

# Frequently Asked Questions

## NEW SCHEME FOR SELF-EMPLOYED PERSONS

INSTITUTO DA SEGURANÇA SOCIAL, I.P



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*Instituto da Segurança Social, I.P.* (Social Security Institute, P.I.)

### **AUTHOR**

*Departamento de Prestações e Contribuições* (Benefits and Contributions Department)

### **PAGINATION**

*Departamento de Comunicação e Gestão do Cliente* (Communication and Customer Management Department)

### **CONTACTS**

Social Security Line: 210 545 400| 300 502 502, business days from 9:00 a.m. to 6:00 p.m.

Website: [www.seg-social.pt](http://www.seg-social.pt), please consult the Social Security Online Service (*Segurança Social Direta*).

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## **A – COVERAGE BY THE SELF-EMPLOYMENT SCHEME**

### **1. When does coverage by the self-employment scheme take effect?**

**A:** Coverage by the self-employment scheme for the first time only takes effect on the first day of the 12<sup>th</sup> month after the beginning of activity.

**Example:**

If the self-employed person begins his/her activity on 1 March 2024, his/her coverage takes effect on 1 March 2025.

If the self-employed person communicates the beginning of his/her activity as a self-employed person to the Tax and Customs Authority on 10 January 2024, his/her coverage takes effect on 1 January 2025.

### **2. Can self-employed persons apply for an early coverage by the self-employment scheme? When does this take effect?**

**A:** In the months established for the Quarterly Earnings Statement submission (January, April, July and October), self-employed persons may apply for an early coverage on a date prior to the 12<sup>th</sup> month after the beginning of activity and this will take effect on the 1<sup>st</sup> day of the month after the Quarterly Earnings Statement submission date.

Please note: If the Quarterly Earnings Statement is submitted after the established time limits, it is not possible to apply for an early coverage.

### **3. If I have ceased my activity as a self-employed person and then decide to resume it, when does the new coverage take effect?**

**A:** If you have ceased your activity after the 12 months of entry into force of the first coverage and you have already paid contributions as a self-employed person, by resuming your activity, the coverage takes effect on the 1<sup>st</sup> day of the month in which the activity is resumed.

**Example:**

If the self-employed person resumes his/her activity on 14 February 2025, his/her coverage takes effect on 1 February 2025 because, when he/she ceased the self-employment activity, the first coverage had already taken effect.

If the cessation of activity occurs within the first 12 months, the time limit is suspended and shall continue to run from the 1<sup>st</sup> day of the month in which the activity is resumed, provided that the activity resumption occurs within the 12 months following the activity cessation.

**Example:**

If the self-employed person begins his/her activity on 16 March 2024, his/her coverage takes effect on 1 March 2025. However, if he/she ceases the self-employment activity on 31 August 2024 (6 months of activity between the start date and the cessation date) and resumes it on 15 April 2025, the new coverage takes effect on 1 October 2025 (12 months – 6 months = 6 months).

### **4. What forms are required for the registration/coverage/cessation of activity of a self-employed person in the Social Security system?**

**A:** It is mandatory that any exchange of information between self-employed persons and Social Security is made through the Social Security Online Service (*Segurança Social Direta*), at [www.seg-social.pt](http://www.seg-social.pt). This online service has several features available concerning the self-employment activity.

If the self-employed person is not registered in the Social Security Online Service (*Segurança Social Direta*) yet, he/she must take the following steps to get the access password to this service:

- 1 – Access the Social Security Portal at [www.seg-social.pt](http://www.seg-social.pt);
- 2 – Click on **Segurança Social Direta** (Social Security Online Service);
- 3 – Click on **Efetuar Registo** (Register);
- 4 – Insert your Social Security Identification Number (NISS);
- 5 - In the **Dados Adicionais** (Additional Data) Menu, read the “Privacy Policy and Terms of Use” document.

Social Security receives from the Tax Administration, electronically and *ex officio*, information on the beginning, resumption and cessation of the activity of self-employed persons.

## 5. Which partners or members of professional societies are covered by the self-employment scheme?

**A:** For Social Security purposes, only the partners or members of the professional societies defined in Article 6(4) (a) (1) of the Corporate Income Tax Code are covered by the self-employment scheme as stated below:

### **«Article 6 Tax transparency**

1 – *The tax base, determined under the terms of this Code, of the companies indicated below, with headquarters or effective management in Portuguese territory, is attributable to the partners, even if there has been no distribution of profits, being integrated, in accordance with the applicable legislation, in their taxable income for the purposes of Personal Income Tax (IRS) or Corporate Income Tax (IRC), as the case may be:*

a) (...);

b) *professional societies;*

c) (...).

