



GOLDEN VISA: INVESTMENT IN ARTISTIC AND CULTURAL ACTIVITIES

Law 63/2015 of 30 June came into force on 1 July 2015 and it makes further changes to the rules on foreign citizens entering, staying in and leaving Portugal and on their removal from the country (the "Residence Rules").

Law 63/2015 of 30 June came into force on 1 July 2015 and it makes further changes to the rules on foreign citizens entering, staying in and leaving Portugal and on their removal from the country (the "Residence Rules").

These changes include new types of "investment activities" that enable foreign citizens to qualify for a Golden Visa, including:

- a) Support for artistic production
- b) Renovation and maintenance of national cultural heritage

The minimum investment requirement for the above activities is EUR 250,000. However, this minimum amount can be reduced by 20% (that is, to EUR 200,000) when the activity is carried out in a Low Population Density Area, as officially defined.

Investment in the activities listed above must be made through an approved body and PLMJ's specialised Golden Visa Team is available to advise you on the specific requirements.

The new law does not include any legal definitions and, at the moment, it is still not clear how the process of applying for a Golden Visa on the basis of one of these new "investment activities" will work. However, we expect the regulations under the new law to be issued soon and to make it clear which government bodies will have power to decide on these new cases.

The new law does not include any legal definitions and, at the moment, it is still not clear how the process of applying for a Golden Visa on the basis of one of these new "investment activities" will work.

Even though we are still waiting for the regulations to be issued, it is already clear that:

I) FIRST OF ALL, PUBLIC ENTITIES ARE TO PLAY AN IMPORTANT ROLE IN THESE INVESTMENTS.

Under the new law, cultural investments have to be made “through” public bodies that engage in cultural activities. However, there is an exception for private foundations with public utility status. It is still not clear what “through” might mean, but if we interpret it strictly, it may only mean that a public body with power over the area in question must have some involvement in structuring the investment. However, this would not be as a beneficiary or even as an actual investor. Instead the public body would simply act as an intermediary.

In any case, it at least seems clear that these new forms of eligible investment are not now restricted to arrangements between private parties, as was generally the case with real estate investment.

II) SECONDLY, THE NEW LAW ONLY REFERS TO SUPPORT FOR ARTISTIC “PRODUCTION”, AND TO RENOVATION OR MAINTENANCE OF NATIONAL CULTURAL HERITAGE. THIS MEANS NOT ALL INVESTMENT IN ART WILL QUALIFY FOR THESE PURPOSES. ON THE CONTRARY, THE NEW RULES GIVE THE IDEA THAT ONLY SUPPORT FOR NEW ARTISTIC CREATIONS WILL BE ELIGIBLE.

In fact, it should be stressed that the law does not define “artistic”. At this stage, where the regulations have not yet been issued and the rules have not yet been seen in practice, we can only interpret the word as referring to those things that are traditionally the subject of artistic creation or production; in other words, art publishing, design, digital arts, fine art, dance, photography, music, theatre, cinema and audiovisual arts.

At this stage, where the regulations have not yet been issued and the rules have not yet been seen in practice, we can only interpret the word as referring to those things that are traditionally the subject of artistic creation or production.

This newsletter is intended for general distribution to clients and colleagues and the information contained herein is provided as a general and abstract overview. It should not be used as a basis on which to make decisions and professional legal advice should be sought for specific cases. The contents of this Informative Note may not be reproduced, in whole or in part, without the express consent of the author. If you should require further information on this topic, please contact **Patricia Dias Mendes** (patricia.diasmendes@plmj.pt) ou **Lourenço Noronha dos Santos** (lourenco.noronhasantos@plmj.pt).
