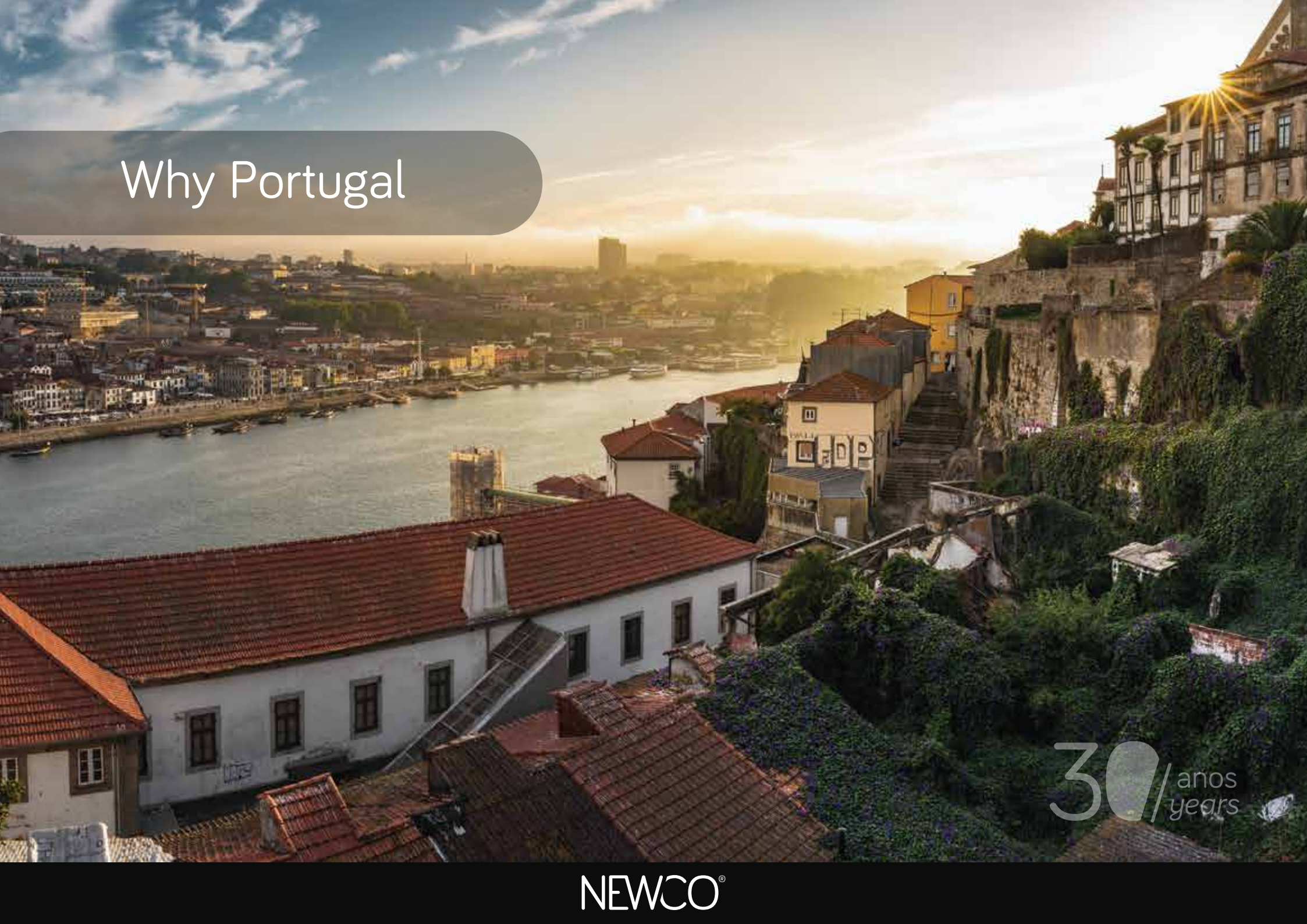


Why Portugal



30 anos
years

NEWCO®

A COUNTRY WORTH INVESTING IN

Innovative, cosmopolitan and multifaceted, Portugal is a dynamic country that has learned to capitalize on its various resources. Proud of their tradition, but with their eyes on the future, the Portuguese have modernised sectors as diverse as cork, footwear, fashion, wine and even traditional commerce, while embracing technological development and opening doors to entrepreneurship and foreign investment. If any country today has all the conditions to attract investment, it is undoubtedly Portugal.



