



RESIDENCY REQUIREMENTS FOR EU CITIZENS

The current Residency Law regulates the free circulation and residency of EU Citizens in Portugal. Transposing the EU Directive, this legislation clarifies basic definitions while simplifying the compliance process for EU citizens. The statutes define three phases and are in harmony with similar measures being adopted throughout the member countries of the European Community.

What are the advantages of holding a *Residência*?

Apart from the fact that you will have the correct documentation to reside here, there are other advantages that can prove to be important to you:

- ✓ As a home-owner, you can apply for exemption from property taxes (*Imposto Municipal Imobiliário - "IMI"*) under certain circumstances.
- ✓ A resident is entitled to vote in local elections.
- ✓ Portuguese Health Authorities have reciprocal arrangements throughout the EU to provide medical care.
- ✓ Mortgages, bank loans and credit are more readily available and have lower spreads.
- ✓ Children over the age of 10 can be educated within the state system.
- ✓ There is no import duty on an EU motor vehicle when making application for *Residência*.

What are the disadvantages of being resident?

None. The basic requirements are that you declare that you provide your own means and will not be a burden on the Portuguese Social Security system.



What are the phases of Residency?

Phase 1: Free Circulation - up to 3 months

For periods less than three months, all that is required of an EU citizen to travel in Portugal is an Identity Card or Passport. No visas and no registrations are required.

Phase 2: Civil Residency - more than 3 months

If citizens wish to stay beyond three months, they must register through the *Câmara* (local Council) in the town where they reside within 30 days following the initial 3 month period. Beyond presenting proper identification, the registration includes a self-declaration, stating the basis of the Residency:

- a) Employment or Self-Employment,
- b) Health Insurance and Declaration of Means
(no lower than Portuguese national standards),
- c) Education or
- d) Family.

The purpose behind the Means Test and health insurance is to assure that new arrivals will not be a burden on Portugal's social support system. Based on the self-declaration principle, no documentation is required to accompany this application. A Certificate Registration (*Certificado de Registo*) is issued in the act and is valid for 5 years.

Phase 3: Permanent Residency: > 5 years

After five years, a permanent Residency Card is required. This document is issued by the *Serviços de Estrangeiros e Fronteiras*. The only required documentation is an Identity Card or Passport and the original *Certificado de Registo* from the *Câmara*. Upon application, the foreign resident receives an acknowledging certificate with the final version issued within 15 days - a photo ID "credit-card style" credential (*Cartão de Residência*). In the interim, the current 3-fold *Residência* cards remain valid and may be exchanged on demand.



Loss of Residency

As a foreign resident, you may continue to travel freely within the EU. Your Residency status will only be lost when absent from Portugal for 2 consecutive years or when there is evidence of abuse of rights, fraud or a marriage of convenience.

Fines

Those who fail to comply with the residency permit requirements leave themselves open to complications. Fines are as follows:

Lack of Registration:	€400 - €1,500
Ongoing non-compliance:	€500 - €2,500
Negligence:	half of the above

Conclusion

With these simple, universal procedures being applied throughout the member countries of the European Union, it only makes sense to be in compliance. If you currently live in Portugal and intend to stay, yet do not have a *Residência*, now is the time to stop procrastinating.

If, like most people, you cannot come up with a single reason to the basic question: “*Why not obey the law?*”, then you have already answered the question.