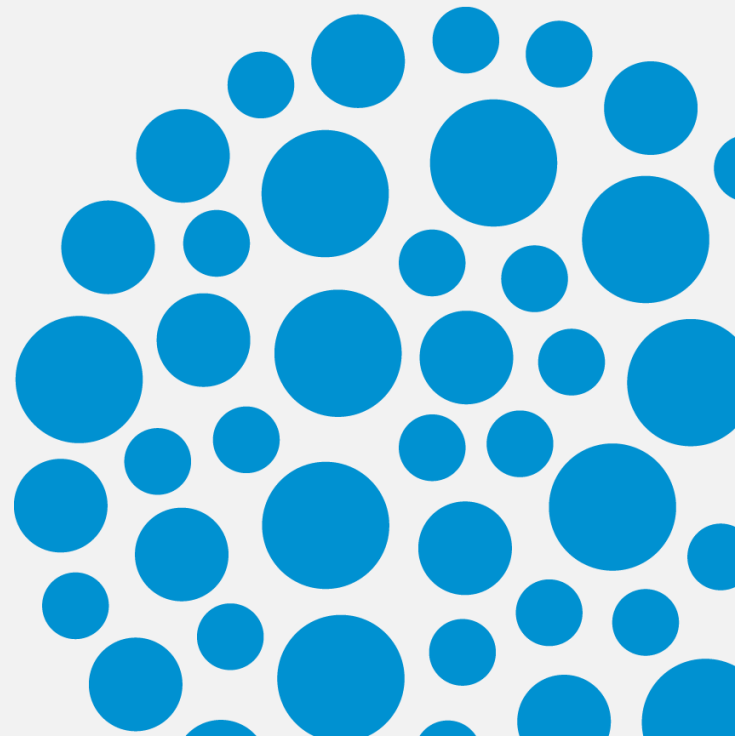


INCENTIVES & GRANTS



INCENTIVES & GRANTS

Incentive instruments were revised, simplified and reinforced.

NEW ADDED VALUE PROPOSAL

PRODUCTIVE INVESTMENT

- Financial incentives (Portugal 2020)
- Tax incentives (Investment Tax Code)

R&D INVESTMENT

- Financial incentives (Portugal 2020)
- Tax incentives (SIFIDE II)



OTHER INCENTIVES

JOB CREATION INCENTIVES

NON-HABITUAL RESIDENTS

Flat rate for qualified expatriates

PRODUCTIVE INVESTMENT

	FINANCIAL INCENTIVES	TAX INCENTIVES
SCOPE	New products or services; New production methods or processes; Innovation must be at least nationwide (non SME).	Investment projects with positive impact on innovation and jobs creation.
ELIGIBLE EXPENSES	Tangible Fixed Assets: machine, equipment and buildings; Intangible Fixed Assets: software, technology transfer; Training expenses.	Tangible Fixed Assets: machine, equipment and buildings; Intangible Fixed Assets: software, technology transfer.
NATURE OF SUPPORT	Loan: 30% of eligible expenses as an interest-free loan; 8-years reimbursement period; Cash Grant: Loan conversion of up to 60% of the incentive depending on the performance of the project.  Base rate	Corporate Income Tax Credit from 10% up to 25% of eligible investment; Tax benefits up to a 10-year period after the conclusion of the investment. Exemption from Municipal Property Tax, Municipal Tax and Stamp Tax Transactions. 
MAXIMUM SUPPORT	Financial grants combined with tax incentives, applied to the same expenses may not exceed 25% of the eligible investment (tax credit + cash grant + loan interest saving). For projects located in Lisbon and Algarve regions, only investments in new activity are eligible up to a limit of 10% of the eligible investment.	

R&D INVESTMENT

	FINANCIAL INCENTIVES	TAX INCENTIVES
SCOPE	Investment in R&D activities to develop new products/services or new production methods or processes.	
ELIGIBLE EXPENSES	Costs with technical staff dedicated to R&D activities; Acquisition of services from third parties, including technical and scientific assistance and consulting; Purchase of scientific and technical instruments and equipment (depreciations during project); Costs associated with patents registration and acquisition.	
NATURE OF SUPPORT	Base Rate: 25% of eligible expenses; Bonuses: up to +60 pp according to project scope and company size; Cash Grant: up to €1.000.000 of incentive; For incentive amount that exceeds €1.000.000, 25% as an interest-free loan and 75% as cash grant.	Corporate Income Tax Credit: Base rate: 32.5%; Incremental Rate: 50% of the increase in expenses incurred during that period compared to the average from the previous two fiscal years, up to €1.500.000.
MAXIMUM SUPPORT	Financial grants combined with tax incentives, applied to the same expenses may not exceed: 80% of Gross Grant Equivalent for Industrial Research Projects; 60% of Gross Grant Equivalent for Experimental Projects.	

JOB CREATION INCENTIVES

Internships

TARGET

Unemployed aged between 18 and 30 (inclusive), with a qualification level ≥ 3 .

Unemployed aged over 30 and under 45, if registered for at least 12 months at employment center.

