



Social Security Tax

Social Security is paid in part by the employer and in part by the employee. The employee's contribution is withheld at source as per the following table:

<i>Regime</i>	<i>Beneficiary</i>	<i>Employer</i>
Employees (dependent work)	11%	23.75%
Members of Management or any other legal entity	9.3%	20.3%
Self-employed workers * when sole employing entity	29.6% / 34.75%	7%/10%
Handicapped Workers	11%	11.9%
Youth - 1 st job or long term unemployed	exempt	11%

CONTRIBUTORY CODE

Sole Traders must now comply with rules for contributions to Social Security under the Contributory Code. Unlike the previous system where there were two separate options - the partial scheme and the extended benefit scheme, with the respective rates of 25.4% and 32% - there is now only a single scheme at the rate of 29.6% which now provides full coverage, including death, age, disability, parenting, occupational diseases and illness for all self-employed workers.

New annual statement and change of date of payment

Sole traders are required to submit an *Annual Declaration* to the Social Security Administration, stating the total amount in the previous year's:

1. sales;
2. services to individuals who are not business entities;
3. services to business entities, including their Social Security Identification Number (NISS) and Tax Identification Number (NIF) for *Finanças*.



This statement must be submitted by 15 February in the following year to Social Security Direct.

EUROPEAN UNION

Social Security beneficiaries may now obtain a European Health Card that will guarantee medical care in the event of unexpected illness while travelling in any of the 27 countries of the European Union. Application may be made at your local Social Security Office and processing normally takes five working days.

INTERNATIONAL TREATIES

Portugal has Social Security Agreements that secure the rights of beneficiaries throughout the EU as well as the following countries:

Andorra	India
Angola	Mozambique
Argentina	Moldavia
Australia	Morocco
Brazil	S. Tomé e Príncipe
Cape Verde	Switzerland
Canada	Tunisia
Quebec (Canada)	Ukraine
Channel Islands (UK)	United States of America
Chile	Uruguay
Philippines	Venezuela
Guinea Bissau	

SOCIAL SECURITY ON THE INTERNET

You may obtain further information in English at the Portuguese Social Security website:

<http://www.seg-social.pt>