior Coimbra

IV. LEGISLATION

Council of the European Union
Directive 2018/2057, of December 20 (made available on January 2, 2019)

- Amends Directive 2006/112/EC on the common system of value added tax ("VAT"), as regards the temporary application of a generalized reverse charge mechanism in relation to supplies of goods and services above a certain threshold

Council of the European Union
Amendment to Directive 2018/1695, No. L 329/53, of December 27 (made available on January 2, 2019)

- Amends Council Directive (EU) 2018/1695 of November 6 2018, which amended Directive 2006/112/EC on the common system VAT, as regards the period of application of the optional reverse charge mechanism in relation to supplies of certain goods and services susceptible to fraud and of the Quick Reaction Mechanism against VAT fraud

European Commission
Notice C466/14, of December 28(made available on January 2, 2019)

- Notice on current State aid recovery interest rates and reference/discount rates for 28 Member States applicable as from January 1, 2019

Agency of Treasury Management and Public Debt
Notice No. 212/2019, of January 4

- Establishes the late payment interest rate regarding debts to the State and other public entities for 2019

Regional Parliament of Azores
Regional Legislative Decree No. 1/2019/A, of January 7
- Approves the Regional Budget Law for 2019 of the Autonomous Region of Azores

Ministry of Finance
Ordinance No. 6-A/2018, of January 7
- Establishes the adding rate over Carbon Dioxide emissions, as well as the adding values resulting from the application of said rate to adding factors on oil products

Parliament
Law No. 3/2019, of January 9
- Sets out the requirements to apply for tax benefits in programs of affordable rent housing construction

Parliament
Law No. 2/2019, of January 9
- Authorizes the Government to implement a special tax regime foreseeing a tax exemption for real estate income derived from house renting or sub-renting within the Program of Affordable Rent

Ministry of Finance
Order No. 616/2019, of January 14
- Approves Model 22 (corporate income tax return) and respective filling instructions

Ministry of Finance
Order No. 791-A/2019, of January 18
- Establishes the tax withholding rates applicable to employment and pension income for the mainland, for 2019

Ministry of Finance
Ordinance No. 30-A/2019, of January 23
- Approves the filling instructions of the Monthly Wages Statement/«*Declaração Mensal de Remunerações*»

Ministry of Finance
Ordinance No. 32/2019, of January 24
- Approves Annex R of the Simplified Business Information ("IES") form

Ministry of Presidency and Administrative Modernization, Finances, Justice e Adjunct and Economy
Ordinance No. 31/2019, of January 24
- Establishes the submission procedure of the IES form/Annual Tax and Financial Information Statement and of the SAF-T file

Ministry of Finance
Order No. 977/2019, of January 28
- Updates the list of entities under the Large Taxpayers Unit supervision

Ministry of Finance
Ordinance 34/2019, of January 28
- Approves Model 3 (personal income tax return) and respective filling instructions

Ministry of Finance
Order No. 1056/2019, of January 30
- Establishes the tax withholding rates applicable to employment and pension income for the Autonomous Region of Azores, for 2019

Council of the European Union
Amendment to Directive 2018/822, No. L 31/108, of February 1
- Amends the Council Directive 2018/822 of May 25 2018, which amended Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements

Parliament
Law No. 9/2019, of February 1
- Introduces in the General Tax Law the right to receive indemnity interests in cases of undue tax payment, as a result of the application of unconstitutional or illegal provisions

Vice-Presidency of the Regional Government of Madeira
Order No. 37/2019, of January 31
- Establishes the tax withholding rates applicable to employment and pension income for the Autonomous Region of Madeira, for 2019

Presidency of the Council of Ministers
Decree No. 1/2019, of February 4

- Defines which taxpayers may benefit from the automatic income declaration

Parliament
Resolution No. 22/2019, of February 14

- Approves the Agreement between the Portuguese Republic and Angola for the Mutual Administrative Assistance and Cooperation in Tax Matters, signed in Luanda, on September 18, 2018

Parliament
Resolution No. 23/2019, of February 14

- Approves the Convention between the Portuguese Republic and Angola to avoid Double Taxation and Prevent Tax Evasion with respect to Income Taxes, signed in Luanda, on September 18, 2018

