

# NEWSLETTERS

February until June 2022



**Joaquim Mendes**

Managing Partner

**T +351 214 134 630**

**E: gtc@pt.gt.com**

## February 2022

### I. **Approved diplomas**

#### **1. Convention between Portugal and Sweden for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income**

Order no. 2/2022 was published in the State Gazette no. 22/2022, series I of 01.02.2022, which made public the decision of Sweden to terminate the Convention between Portugal and Sweden for the avoidance of double taxation and the prevention of tax evasion with respect to taxes on income.

The termination is effective 01 January 2022.

#### **2. Withholding tax rates applicable from 1 March 2022 onward – Personal Income Tax (PIT) in the Autonomous Region of the Azores and in Portugal mainland**

Order no. 2390-A/2022 and no. 2390-B/2022, both issued by the Office of the State Assistant Secretary of Tax Affairs, dated 23 February 2022, approve the new withholding PIT rates applicable to employment income earned by taxpayers residents in the Autonomous Region of the Azores and in Portugal mainland, respectively.

The new rates apply to employment income paid or made available from 1 March 2022 onward. The withholding PIT rates approved by Order no. 874-A/2022, of 18 January, in the case of Azores, and Order no. 11943-A/2021, of 2 December, in the case of Portugal mainland, apply to employment income paid or made available in January and February 2022.

#### **3. Withholding tax rates applicable from 1 March 2022 onward – Personal Income Tax (PIT) in the Autonomous Region of Madeira**

Order no. 98/2022 issued by the Finance Department of the Autonomous Region of Madeira, dated 25 February 2022, updates the withholding PIT rates applicable to employment income earned by taxpayers residents in the Autonomous Region of Madeira.



The amended rates apply to employment income paid or made available from 1 March 2022 onward. The withholding PIT rates approved by Order 26/2022, of 25 January, apply to employment income paid or made available in January and February 2022.

## March 2022

### 4. Review and setting of the rates for the tax on oil and energy products (ISP)

**Ordinance no. 111-A/2022** was published in the State Gazette no. 50/2022, series I of 11.03.2022, which (i) temporarily implements a weekly mechanism for reviewing and setting the values of the ISP unit rates applicable to unleaded gasoline and diesel in mainland Portugal; and, (ii) suspends the effects of Ordinance no. 301-A/2018, of November 23, which sets the value of the ISP unit rates applicable in this context.

As part of the mitigation measures approved by the Government, in order to deal with the extraordinary context of the increase in fuel prices caused by the impacts resulting from the geopolitical and military conflict in Ukraine, a mechanism was established for an extraordinary and temporary reduction of the applicable ISP unit rates.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 489,92 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 308,83 per 1000 liters, for diesel.

This Ordinance shall come into force on March 14, 2022 and shall remain in force until March 20, 2022.

### 5. Termination of the Special Payment on Account (in Portuguese “PEC”) – Corporate Income Tax (CIT)

Order no. 92/2022-XXII, of the Office of the State Secretary of Tax Affairs, dated 14 March 2022, implements the termination of the Special Payment on Account (in Portuguese, “Pagamento Especial Por Conta (PEC)”) given the impossibility of approving the measure through an autonomous legislative

process prior to the approval of the 2022 State Budget Law (2022SB).

The present Order, now published, establishes that:

- taxpayers are not required to pay the first PEC instalment regarding the 2022 tax year; and,
- if the 2022SB does not terminate the obligation to make the PEC, taxpayers can pay the full amount due free of charges, until the term of the deadline of the second PEC (10<sup>th</sup> month of the tax year).

### 6. Corporate Income Tax (CIT) – Municipal surcharge to be levied in 2022 on the 2021 taxable profit

Tax Circular no. 20240, of the Directorate of CIT of the Portuguese Tax Authorities, dated 17 March 2022, amends the rates of municipal surcharge (in Portuguese, “derrama”) applicable to the fiscal year 2021, to be levied in 2022, regarding the municipalities of: Figueira de Castelo Rodrigo, Oeiras, Cartaxo, Rio Maior, Caminha, Vila Nova de Cerveira e Moimenta da Beira.

The rates for other municipalities remain unchanged, as foreseen in Tax Circular no. 20237, of 17 January 2022.

### 7. Extension of the validity of Ordinance no. 111-A/2022, of March 11, 2022

Ordinance no. 116-A/2022 was published in the State Gazette no. 55/2022, series I of 18.03.2022, which extends the validity of Ordinance no. 111-A/2022, of March 11, 2022.

This Ordinance shall come into force on March 21, 2022 and shall remain in force until March 27, 2022.

### 8. Temporary update of the unit rate of tax on oil and energy products (ISP)

Ordinance no. 116-B/2022 was published in the State Gazette no. 55/2022, series I of 18.03.2022, which temporarily updates the value of the unit rate of ISP applicable, on the continent, to colored and marked gas oil.

