



PORTUGUESE PROPERTY DOCUMENTATION

When purchasing a property in Portugal, whether as a resident or non-resident, you will need a Portuguese fiscal number (*número de contribuinte*) which can be obtained at the local tax office (*Repartição de Finanças*). Proof of identity as well as proof of address are required. Buyers will need to provide, as identification, either:

- A Portuguese Citizen Card (*Cartão de Cidadão*) or
- A valid passport.

A fiscal number is also necessary when opening a Portuguese bank account as well as for connecting water, electricity, telephone and other basic services.

After selecting the property to be acquired but before signing the Buy-Sell Agreement, it is advisable to clarify all of the inherent legal documentation, namely:

Property Registry Certificate (*Certidão de teor*)

This document corresponds to the "identity card" of the property, containing all related records: name of owner, property characteristics and location. This certificate can be requested at the Land Registry Office (*Conservatória de Registo Predial*). One can verify that the owner matches the seller or if the property belongs to a company. In this case, it is necessary to be sure that the person who is selling us the property has legal powers to do so. Properties held in the name of a company or business will need their **Business License** (*Certidão Permanente*). This document confirms who owns the business.

Another issue that can also be corroborated concerns possible charges against the property (mortgages, liens, inalienability charges, etc.) and if any remain outstanding, such as an uncanceled mortgage.

Property Tax Document (*Caderneta Predial*)

This document is issued by the Tax Office in the parish corresponding to the property, which attests to the registration and fiscal situation of the property. The Rateable Value (*Valor Patrimonial Tributável*) of the property is also recorded in this document. The “VPT” is the basis for annual property taxes (“*IMI - Imposto Municipal Imobiliário*) as well as being the lowest sales price allowable for tax purposes.

Habitation License (*Licença de Habitação*)

Issued by the municipality, this document confirms that the property has been inspected and that it meets all of the conditions required by law to be inhabited.

Building Permit (*Licença de Construção*)

Also issued by the local Municipality (*Câmara*), this permit is necessary for the construction of a building to begin and until its conclusion, at which time the Habitation License will be issued.

LAND REGISTRY DEPARTMENT (*Conservatória de Registo Predial*)

In this administrative body, all records in a given geographical area are kept relating to rustic and urban properties. The Registry has a complete description of each building on a physical level. Any citizen can request information about a building registered with the Conservatory and request the issuance of a certificate (*Certificado de teor*).

In this document one can check if:

- The owner of the property is the same person who wants to sell it;
- There are any liens or charges that apply to the property.

Properties built or renovated after 2004, will also need to provide the Housing Technical Datasheet (*Ficha Técnica de Habitação*). This document describes the construction methods and the materials used in the building or renovation project and stays with the property when owners change.

LOCAL TAX OFFICE (“*Autoridade Tributária e Aduaneira*”)

In the local Tax Office, properties are registered according to an associated registration number within a specific Parish. Through this department, it is possible to obtain information on the fiscal situation of the property as well as determining which entity is responsible for complying with the tax obligations related to a given property.

The document proving the fiscal situation of each building, along with the owner's name, area, location and description is called the Property Tax Document “*Caderneta Predial*”. A current copy should be requested as relevant information is updated on a regular basis.

Energy Rating Certificate (*Certificado de Classificação de Energia*)

This credential shows the energy efficiency of the property. The certificate can be provided only by registered technicians (*peritos*) from ADENE (Agencia para a Energia) and has a validity of 10 years. Once a technician has been chosen, he will come to the property to inspect. He will need to have access all the documents for the property before they can issue the certificate. To find a technician, visit the ADENE website (currently available in Portuguese only).

MUNICIPALITY (*Câmara Municipal*)

The municipal council is the entity responsible for urban licensing and issuing permits for construction that enables a specific building to be erected on a particular plot of land.

They are also responsible for issuing a Habitation License, a document proving the habitability of the property, verifying the conformity of the work carried out with the approved urban development project and with the use foreseen in the construction license.

If the property was built before 7 August 1951 and has not been substantially altered since then, a pre-1951 Certificate is needed in place of a Habitation License.

Upon consultation with the Municipality, one can obtain:

- Information on the licensing of the property including a copy of the Habitation License in order to ensure that there is no unapproved construction;
- Information on whether or not the building is currently under construction and whether the information on the building permit is posted on the construction site.
- The issuance, against payment of administrative fee, of a duplicate of the Housing Technical Datasheet.

SELLING COSTS

With the exception of Estate Agents' commissions, the buyer pays most of the costs involved in the transfer of ownership, including notary fees. Sellers are responsible for their own legal fees, the cost of producing relevant documents as well as Capital Gains Tax on any profit made on the sale.

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05 January 2017

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