



# MCS

MADEIRA  
CORPORATE  
SERVICES

---

Flash | July 2018

---

# Madeira's your Brexit opportunity

## Expat Paradise

The Portuguese special personal income tax regime, the NHR Regime (Non-Habitual Resident), is specifically designed for individuals wishing to transfer their residency to Portugal and currently presents an excellent opportunity to all the British wishing to relocate before or after Brexit is concluded.

Provided that all requirements are fulfilled the main characteristics of the regime are:

- Foreign sourced income such as dividends, interest, capital gains (duly structured), rental income, occupational pensions, together with self-employment income and professional income can be exempt from personal income tax;
- Portuguese sourced employment and self-employment income are liable to a special flat rate of 20%.

If you have not been a resident, for tax purposes, in the previous five years prior to taking up residence in Portugal you are able to benefit from the potential advantages of the NHR Regime, which can be combined with the Portuguese Golden Visa.

## Low Taxes

Today more than 10% of Madeira's International Business Centre (MIBC) is made up of British companies, operating in one of Europe's most tax efficient and compliant jurisdictions.

MIBC's tax benefits were approved by the European Commission and allow the licensing and installation of new companies, which benefit from a reduced corporate tax rate of 5%, exemption from withholding tax regarding payment of dividends, among other tax benefits.

The change of the VAT regime in transactions and other tax regulations caused by the Brexit make Madeira one of the best places for companies that want to relocate to the EU.

The MIBC currently has 2,000 companies operating in three economic sectors: International Services, the Industrial Free Trade Zone and the International Ship Registry of Madeira (MAR).

When compared with Malta or Cyprus, which also offer reduced corporate tax rate regimes, Madeira's main advantage is that its regime has been approved by the EU, while other territories will have to harmonize their legislation by 2020.

---

## CONTACTS

 Rosana Rodrigues, CEO

 Ambrósio Jardim, Diretor

 Maria Alexandra Pires, Diretor



# MCS

MADEIRA  
CORPORATE  
SERVICES

## PORTUGAL

### Funchal

Edifício Marina Fórum, Av. Arriaga, 77 - 6.º  
9000-060 Funchal – Madeira  
**T** +351 291 202 400  
**F** +351 291 237 188  
**E** [management@mcs.pt](mailto:management@mcs.pt)

### Lisboa

Av. da República, 32 - 4.º Direito  
1050-193 Lisboa  
**T** +351 217 613 220  
**F** +351 217 613 229  
**E** [management@mcs.pt](mailto:management@mcs.pt)

 /Company/MCS Madeira Corporate Services

 /MCS Madeira Corporate Services

 /MCS Madeira Corporate Services

---

This communication contains general information only, and none of Madeira Corporate Services, S.A., its Partnership Network firms, or their related entities (collectively, the "MCS Group") is, by means of this communication, rendering professional advice or services. No entity in the MCS Group shall be responsible for any loss whatsoever sustained by any person who relies only on this communication.