

How Portugal Golden Visa changes from 2022

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Synopsis

Portugal's tryst with India is one that spans many centuries. They have left an indelible impact on the culture of India, be it on cuisine, religion, or the beautiful Baroque style architecture we see in the coastal state of Goa. The familiarity of Portuguese culture is perhaps one of the reasons why India is one of the top countries in terms of foreign residents, the number growing by a whopping 39.3% in 2020.



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Situated in the Iberian Peninsula, Portugal is one of the most developed nations in the world, with a high per capita GDP of more than 11 times that of India, a high life expectancy of 80.68 years, a basic literacy rate of 99.44%, excellent higher education institutions and the 12th best public health system in the world. Its scenic coastline dotted with picturesque boutiques and old cafes, highly diverse flora, and pleasant Mediterranean climate have turned Portugal into one of the most coveted destinations in the world.

Portugal's tryst with India is one that spans many centuries. They have left an indelible impact on the culture of India, be it on cuisine, religion, or the beautiful Baroque style architecture we see in the coastal state of Goa. The familiarity of Portuguese culture is perhaps one of the reasons why India is one of the top countries in terms of foreign residents, the number growing by a whopping 39.3% in 2020.

Favourable economic conditions and gainful employment prospects have also boosted migration to Portugal, with the country increasingly issuing fresh resident permits every year. Of all the new resident permits issued in the period from 2016 to 2020, Indians have acquired more than 7172, putting our country in the third place only behind Brazil and the United Kingdom.

Interestingly, the Autorização de Residência para Investimento (ARI), better known as the Portugal Golden Visa (PGV) is a route that is fast becoming a favourite for those aspiring to acquire residency. The Portugal Golden Visa is a permanent residence visa for non-EU foreign nationals who make an investment in the country through different routes, either by investing capital, acquiring real estate, or by creating investment opportunities.

The program is seen as a relatively easier way to gain alternative residency in Portugal, especially because of its low physical presence requirement (investors are only required to live in Portugal for 7 to 14 days a year). Additionally, the application to approval process takes just under a year.

The investment options currently start as low as €280,000 if you invest in a property in a low-density Portuguese urban regeneration area and can make you eligible for citizenship in as early as five years. The options also include investing a minimum of €350,000 in a qualifying fund regulated by the Portuguese CMVM (Securities Market Commission), purchasing a property worth at least €500,000, investing at least €1 million in a company, or creating at least 10 jobs for Portuguese nationals, amongst others.

Some of these numbers, however, are set to change starting January 1, 2022. In following the new legislative sanctions authorized by the State Budget Law of 2020, the Portuguese Council of Ministers confirmed a number of changes to the Portugal Golden Visa program. Most of the minimum investment amounts are to witness an increase of at least 50%.

Minimum investment through capital transfer will now be at €1.5 million, compared to the earlier figure of €1 million, while that through research, for creating or reinforcing a commercial company which will create at least 5 full-time jobs, and through investment funds or venture capital funds will increase from €350,000 to €500,000.

While the minimum amount for investment in real estate will not be change, purchasing residential property in the coastal cities of Lisbon, Porto, and the southernmost region of Algarve which were prime real estate hotspots will no longer be an option. This has been done in order to control burgeoning property rates in these popular scenic destinations, which saw a 6.8% increase in 2020, and to redirect investment to the low-density areas of the country.

The investment option for the rehabilitation of old commercial properties with a minimum of €280,000 for low-density areas and €350,000 for others will remain unchanged even in the New Year.

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