

## NEWSLETTER NOVEMBER 2025

### HOW TO CHOOSE YOUR VISA TO LIVE IN PORTUGAL: A QUICK GUIDE FOR ANYONE WITH INCOME, ASSETS, OR PLANS TO BE AN ENTREPRENEUR

Portugal remains one of the preferred destinations for foreigners seeking safety, quality of life, legal stability, and access to the European market.

But with so many options — Golden Visa, D2, D7, IFICI, entrepreneurship, and wealth planning — one question naturally arises: **what is the best path to obtain residency?**

This quick guide summarizes the **four main routes** to residency for individuals with assets, passive income, or plans to open a business in Portugal — and addresses the most common questions I receive.

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#### **GOLDEN VISA – INVESTMENT STARTING AT €500K**

The Golden Visa still exists, but it is now focused primarily on **investments in regulated funds**.

##### **Strengths:**

- Does not require living in Portugal.
- Allows the inclusion of dependents (spouse, children, stepchildren, dependent parents).

##### **Weaknesses:**

- It is the slowest process (12–24 months).
- No specific tax benefits.
- High minimum investment.

##### **Dependents:**

All dependents may be included in the main applicant's process — including economically dependent adult children and ascendant parents, provided financial dependence is proven.

Automatic dependents include the spouse, minor children, children up to age 26 who are financially dependent, and adult children with disabilities. **Parents may be included only if demonstrably dependent, especially from age 65 onward.**

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#### **D7 VISA – THE PASSIVE INCOME ROUTE**

The D7 is designed for individuals who live off **rents, financial investments, dividends, pensions**, or other stable sources of passive income.

It is one of the simplest and most accessible visas for those with sufficient income in their home country.

##### **Minimum income required:**

The law is based on the **Portuguese minimum wage** (IAS/SMN). The reference value is 100% of the annual minimum wage for the main applicant — currently around **€ 820/month** — but **in practice**, consulates **require significantly higher amounts** to ensure an adequate standard of living.

Most successful applications present **€2,200–€2,800 in net monthly income** for the main applicant.

##### **For dependents:**

- 50% for a dependent adult
- 30% for minors

Families with young children or dependent parents must demonstrate proportionally higher income.

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## D2 VISA – FOR ENTREPRENEURS BUILDING THEIR OWN COMPANY, EVEN A SMALL ONE

The D2 visa is intended for those who choose to start or structure a company in Portugal — and it is currently **the fastest route** to residency.

### Main advantages:

- Typical processing time: **30–60 days**.
- No legally mandated minimum income.
- You only need to show **sufficient financial means** and a **coherent business plan**.
- Eligible for everything from consulting work to more structured businesses.
- No minimum revenue requirement.

### Important notes:

- You must open and **maintain** a company in Portugal. Even a small one must be a real business, with ongoing costs and compliance requirements.
- Requires minimum operational **substance** and business **coherence** — the business plan must make sense, even if simple.
  - AIMA and consulates **assess** whether the company is **viable**, has economic relevance, and has a logical presence in Portugal.
  - “**Shell/Paper** companies” may be rejected.
- Monthly fixed costs — accounting and tax compliance **typically cost** € 120–€ 250/month, even with no revenue.
- **No automatic tax benefits** — International income is taxed under Portuguese personal income tax (usually 28% for financial investments held abroad), with credit for tax paid for countries with tax treaties with Portugal.
- **Criteria vary** among consulates — VFS centers differ in documentation requirements.
- Requires **physical presence** — the main applicant must actually live in Portugal to renew the visa.

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## D2 + IFICI – THE BEST STRUCTURE FROM A TAX PERSPECTIVE

For qualified entrepreneurs, the new **IFICI** regime replaces the former **NHR** and offers one of the most competitive tax environments in Europe.

Beyond the standard benefits of the D2 visa, the main advantage is clear:

**Foreign income (rent, dividends, investments, capital gains) may be exempt from Portuguese IRS, provided it does not originate from tax havens.**

This allows a significant part of your current income to remain taxed only in the home country.

