

Portugal

# Government Announces New Withholding Tax Rates for Mainland Portugal

24 April 2023

Report from our correspondent Rita Botelho Moniz, Tax Lawyer at RBM Tax & Legal

On 19 April 2023, the Secretary of State for Tax Affairs announced changes in the withholding tax rates applicable to employment and pension income earned by residents in mainland Portugal between 1 May 2023 and 30 June 2023. As per the new rules, the income of such taxpayers (up to EUR 765) becomes exempt from withholding tax (a slight increase from the current threshold of EUR 762).

Furthermore, the withholding tax rate applicable to the first income bracket following the EUR 762 threshold (established at EUR 790), for taxpayers with no children, has dropped by 70%.

For previous coverage, see [Government Reduces Withholding Tax Rates for Salaries, Pensions in Mainland Portugal \(27 January 2023\)](#).

The full text of the update is available [here](#) (as a PDF and in Portuguese only).

---

Portugal - Government Announces New Withholding Tax Rates for Mainland Portugal (24 Apr. 2023), News IBFD.

Exported / Printed on 7 Mar. 2024 by hkermadi@deloitte.lu.