The ISP applicable to colored and marked gas oil is (euro) 73,19 per 1000 liters.



This Ordinance shall come into force on March 21, 2022 and shall remain in force until June 30, 2022.

## 9. Review and setting of the rates for the tax on oil and energy products (ISP)

**Ordinance no. 128-A/2022** was published in the State Gazette no. 60/2022, series I of 25.03.2022, which revises and sets the values of the unitary ISP rates applicable, on the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 489,92 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 295,98 per 1000 liters, for diesel.

This Ordinance shall come into force on March 28, 2022 and shall remain in force until April 03, 2022.

## April 2022

### 10. Extensions of the validity of Ordinance no. 128-A/2022, of March 25, 2022 - Tax on oil and energy products (ISP):

#### i. Ordinance no. 135-B/2022, of April 01, 2022

Ordinance no. 135-B/2022 was published in the State Gazette no. 65/2022, series I of 01.04.2022, which extends the validity of Ordinance no. 128-A/2022, of March 25, 2022.

This Ordinance shall come into force on April 04, 2022 and shall remain in force until April 10, 2022.

#### ii. Ordinance no. 138-A/2022, of April 08, 2022

Ordinance no. 138-A/2022 was published in the State Gazette no. 70/2022, series I of 08.04.2022, which extends the validity of Ordinance no. 128-A/2022, of March 25, 2022.

This Ordinance shall come into force on April 11, 2022 and shall remain in force until April 17, 2022.

#### iii. Ordinance no. 138-B/2022, of April 14, 2022

Ordinance no. 138-B/2022 was published in the State Gazette no. 74/2022, series I of 14.04.2022, which extends the validity of Ordinance no. 128-A/2022, of March 25, 2022.

This Ordinance shall come into force on April 18, 2022 and shall remain in force until April 24, 2022.

#### vi. Ordinance no. 139-A/2022, of April 22, 2022

Ordinance no. 139-A/2022 was published in the State Gazette no. 79/2022, series I of 22.04.2022, which extends the validity of Ordinance no. 128-A/2022, of March 25, 2022.

This Ordinance shall come into force on April 25, 2022 and shall remain in force until May 01, 2022.

### 11. Exceptional and temporary measures in response to the increase in fuel process - Tax on oil and energy products (in Portuguese, "ISP") and Value Added Tax (VAT)

Law no. 10-A/2022 was published in the State Gazette no. 82/2022, series I of 28.04.2022, which (i) suspends the minimum limits of the unit rates of ISP applicable to diesel and unleaded gasoline; (ii) establishes the publication of a quarterly report by the Energy Services Regulatory Authority (in Portuguese, "Entidade Reguladora dos Serviços Energéticos"); (iii) establishes the VAT exemption on fertilizers, soil correctives and other products for feeding cattle, poultry and other animals, when used in agricultural production activities.

The present Law shall come into force on April 29, 2022, and shall remain in force until December 31, 2022.

### 12. Review and setting of the rates for the tax on oil and energy products (ISP)

Ordinance no. 140-A/2022 was published in the State Gazette no. 83/2022, series I of 29.04.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy



products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 363,78 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 180,58 per 1000 liters, for diesel.

This Ordinance shall come into force on May 2, 2022 and shall remain in force until May 08, 2022.

## May 2022

### 13. Review and setting of the rates for the tax on oil and energy products (ISP)

Ordinance no. 141-B/2022 was published in the State Gazette no. 88/2022, series I of 06.05.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 343,70 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 168,37 per 1000 liters, for diesel.

This Ordinance shall come into force on May 9, 2022 and shall remain in force until May 15, 2022.

### 14. Extension of the validity of Ordinance no. 141-B/2022, of May 06, 2022 - Tax on oil and energy products (ISP)

Ordinance no. 145-A/2022 was published in the State Gazette no. 93/2022, series I of 13.05.2022, which extends the validity of Ordinance no. 141-B/2022, of May 06, 2022.

This Ordinance shall come into force on May 16, 2022 and shall remain in force until May 22, 2022.

### 15. Review and setting of the rates for the tax on oil and energy products (ISP)

Ordinance no. 151-A/2022 was published in the State Gazette no. 98/2022, series I of 20.05.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 331,49 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 168,37 per 1000 liters, for diesel.

This Ordinance shall come into force on May 23, 2022 and shall remain in force until May 29, 2022.

### 16. 2021 Tax return: Filing and payment deadline extended/Invoices in PDF format – Corporate Income Tax (CIT)

Order no. 49/2022-XXIII, of the Office of the State Secretary of Tax Affairs, dated 24 May 2022, adjust the tax calendar for 2022, without any punishments:

- 2021 CIT return and payment of tax due: deadline extended to 6 June 2022;
- Invoices in PDF format, which is equivalent to electronic invoices for all purposes foreseen in the applicable tax law: effective until 31 December 2022.