Meanwhile, if **eligible**, the entrepreneur pays a **flat 20% income tax** on salary/pro-labore for up to **10 years**.

### Important:

Approval is **not automatic**. It requires a business and role that fit innovative, technological, export-oriented, or economically relevant activities.

- The **activity must fall within priority sectors** (technology, innovation, export, research, startups).
- The classification **depends on the Tax Authority**, considering the company's nature, business code (CAE), and the applicant's role.
- Requires **robust documentation** and ideally support from a local tax advisor.
- **Evaluation is technical** and case-by-case.

- **Increased scrutiny** — the Tax Authority may request additional documents or review the classification in future years.

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## UNIT-LINKED – THE “NEW TREND” FOR THOSE ENTERING PORTUGUESE TAX RESIDENCY

### What is a unit-linked?

A unit-linked is a type of **financial life insurance** widely used in Europe for investment, wealth planning, and succession.

Unlike traditional investments, it functions as a “wrapper” that allows investors to allocate capital across multiple funds, portfolios, and international managers (open architecture), with advantages such as **tax deferral**, legal protection, and **succession flexibility**.

In Portugal, gains within a unit-linked **are not taxed annually** — taxation occurs only upon withdrawal, with reduced rates the longer the investment is held (minimum recommended: **€ 300,000**).

This makes it one of the most efficient solutions for transferring financial wealth to Europe.

However, **not all foreign tax residents are eligible to use a unit-linked**.

Another reason why relocating to Portugal can be advantageous.

### Main benefits:

- Tax deferral
- Wealth and succession protection
- International investment management with open architecture
- Reduced taxation (11.2% after 8 years)

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## FREQUENTLY ASKED QUESTIONS — CLEAR ANSWERS

### Can you obtain Portuguese citizenship with any of the four visas?

Yes. Golden Visa, D2, D2 + IFICI, and D7 all count equally toward the required residency period.

### Do I need to be in my home country to apply?

Yes. Under the new legislation, applicants must apply for their visa in their home country through VFS or the consulate.

It is no longer permitted to enter as a tourist and apply from within Portugal.

### Is there a minimum or maximum age?

There is no age limit for the D7, D2, or Golden Visa.

The analysis is based on financial and documentary criteria — not age.

### How long until I can apply for citizenship?

Under the new immigration law, the required period is **7 or 10 years of legal residence** (previously 5).

This applies to all visa types.

### Is there a minimum capital requirement for the D2?

There is no fixed amount in the law.

You must demonstrate sufficient financial means and a viable business plan.

For IFICI, the activity must be eligible or certified by Portuguese authorities.

### Are there incentives for new companies in Portugal?

Yes — many.

Portugal offers programs such as PT2030, Innovation Funds, AICEP, IAPMEI, tax credits, and EU grants for companies establishing operations in the country.

We will cover this in detail in an upcoming newsletter.

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## SUMMARY/TAKE-AWAYS

- ✓ Want to move quickly? → **D2**
- ✓ Want to optimize international taxation? → **D2 + IFICI**
- ✓ Want something simple with no company? → **D7**
- ✓ Want to invest € 500k and don't need quick processing? → **Golden Visa**
- ✓ Have over € 300k in liquid assets and are becoming a Portuguese tax resident? → **Unit-linked can be very useful**
- ✓ Families and dependents widely accepted in all visa categories
- ✓ Citizenship after **7-10 years** of legal residence
- ✓ Visas must now be applied for from your **home country**, not from within Portugal.

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## COMING SOON IN THE NEXT NEWSLETTERS

- 👉 How to bring your company to Europe and access a 400-million-consumer market (PT2030, AICEP, IAPMEI, incentives).
- 👉 Portugal's real estate market: housing, investment, yields, and opportunities.
- 👉 How much does it cost to live well in Portugal — Brazil/USA/Portugal income equivalence.
- 👉 How to bring qualified and non-qualified workers to Portugal.

## WANT TO LEARN MORE? WANT TO BRING YOUR COMPANY TO EUROPE?

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