



FREELANCER START UP PLAN

To get started on the right foot in a new business in Portugal, **euroFINESCO** offers the *Freelancer Start-Up Plan*. This comprehensive package of services includes everything that you will need to register and report your activity in the first year of business.

“Início de Actividade” (Registration)

Formal registration of your business activity with *Finanças* is the first step, where we detail for you all required information about yourself and your planned endeavour. Simultaneously, we sort out whether you are exempt from VAT.

“Recibos Verdes electrónicos” (Official Invoicess)

Mandatory receipts (“*Facturas Electrónicas*”) in Portuguese only must be issued digitally via the Internet. Meeting this obligation for you is just one of our many on-going services.

Running your Business

You are required to keep books to track your income and expenses. While the somewhat Dickens-style *Modelos 8 and 9, Livro de Registro dos Serviços Prestados & Livro de Registro das Despesas Gerais e das Operações Ligadas a Bens de Investimentos* may be used for this purpose and are available at Stationery shops, most freelancers today opt to use a *Finanças*-approved computer program designed for this function. These programs also help with the reporting of periodic VAT declarations as well as *Anexo B* of your *IRS* income tax return. Today almost all submissions must be done over the Internet.



Social Security

In the first-year of business activity, freelancers are excluded from Social Security contributions. Later, you will make deductions based on the amount of income received in the preceding year, based on your IRS declaration. We will complete your mandatory registration to place you automatically into the appropriate deduction category. If you receive a Social Security pension or make contributions in another EU member state, you should be entitled to an exemption from contributions in Portugal. If eligible, we will complete the necessary application on your behalf.

“IVA” (VAT)

Unless your income level or type of activity is VAT exempt, quarterly declarations need to be via the Internet concerning the VAT that you charge your clients as well as the “IVA” paid making any necessary expenditures during the course of your business activity.

If you subsequently invoice primarily outside of Portugal to other member states of the EU, this reporting could eventually entitle you to refunds for “IVA” that you pay on your business expenses. However, in this situation, you may be required to submit supplementary IVA declarations.

National Health Coverage

As a freelancer, you will be eligible to apply for a “*Cartão de Utente*” (National Health Card), gaining access to full medical coverage in the National health System. The card also entitles you to 70-90% reductions on prescribed medications at pharmacies.

Plain English

As you have probably already learned, Portugal has complex bureaucracy. All the forms and web pages are only available in Portuguese and instructions are often in a language that even native Portuguese can have trouble understanding.



We put the full process to you in Plain English.

With proper guidance, even those who speak English as a Second Language should have little trouble in getting off to a correct start in the first year of business in Portugal.

Freelancer Broad Spectrum Plan

Once you begin your first year of business, we encourage you to use our *Broad Spectrum Plan*:

- issuing of official electronic invoices;
- quarterly IVA returns + supplementary declarations;
- annual “IRS” individual income tax declaration;
- annual Social Security declaration;
- timely reminders to meet deadlines;
- alerts regarding changes in legislation;
- unlimited support facilities.

Alternatively, you may opt for *Separate Services*, selecting only those that are appropriate for you.

With **euroFINESCO** at your side to meet your business compliance obligations, not only will you be off to a good start, you can find opportunities to mitigate tax while better serving your clients throughout the EU and beyond.