PROPITIOUS BUSINESS ENVIRONMENT



QUALIFIED AND PRODUCTIVE WORKFORCE



GOOD INFRASTRUCTURE AND ACCESSIBILITY



COMPETITIVE OPERATING COSTS



UNBEATABLE SAFETY AND QUALITY OF LIFE



A favourable environment for international business development

Portugal is a member country of the OECD and the European Union, which guarantees the application of Community principles and directives and ensures a modern legal framework. It is part of the Euro Zone, thus guaranteeing freedom of capital movement and elimination of exchange risk. It is also a member of the Schengen area. In addition to its recognized political and social stability, the country has invested heavily in simplifying procedures and adopting e-government systems, with a profound impact on the quality of services provided, simplifying processes and complying with regulations. Portugal also offers an ecosystem very conducive to innovation and the creation of new companies, complemented by the offer of specialized and very experienced service providers in monitoring international business.



COUNTRY IN INNOVATION
(CTA Innovation
Scorecard 2018)



**BEST COUNTRY IN THE WORLD
TO DO BUSINESS**
(Forbes 2019)



**BEST IN ADOPTING
E-GOVERNMENT SYSTEMS**
(UN E-government Survey 2018)

Flexible, skilled and productive workforce

To ensure that the relevant functions are performed by appropriate professionals, it is essential to have a qualified, dedicated and productive workforce. The Portuguese have shown above-average skills especially in management, foreign languages, engineering and science.



**EUROPEAN COUNTRY IN
ENGINEERING TRAINING**
(Eurostat 2019)



IN LANGUAGE SKILLS
(IMD World talent
report 2019)

Good infrastructure and accessibility

With one of the most advanced telecommunications systems in the world, Portugal is among the 30 countries with the highest broadband speed and has the fourth best fibre optic network in the world. The technological appetite of the Portuguese is internationally recognised and the country is often chosen by technological companies to test the adoption of highly innovative products. In air infrastructures, Portugal has several international airports, with daily connections to several capitals in different continents. The quality of port and road infrastructures is also a distinguishing factor.



**COUNTRY WITH BEST
FIBRE OPTIC NETWORK**
(Global Connectivity Index 2019)



**COUNTRY IN THE WORLD
IN ROAD QUALITY**
(WEF Global Competitiveness Report
2017/18)



**COUNTRY IN THE WORLD WITH
THE BEST INFRASTRUCTURES**
(WEF Global Competitiveness Report 2017/18)



Unbeatable safety and quality of life

Considered one of the 3 safest countries in the world, Portugal complements the peaceful and safe environment with an extraordinary climate and an excellent quality-price ratio of goods and services, which allow inhabitants and tourists to enjoy the best that the country has to offer. Portugal has an enviable social stability and is exemplary in integrating expatriates and welcoming tourists, which highlights the multicultural approach of Portuguese society. Add to that, as a cherry on top of the cake, the good cultural and leisure structures as well as very advantageous conditions in terms of tax and residence permits, and you can easily understand why Portugal is considered the 1st country in the world in quality of life for expatriates and the 3rd best country in the world to live and work.



