



“IMI” - Municipal Property Tax

The local tax on real estate is a municipal tax levied on the net worth of property situated within the territory of each municipality. Immovable property is classified as rural, urban and mixed.

Levy of Tax

The taxable person is the owner, the beneficiary or the party having the use or the benefit of the property on the 31st December of the year to which the tax relates. The taxable amount is the rateable value or “VPT” (*Valor Patrimonial Tributável*).

Description	IMI Rates
Rural Properties	0.8%
Urban Properties:	
1. evaluated according to current IMI legislation	0.3 - 0.5%
2. others (old evaluations)	0-4% - 0.7%
Offshores	7.5%
Abandoned properties for more than 1 year pay double.	

Exemptions

There shall be exempted from local real estate tax, in particular:

1. property classified as a national monument or of public interest;
2. housing property leased under the rules of conditioned rents (10 year exemption);
3. urban housing property for the permanent residence of the owner within six months after the purchase or completion of the construction;



4. property designed to be rented for residential purposes, provided that the above conditions are met;
5. the exemption period in the two preceding cases shall be determined as follows:

Taxable Amount	Exemption Period	
	Owner occupied housing	Rental Housing
VPT under €125 000	3 years	3 years
Total family income does not exceed €153 000		

Documents Necessary for Exemption

- 1) Letter of Request
- 2) Fiscal Card - “*Cartão de Contribuinte*”
- 3) Deed - “*Escritura*”
- 4) Initial Date of Permanent Residence

Written request is within 90 days after purchase, construction or registered alteration.

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