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# The Portuguese Beneficial Owner Registry

*With the effective transposition of Directive 2015/849, Portuguese companies are now legally required to identify and report to the Institute of Registries and Notaries (IRN) their "beneficial owners" ("UBOs"), that is, those "who, in any way, have effective control" over them.*

## **What is the purpose of the UBO Registry?**

The registry is demanded to all EU Member-States as a measure to fight money laundering and terrorism financing.

## **Who qualifies as a UBO?**

Article 3 of Directive (EU) 2015/849 defines as beneficial owner any natural person(s) who ultimately owns or controls the legal entity and/or the natural person(s) on whose behalf a transaction or activity is being conducted.

Quoting the abovementioned article: UBO is "the natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in

that entity, including through bearer shareholdings, or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with Union law or subject to equivalent international standards which ensure adequate transparency of ownership information."

## **Who is required to report UBOs?**

- Associations, cooperatives, foundations, civil and commercial entities, as well as any other personalized collective entities, subject to Portuguese law or foreign law, that carry out an activity or practice a legal act or business in Portuguese territory that determines them to have a tax identification number (NIF) in Portugal;
- Representations of international legal persons or of foreign law that are active in Portugal;
- Other entities that, pursuing their own objectives and activities different from those of their associates, are not endowed with legal personality;
- Trusts;

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Trust funds and other collective centers of interest with no legal personality, with a similar structure or functions, when they do not fit into the previous entities.

### **What information must be reported to the INR?**

#### **Regarding companies:**

- The Portuguese Tax Identifier Number (NIPC or NIF), as well as its foreign counterpart, when applicable;
- The entity's denomination;
- The legal nature of the business;
- The entity's registered office;
- The Statistical Classification of Economic Activities in the European Community Code;
- The Legal Entity Identifier (LEI) code; and
- The institutional e-mail address.

#### **Regarding the UBOs:**

- Their name;
- Their date of birth;
- Their place of birth;
- Their nationality(ies);
- Their full address of permanent residence;
- Their country of residence;
- Their ID document data;

- Their NIF, when applicable, and, in the case of foreign citizens, the NIF issued by the competent authorities of the State, or States, of their nationality, or equivalent number; and
- Their e-mail of contact, when it exists.

### **Who will have access to the registry?**

The Portuguese public entities with access to this database are:

- The Tax and Customs Authority;
- The Supervisory Authority for Insurance and Pension Funds,
- The Bank of Portugal;
- The Securities Market Commission;
- The General Inspectorate of Finance;
- The Inspectorate General of the Ministry of Labor, Solidarity and Social Security;
- The Regulatory and Inspection Service of Tourism of Portugal;
- The Institute of Public Markets, the Real Estate and Construction; and
- The Authority for Economic and Food Safety.

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The abovementioned governmental bodies can access and cross-check data to combat money laundering and terrorist financing.

A **partial access** by the public is yet to be regulated by the Government. The information to be accessed by the public is:

**All information regarding the company; and  
Regarding the UBOs:**

- Their names;
- Month and year of birth;
- Nationality(ies);
- Country of residency;
- The economic interest held.

**What are the consequences of not reporting the UBOs' information?**

- Failure by the company to keep the updated record of the elements of identification of the beneficial owner constitutes a misdemeanor punishable by a fine ranging from € 1000 to € 50,000;
- Temporary ban the on distribution of profits for the year;
- Temporary ban on making advances on profits during the year;
- No access to European structural, investment and public funds.

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