FINANCIAL GRANT

Qualification	Meal Allowance	Work Insurance	Salary Support*	Total Monthly Support
High-school Graduate (Level 3)	94,17	13,89	328,63	436,69
Vocational High-school Graduate (Level 4)			356,02	464,08
Post High-School Education (Level 5)			383,40	491,46
Bachelor Degree (Level 6)			451,87	559,93
Master Degree (Level 7)			465,56	573,62
PhD (Level 8)			479,25	587,31

Euros

CONDITIONS

Monthly support for Total Salary.
Duration: 9 Months*

ENTITY IN CHARGE

Public Employment Service (IEFP).

* General rule.

Source: Portuguese Government.

General rule

JOB CREATION INCENTIVES

Exemption of social contributions.

PENDING PUBLICATION

TARGET

Young people looking for first job, aged under 30 years.

Long-term unemployed (registered at employment center for more than 12 months).

TAX EXEMPTION

50% Exemption from payment of Social Security Contributions [23,75%]:

Young people looking for first job:

5 years support

Long-term unemployed: 3 years support



CONDITIONS

Exemption only applies to permanent contracts.

This measure is not cumulative with the “Contrato Emprego” Programme.

ENTITY IN CHARGE

Social Security.

JOB CREATION INCENTIVES

“Contrato Emprego” Programme

TARGET

Unemployed people (registered at employment center for 6 months).

Unemployed people aged under 29 or over 45, if registered for at least 2 months at employment center.

FINANCIAL GRANT

One time support* depending on contract type:

Permanent contract** € 3.791,88

Fixed-term contract (minimum of 12 months) € 1.263,96

CONDITIONS

This measure is not cumulative with the Exemption of Social Contributions.

There are three calls during the year: February, May and October.

ENTITY IN CHARGE

Public Employment Service (IEFP).

* Three payments

** Obligation to maintain the contract for 24 months

Source: Portuguese Government.

EXPATS TAX REGIME

+ World Class Talent in Portugal

TARGET

Qualified Expatriates in (i) high added-value activities, (ii) scientific, artistic or technical activities, and (iii) upper management positions.

INCENTIVES FOR EMPLOYEES

Flat rate for Income tax of 20%
(plus 3.5%) for 10 years.



ENTITY IN CHARGE

Tax Authority.

TOP SUPPORT

aicep Portugal Global is your one-stop-shop.
Close to you, to take you further.

1

LOCATION

To help you finding the site that suits your project, AICEP will introduce you multiple location alternatives and will bridge you with utility suppliers.

2

HUMAN RESOURCES

AICEP will be at your side in the search of human resources and professional training, bridging contacts with Portugal's employment authorities and schools.

3

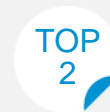
BUSINESS PARTNERS

AICEP will promote contacts with local suppliers and business partners that add value to your project.

4

INCENTIVES

AICEP will analyse your eligibility to innovation, R&D, production and employment incentives.



AICEP was recognized as top investment promotion agency in Western Europe in the Best to Invest Top IPA Awards.

Source: Site Selection Magazine.

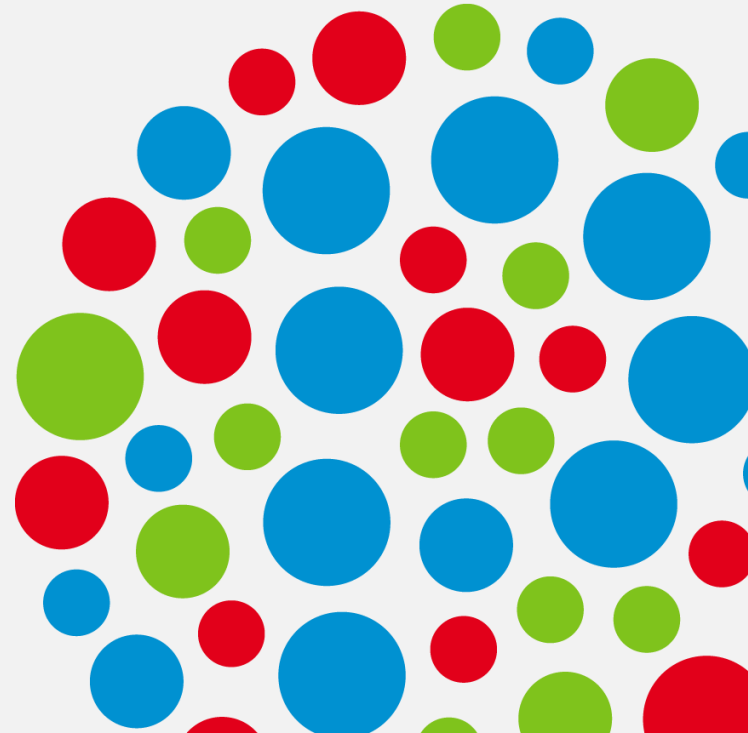
INVESTINPORTUGAL

THE RIGHT CHOICE.
THE RIGHT TIME.

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April 2017

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