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BREXIT - TAX REPRESENTATION - PROCEDURES TO ADOPT

BREXIT



Since January 1, 2021, the appointment of a tax representative, namely for IRS or IRC purposes, has become mandatory for individual and corporate taxpayers with tax domicile in the United Kingdom.

It is important to note that the appointment is mandatory for those who, according to the law, are subject to compliance with obligations or wish to exercise their rights with the AT (Portuguese tax Authorities).

The deadlines and procedures to be adopted to regularize the fiscal situation with TA are:

1. For taxable persons registered in the Portuguese tax Authorities (AT) database until 2020.12.31, with UK address

1.1. Deadline for the appointment of a tax representative

For natural and legal persons registered in the AT database in 2020.12.31 with a UK address, they have until 30 June 2021 to appoint a tax representative without any penalty.

Until the appointment of a tax representative, correspondence will continue to be sent to the registered address.

1.2. Procedure for appointing a tax representative

1.2.1. Individual taxpayers, with or without activity, in terms of VAT and Personal Income Tax (IRS)

In the Portuguese tax Authorities website: the non-resident taxpayer can make the change in their tax Authorities website.

Through the e-balcão: the taxpayer to be appointed as tax representative of the non-resident may initiate the process through the e-balcão provided that the power of attorney with powers to do so is delivered together;

In the Portuguese tax Authorities (in person): the non-resident and the fiscal representative can request and accept the appointment of a representative in any finance service; the procedure can be done by the fiscal representative only if he presents a power of attorney with powers for that purpose.

1.2.2. Collective taxpayers, with or without activity, in VAT and IRC

In the Portuguese tax Authorities website: the non-resident collective taxpayer can make the change in its financial portal;

Through the e-balcão: the taxpayer to be appointed as tax representative of the non-resident may initiate the process through the e-balcon provided he delivers together the power of attorney with powers to do so;

In the Portuguese tax Authorities (in person): The non-resident and the fiscal representative may request and accept the appointment of a representative in any tax office; the procedure may be done by the fiscal representative only if he presents a power of attorney with powers to do so.

1.3. Declaration of beginning of activity

taxable person registered in the AT with an address in the United Kingdom, without a tax representative, who wishes to register the commencement of activity will have to appoint a VAT and IRC or IRS representative.

The declarations can be delivered via e-balcão or in person. In any of the situations the declaration may be submitted by the representative provided he presents a power of attorney with powers to do so.

2. Taxable persons that changing the tax mode for the UK from 1 January 2021

2.1. Foreign citizens

Changes to Tax Authorities's records, including a change of address, will only be accepted if a tax representative is appointed.

2.2. National citizens

Changes to the identification data, in particular the address, will have to be made with the services of the Citizen's Card, the Institute of Registration and Notaries (IRN)

After confirmation of the change in data, a tax representative should be appointed to AT.

3. Requests for TINs, submitted from 1 January 2021 by taxable persons with a tax address in the United Kingdom

For any request for TIN (Tax Identification Number) a tax representative will have to be appointed.

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