



PROGRAMA “MAIS HABITAÇÃO”: EXTRAORDINARY LOCAL ACCOMMODATION CONTRIBUTION (CEAL)

With the entry into force of Law no. 56/2023 of 6 October, which approved new measures under the *Mais Habitação Programme* and introduced significant changes in the real estate sector, an annual extraordinary contribution will now apply to flats and lodging establishments integrated in an autonomous fraction of a building allocated to Local Accommodation with reference to 31 December of each calendar year.

This new tax arises from the negative externalities in the housing market and its implicit social cost, which is aggravated by the scarcity of housing properties in certain urban areas. It essentially aims to contribute to the development of housing policies, with a view to increasing the supply of properties on the market for permanent housing purposes and financing public housing policies.

The owners of Local Accommodation establishments are obliged to pay this Extraordinary Contribution and, alternatively, the owners of properties that are not the owners of the property. The tax base is made up of applying the economic coefficient for Local Accommodation and the urban pressure coefficient to the gross private area of residential properties on which CEAL is levied. The rate applicable to the tax base is 15 per cent.

The following are **excluded** from the Extraordinary Local Accommodation Contribution:

- Properties located in inland areas;
- Properties located in parishes that fulfil certain criteria, namely those that are part of municipalities in which a housing shortage has not been declared;
- Properties that are covered by a Municipal Housing Charter in force that demonstrates an adequate balance in the supply of housing and student accommodation in the municipality;
- Properties located in areas that have no part defined as an urban pressure zone.

The following are **exempt** from the Extraordinary Local Accommodation Contribution:

- Local Accommodation units in own and permanent housing, provided that the operation does not exceed 120 days per year;
- Residential properties that do not constitute autonomous fractions, or parts or divisions that can be used independently.

The Extraordinary Local Accommodation Contribution is not deductible for the purposes of determining taxable profit in IRC, even when accounted for as an expense in the tax period. The assessed contribution is paid by 25 June of the year following the taxable event.

You can access the table for determining the urban pressure coefficient in Order no. 455-E/2023, of 29 December, via the following link:

<https://diariodarepublica.pt/dr/detalhe/portaria/455-e-2023-835994082>



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