Presidency of the Republic
Presidential Decree No. 12/2019, of February 14

- Ratifies the Convention between the Portuguese Republic and Angola to avoid Double Taxation and Prevent Tax Evasion with respect to Income Taxes, signed in Luanda, on September 18, 2018

Parliament
Law No. 17/2019, of February 14

- Amends the communication and due diligence regime for financial institutions regarding financial accounts

Presidency of the Council of Ministers
Decree-Law No. 28/2019, of February 15

- Rules on the obligations relating to invoice processing and other tax relevant documents, as well as on the bookkeeping obligations for VAT purposes

Ministry of Finance and Agriculture, Forests and Rural Development
Ordinance No. 61/2019, of February 14

- Defines the costs relating to forestry fire prevention operations, forestry management planning, forestry certification/licensing or forest adaptation for climate changes that qualify for the application of tax benefits

Ministry of the Environment and Energetic Transition
Ordinance No. 65/2019, of February 19

- Amends the regime of cost controlled housing

Ministry of Finance and Health
Ordinance No. 64/2019, of February 19

- Determines the entity liable for generating and issuing identifiers for tobacco products

Parliament
Amendment Declaration No. 6/2019, of March 1

- Amends Law No. 71/2018, of December 31, which approved the State Budget Law for 2019

Ministry of Finance and Sea
Ordinance No. 72-B/2019, of March 6

- Establishes the amount to be deductible to the taxable basis foreseen in the special tax regime for crewmembers of the merchant navy

Ministry of Finance, Economy, Infrastructures and Housing, Environment and Energetic Transition and Agriculture, Forests and Rural Development
Ordinance No. 74/2019, of March 8

- Establishes the requirements to qualify for a small biofuel producer, the amount of biofuel that may benefit of Excise Tax exemption and respective value

Parliament
Amendment No. 7-A/2019, of March 11

- Amends Law No. 3/2019, of January 9, which established the requirements to apply for tax benefits in programs of affordable rent housing construction

Ministry of Finance
Order No. 2445/2019, of March 12

- Determines that the deposit made in favor of the State, corresponding to the amount due for exercising the right to acquire conversion rights, is made to an account of *« Direcção-Geral do Tesouro e Finanças»*

Parliament
Law No. 24/2019, of March 13

- Determines that retired judges must renounce to said status to be an arbitrator in tax matters

European Commission
Communication No. C 101, of March 15

- Invites Members-States to submit comments pursuant to Article 108(2) of the Treaty on the Functioning of the European Union, concerning the aid scheme that Portugal implemented in favor of the companies established in Madeira Tax Free Zone «*Zona Franca Madeira*»

Presidency of the Regional Government of Madeira
Regional Decree No. 3/2019/M, of March 19

- Amends Regional Decree No. 14/2015/M, of August 19, which approved the Structure of the Tax Authorities for the Autonomous Region of Madeira

Ministry of Finance and Sea
Ordinance No. 83/2019, of March 21

- Establishes the requirements and procedures applicable in 2019 by reference to the granting of subsidies, in the context of *de minimis* aid to the fishing industry, corresponding to a reduction of the gas price used in small aquaculture businesses

Council of the European Union
Communication No. C 114/2, of March 26

- Publishes the Council's conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes

Parliament
Law No. 27/2019, of March 28

- Establishes that the tax infringement procedure regime is applicable in the context of enforced recovery of judicial fees, non-criminal penalties and other penalty payments determined by judicial proceedings

CUATRECASAS

Contact

Cuatrecasas, Gonçalves Pereira & Associados, Sociedade de Advogados, SP, RL
Sociedade profissional de responsabilidade limitada

Lisbon
Praça Marquês de Pombal, 2 (e 1-8º) I 1250-160 Lisboa I Portugal
Tel. (351) 21 355 3800 I Fax (351) 21 353 2362
cuatrecasasportugal@cuatrecasas.com I www.cuatrecasas.com

Porto
Avenida da Boavista, 3265 - 5.1 I 4100-137 Porto I Portugal
Tel. (351) 22 616 6920 I Fax (351) 22 616 6949
cuatrecasasporto@cuatrecasas.com I www.cuatrecasas.com

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