**MOST PEACEFUL
COUNTRY IN
THE WORLD**
(Global Peace
Index 2019)



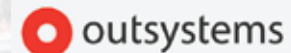
**COUNTRY IN THE
WORLD IN QUALITY
OF LIFE FOR
EXPATRIATES**
(Inter Nations
ExpatInsider 2019)



**BEST COUNTRY
IN THE WORLD
TO LIVE AND WORK**
(Inter Nations
ExpatInsider 2019)

A COUNTRY THAT WELCOMES EVERYTHING FROM START-UPS TO MULTINATIONALS

Whether as a welcoming base for living and working, a synergistic platform for your growth or support for complementary services, freelancers, start-ups and multinational companies find in Portugal the right place to develop their activity. Meet some of the names that have made Portugal your home.



A COUNTRY WITH A LEGAL AND FISCAL FRAMEWORK FAVOURABLE TO INTERNATIONAL BUSINESS

Aware of the importance of foreign investment for the country's development, the Portuguese government has over the years been improving its tax system, providing it with the necessary conditions to leverage investments in various sectors of activity in a context of globalization.

Competitive tax regime for companies:

- **General corporate income tax rate: 21%, or 5%** if within the International Business Centre of Madeira (IBC);
- **Participation Exemption applicable to dividends and capital gains**, allowing the exemption of tax on dividends received and capital gains obtained on the sale of subsidiaries, provided certain conditions are met;
- **Exemption from withholding tax** on dividends, royalties, and interest, provided that the conditions of the parent-subsidiary directives, interest and royalties are met;
- **Wide network of double taxation treaties** (close to 80);
- **Tax credit** for international, economic and legal double taxation;
- **Patent Box system** that provides for a 50% exemption from IRC on income from the assignment or temporary use of software, patents, industrial designs or models subject to registration.

Several Advantages for Shareholders

Exemption of capital gains on the sale of Portuguese companies, provided that the company's main assets are not real estate in Portugal and that the partners are not resident in tax havens.

Exemption from tax on the distribution of profits and dividends to corporate/legal partners, provided certain requirements are met;

Exemption from withholding tax or withholding tax at reduced rates, on the distribution of dividends to individual/legal partners not resident in Portugal, if the company is licensed to operate within the scope of the International Business Centre of Madeira or if it can apply a Double Tax Treaty;

Residence permits for investment, entrepreneurship or qualified employment;

Exemption or reduced tax rates for certain income of individuals under the special tax regime for non-habitual residents.

Special tax regime for non-habitual residents

Non-habitual residents in Portugal (taxpayers who, having become fiscally resident in the country, have not in any of the previous five years been taxed as such under IRS) may benefit from a reduction or elimination of taxation on some of their income:

Net income from employment and self-employment related to the exercise of high added value activities of a scientific, artistic or technical nature obtained in Portugal are taxed at the rate of 20%.

Net income from employment and self-employment obtained abroad may be exempt, provided that certain conditions are met;

Income from capital, real estate and asset increases obtained abroad may be exempt, provided that certain conditions are met;

Pension income obtained abroad by non-habitual residents, insofar as it is not considered as a tax deduction in Portugal, is taxed at the rate of 10% when it originates from contributions.



Residence permits for third country nationals to the European Union.

Portugal has been setting up special programmes allowing non-EU citizens to obtain temporary residence permits through a simplified and rapid procedure. Investors will be able to access three separate programmes:

[Residence permit for investment activities](#) ("Golden Visa"): this is considered as capital transfers, job creation or the acquisition of real estate that fulfil certain conditions;

[Residence permit for entrepreneurship and/or innovation activities](#) ("Start-up Visa"): foreign entrepreneurs wishing to start an innovative business will have access to a residence visa that will give them the possibility to create from scratch or relocate an existing StartUP to Portugal.

[Residence permit for highly qualified workers](#) ("Tech Visa"): aims to ensure that highly qualified staff, foreign to the European Union, can access the jobs created by Portuguese companies in a simplified manner. This programme is aimed at technological and innovative companies, inserted in the global market, that want to attract to Portugal qualified and specialized staff from third countries.

