



NEW MEASURES FOR LOCAL ACCOMMODATION

Decree-Law no. 57/2024, of 10 September, determined the revocation of the extraordinary contribution on Local Accommodation, along with the establishment of the coefficient of ageing (reflecting the devaluation of the value of properties according to their number of years) applicable to local accommodation establishments for the purposes of assessing IMI - Municipal Property Tax and the introduction of measures in the IRS to facilitate geographical mobility.

The extraordinary contribution on local accommodation, introduced as part of the Mais Habitação Programme, had already been identified in the current government's programme as a measure that penalised local accommodation and which needed to be repealed because it limited property rights and private economic initiative, which the government considered to be at stake.

Therefore, this Decree-Law proceeds to:

- The revocation of the extraordinary contribution on accommodations and

lodging establishments integrated in an autonomous fraction of a building in local accommodation, the provision for which was set out in article 1, no. 2, paragraph h) and article 22, both of Law no. 56/2023, of 6 October, to this end revoking the Annex contained in the aforementioned Law;

- The revocation of article 44, no. 3, of the Municipal Property Tax Code, which established the coefficient of ageing of buildings that constituted, in whole or in part, local accommodation establishments;
- The revocation of Article 10(5)(f) of the Personal Income Tax Code, which established one of the conditions applicable to the exclusion from taxation of gains arising from the transfer for consideration of real estate intended for the taxpayer's own permanent residence or that of his family;
- The amendment of article 10, no. 5, point e) and no. 23, both of the Personal Income Tax Code, for the purposes of the exclusion from taxation

of gains from the transfer for consideration of real estate intended for the taxpayer's own permanent residence or that of his family; and article 41, nos. 8 and 9 of the same law, for the purposes of the applicable deductions.

ENTRY INTO FORCE

The law came into force the day after its publication, i.e. on 11 September 2024.

PRODUCTION OF EFFECTS

By Declaration of Rectification no. 34/2024/1, the revocation of the extraordinary local accommodation contribution and the revocation of the coefficient of ageing of buildings that constituted, in whole or in part, local accommodation establishments, are effective retroactively to 31 December 2023, so that the payment associated with the said extraordinary contribution was at no time due by taxable persons.

Inês Ferreira Lourenço
ines.fl@caldeirapires.pt