

How To Set Up A Registered Company Or Open A Business Activity In Portugal

By & copyright to Steve Robinson
18th November 2022

One of the most commonly asked questions on Facebook 'immigrants in Portugal' groups is how do I set up a company here & it's never been easier than it is now & as a rule of thumb, it's even less complicated to open a business activity as a freelancer, sole trader or similar than it is to open a company & a business activity requires considerably less bureaucracy to open & run than opening & running a company.

However even this needs to be done absolutely correctly (especially) in choosing the activity category & close attention to issues such as where in the world the client or consumer is located as (after the first year of trading) if you turn over more than €12500 per year then you'll have to charge (in most cases) 23% IVA/VAT to all clients & consumers located within the European Union.

Accounting is also obviously important & in the case of a business activity then you need to complete a 'Green Receipt' within 5 days of providing the product or service & this can be done online via the Financas website if you have a password to it & you get that from any Financas office. This 'green receipt' process looks daunting at first but you will soon get used to it & once you are familiar with the process it only takes a few minutes of (online) form filling per customer.

[Portal das Finanças \(portaldasfinancas.gov.pt\)](http://portaldasfinancas.gov.pt)

You will find navigating the Fianacas website/portal will be MUCH easier if you first visit the files & read 'How To Access The The Portal Das Financas' as it tends to be a difficult & complicated website at first but once used to it, you'll quickly learn how to find exactly what you need & it is all in there somewhere.

Also be aware that social security/national insurance payments & taxes are often relatively high here & I'd strongly recommend you consult both a lawyer & an accountant before you even decide whether to open an activity or register a company before starting the process & you'll find several of both listed in the Trade & Business Directory which is also in the files section of this group.

Also be aware that many businesses will also possibly require additional licencing/certification in many cases which is another reason to consult a lawyer before you start the process.

Rather than talk you through the entire process & then have to change this info piece as rules change, I think it's easier if I just have the links below, the first of which allows you to check for possibly company names & the second talks you through the process of how to actually incorporate a company here.

To check company name availability:

<https://eportugal.gov.pt/empresas/Services/Online/Pedidos.aspx?service=PNS&fbclid=IwAR1yAuxouEMsZWBzrsnqyAN3fOl6MtvF6jWFlj5NdSXe Nm6IwbSn72DbOk>

How to incorporate a company in Portugal:

<https://justica.gov.pt/Portals/0/IRN/incorporating-company-guide-LINKS.PDF?ver=2020-01-30-214952-110&fbclid=IwAR3 - eMGzINvEM5IICgA0Fflwv50-1bw1Ft7-sXQwDBtRTUAbuOU0TODQh8>

Opening a business activity.

You can open a business activity via the personal page of your tax/financas website however it should be noted you then have to wait a week or two for the paperwork to arrive in the post & a faster way to do it is to simply go into any Financas office & ask them to do it for you & to do that you'll need to explain what kind of activity you want as in construction, consultancy or other etc & the staff member will open the activity for you & by the time you leave you'll have all the necessary paperwork to allow you to start trading immediately & if you struggle with the language issue, I'd suggest you use DeepL Translate to tell them everything they need to know so you can just hand the letter across the counter & then they can usually open the activity in about 20 – 30 minutes.

However, I'd suggest you only open an activity when you are ready to start trading & making money as once the activity is opened you may start to incur tax liabilities & (after the first year of trading) Social Security responsibilities which are often very significant amounts so be sure to think everything through before you start & do not open the business or activity before you are ready to start trading & making money.

[Step by step: Everything you need to know to open an activity in Finance - Jornal Económico \(sapo.pt\)](#)

[A guide to starting a business in Portugal | Expatica](#)

It should be noted that if the operator of the business activity is in receipt of a UK or EU State Pension then no Social Security payments need to be paid for such business activity & if you have overpaid then you can reclaim that overpayment online & by sending the necessary documents such as a copy of the S1 form which is obtained from the Dept Of Works & Pensions or the NHS in the UK.