THE INTERNATIONAL BUSINESS CENTRE OF MADEIRA - IBC

Portugal also provides a number of unique benefits for investors with international operations. Companies established in the International Business Centre of Madeira (IBC) also have the following advantages, in addition to all those previously mentioned for Portuguese companies:

- » The corporate income tax rate is 5%
- » Exemption from the obligation to withhold at source the payment of royalties, services and interest to third parties
- » Exemption from withholding tax on the distribution of dividends to shareholders
- » Exemption from withholding tax on the payment to shareholders of interest and other forms of remuneration on shareholders' loans, allowances or advances of capital
- » 80% reduction in stamp duty rates, municipal property tax (IMT), municipal property tax (IMI) and regional and municipal surcharges, notary and registration fees
- » Reduction of the Special Payment on Account and Autonomous Taxation in proportion to the applicable corporate income tax rate (in this case a reduction of 76.2%)
- » Commercial or trading activities carried out by the Madeira company will be taxed according to the income tax rate applicable to companies licensed within the IBC of Madeira, i.e. 5%

A COUNTRY WITH VARIOUS SECTORS TO INVEST IN

1 Startups

Portugal has been investing a lot in boosting entrepreneurship and the results are there to see. In addition to the very important role in revitalising the post-crisis Portuguese economy, the creation of an ecosystem conducive to business start-ups has made it possible to attract entrepreneurs from all parts of the world, rejuvenating and modernising the Portuguese entrepreneurial fabric and creating unique opportunities for the talented professionals who abound in Portugal.

In all regions of the country, there is a multiplication of entrepreneurial centres, coworker spaces, financing and investment programmes, universities with technological centres and support for start-ups, all supported by a clear government commitment to boosting entrepreneurship and attracting foreign investment to Portugal.

2 Tourism

History, rich and diverse natural and cultural heritage, a mild climate all year round and a people with open arms to welcome. Tourism continues to be one of the most dynamic sectors of the Portuguese economy and there are plenty of opportunities for those who want to invest and take advantage of the unique characteristics of our country, from small local accommodation units, to passionate retreats in a rural environment, to classic hotels and the multiple services that this sector involves. Visas, residence and work authorization Tax resident status Housing and management of properties Moving and transport Personal assistance and other services



3 Real Estate

Very competitive prices, low transaction costs, comparatively high rates of return on investment compared to other European countries, and a wide and varied offer of real estate and properties from north to south of the country. Real estate is on the crest of the wave and is one of the areas that has aroused the most interest among foreign investors, who in addition to the financial return can also benefit from residence permits for the investment and consequent access to the European market and Schengen area.

4 Shared services centres/outsourcing

Portugal has become a natural destination for the establishment of shared service centers and outsourcing. Thanks to its strategic location, a time zone compatible with the main international markets, infrastructures of excellence at very competitive prices and, above all, a highly qualified human capital, with language skills well above average, appetite for new technologies and ease of relationship with other cultures, the country has a unique capacity to host service centres of excellence in the most varied sectors of activity.

NEWCO is a professional services company specialized in the operationalization of foreign investment in Portugal, including Madeira and Malta (inward investment services provider).

With 3 decades of experience and the know-how that allows us to successfully support both large multinationals and companies small and start-ups and their investors, together with our partners, we are your one stop shop in Portugal and in Malta, providing all the services necessary for them to establish themselves and develop their activity in a new country quickly and efficiently.

The strategic values that have guided **NEWCO** business activity are know-how, customer satisfaction, integrity, excellence of service and innovation and our clients acknowledge this.

The numbers from our customer satisfaction survey speak for themselves:



Corporate Services

Establishment of companies
Head office and offices with shared services
Local director, administrative services
and corporate management
Support in opening a bank account
Salary processing
Compliance with accounting, taxation
and reporting obligations
Tax compliance (SAF-T Accounting)

Relocation Services

Visas, residence
and work authorization
Tax resident status
Housing and management
of properties
Moving and transport
Personal assistance
and other services

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