### 17. List of Large Taxpayers

Order no. 7048/2022 was published in the State Gazette no. 107/2022, series II of 02.06.2022, publishes the lists of Large Taxpayers whose tax situation should be followed by the Unit of Large taxpayers (in Portuguese, “Unidade dos Grandes Contribuintes (UGC)”).

The present Order is effective from 03 June 2022 onward.



## 18. 2022 State Budget

Law no. 12/2022 was published in the State Gazette no. 122/2022, series I of 27.06.2022, which approves the 2022 State Budget.

The present Law shall come into force on 28 June 2022.

## 19. Review and setting of the rates for the tax on oil and energy products (ISP)

Ordinance no. 152-A/2022 was published in the State Gazette no. 103/2022, series I of 27.05.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 326,76 per liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 168,37 per 1000 liters, for diesel.

This Ordinance shall come into force on May 30, 2022 and shall remain in force until June 05, 2022.

## June 2022

## 20. Review and setting of the rates for the tax on oil and energy products (ISP)

Ordinance no. 155-A/2022 was published in the State Gazette no. 108/2022, series I of 03.06.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 322,77 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 165,64 per 1000 liters, for diesel.

This Ordinance shall come into force on June 06, 2022 and shall remain in force until June 19, 2022.

## 21. Tax representative of the non-resident

Tax Circular no. 90054, of the Office of the Deputy Director-General of the Portuguese Tax Authorities, dated 06 June 2022, which clarifies the procedures regarding taxpayers residing abroad.

Stipulates, the Tax Circular, that in the act of registration and attribution of the NIF (Portuguese Tax Identification Number) to a national or foreign citizen, as a non-resident, with an address in a third country (a country that does not belong to the European Union or the European Economic Area), the designation of a fiscal representative is not mandatory.

It is, however, mandatory to appoint a tax representative if, under the above-mentioned conditions when the NIF is attributed, that citizen will be subject to a tax legal relationship, namely:

- owner of a vehicle and/or property registered/situated in Portuguese territory;
- enter into an employment contract in Portuguese territory;
- have an activity as a self-employed person in Portuguese territory.

## 22. Review and setting of the rates for the tax on oil and energy products (ISP)

Ordinance no. 160-B/2022 was published in the State Gazette no. 116/2022, series I of 17.06.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 313,14 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 162,80 per 1000 liters, for diesel.

This Ordinance shall come into force on June 20, 2022 and shall remain in force until June 26, 2022.

### **23. Review and setting of the rates for the tax on oil and energy products (ISP)**

Ordinance no. 164-A/2022 was published in the State Gazette no. 121/2022, series I of 24.06.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to unleaded gasoline and road diesel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 316,06 per 1000 liters, for gasoline with lead content equal than 0.013 g per liter; and,
- (euro) 162,80 per 1000 liters, for diesel.

This Ordinance shall come into force on June 27, 2022 and shall remain in force until July 03, 2022.

This Ordinance shall come into force on July 01, 2022 and shall remain in force until August 31, 2022.

### **24. Withholding tax rates applicable from 1 July 2022 onward to Pension Income – Personal Income Tax (PIT) in the Autonomous Region of the Azores and in Portugal mainland**

Order no. 7870-D/2022 and no. 7870-E/2022, both issued by the Office of the State Secretary of Tax Affairs, dated 27 June 2022, approve the new withholding PIT rates applicable to pension income earned by taxpayers residents in the Autonomous Region of the Azores and in Portugal mainland, respectively.

The Orders shall come into force on 28 June 2022.

### **25. Temporary updating of the unit rate of tax on oil and energy products (ISP)**

Ordinance no. 167-C/2022 was published in the State Gazette no. 125/2022, series I of 30.06.2022, which revises and sets the weekly values of the unit rates of tax on oil and energy products (ISP) applicable, in the continent, to colored and marked diesel fuel.

The present Ordinance thus establishes the unit ISP rates applicable on the mainland, which are set a:

- (euro) 47,19 per 1000 liters, for to colored and marked diesel fuel.

---

Grant Thornton Consultores, Lda. – Member firm of Grant Thornton International Ltd. ("Grant Thornton International")  
Grant Thornton International and the member firms are not a worldwide partnership. Services are delivered by the member firms independently.  
This publication has been prepared only as a guide. No responsibility can be accepted by us for loss occasioned to any person acting or refraining from acting as a result of any material in this publication.  
Confidential - All rights reserved

Arquiparque II – Edifício A  
Avenida Cáceres Monteiro, n.º 10 – 5.º Esquerdo  
1495-192 Algés (Lisboa)

T. +351 214 134 630