2 – (...)

3 – (...)

4 – *For the purposes of paragraph 1:*

a) *a professional society:*

1) *a company formed for the purpose of carrying out a professional activity specifically provided for in the list of activities referred to in Article 151 of the Personal Income Tax Code, in which all the partners who are natural persons are professionals of that activity;*

2) (...))»

Within the scope of the tax transparency scheme, the contribution rate applicable to self-employed persons is 21,4%, in accordance with Article 168(1) of the Code.

For the purposes of calculating the relevant income of the self-employed person subject to the tax transparency scheme, a coefficient of 70% shall be applied to the total value of the services provided, to which shall be added the coefficient of 20% if the self-employed person declares income from the production and sale of goods.

The tax base attributable by the professional companies to their members or partners, identified in Article 133(1) (b) of the Code of Contributory Schemes, as well as the receipts and advances on account (receipts and advances on account must be declared in the Quarterly Earnings Statement in the field ‘services provided’), constitute the value of services provided, and therefore the coefficient of 70% shall

be applied in accordance with Article 162 of the Code and Article 62(2) of Regulatory Decree no. 1-A/2011 of 3 January.

## **B – EXCLUSION FROM THE SELF-EMPLOYMENT SCHEME**

### **6. Does a holder of category B income resulting exclusively from urban lease contracts for local accommodation in a house or apartment have to pay contributions to Social Security as a self-employed person?**

**A:** Holders of category B income resulting exclusively from urban lease contracts for local accommodation in a house or apartment are not covered by the self-employment scheme.

### **7. What is the difference between self-employed persons with income resulting exclusively from urban lease contracts for local accommodation, which may be considered a seasonal activity, and self-employed persons who continuously operate local accommodation units in tourist locations? Are the latter considered individual entrepreneurs?**

**A:** In accordance with Article 139(1) (f) (ii) of the Code of Contributory Schemes, holders of category B income resulting exclusively from urban lease contracts for local accommodation in a house or apartment are not covered by the self-employment scheme, regardless of whether this accommodation is used on an ongoing basis. When, in the Quarterly Earnings Statement, these self-employed persons only complete the fields concerning lease contracts and urban lease contracts for local accommodation, they are excluded from the Self-employment scheme.

However, holders of category B income resulting from urban lease contracts for local accommodation in the form of accommodation establishment (hostel) are covered by the self-employment scheme.

### **8. Does a holder of category B income resulting exclusively from the production of electricity for self-consumption or through small production units from renewable energies have to pay contributions to Social Security as a self-employed person?**

**A:** Holders of category B income resulting exclusively from the production of electricity for self-consumption or through small production units from renewable energies are excluded from the self-employment scheme.

The exclusion is assessed from the Quarterly Earnings Statement, in which only the fields concerning the production of electricity for self-consumption or through small production units from renewable energies are completed.

### **9. Do self-employed persons excluded from the self-employment scheme have to submit the Quarterly Earnings Statement?**

**A:** Self-employed persons who are not covered by the self-employment scheme cannot submit the Quarterly Earnings Statement.

However, it should be noted that there are cases of self-employed persons who currently still need to apply for exclusion from the Self-Employment Scheme, submitting form Mod. RV 1027-DGSS. These are:

Holders of rights on farms or similar agricultural holdings, whose products are predominantly intended for personal and family consumption and provided that the annual income from the

activity does not exceed 4 times the Social Support Index (IAS – *Indexante dos Apoios Sociais*) value [Article 139(1)(a) of the Code of Contributory Schemes];

Farmers receiving allowances or grants under the Common Agricultural Policy (PAC), provided that the respective annual value is lower than 4 times the Social Support Index (IAS) value and the farmers do not have any other income as self-employed persons [Article 139(1)(g) of the Code of Contributory Schemes].

As for self-employed persons with the exclusive activity of producing energy for self-consumption or whose income results from urban lease contracts for local accommodation, they only have to submit a Quarterly Earnings Statement in order to be excluded from the self-employment scheme, if they do not have an Economic Activity Code associated with this(these) activity(activities) registered in the Social Security Information System.

## C – MANDATORY SUBMISSION OF THE QUARTERLY EARNINGS STATEMENT

### 10. Who is required to submit the Quarterly Earnings Statement?

**A:** People who carry out an income-generating self-employed activity, in accordance with Articles 3 and 4 of the Personal Income Tax Code (people with category B business and professional income and people who perform commercial, industrial, agricultural, forestry and livestock activities);

Individual entrepreneurs whose income is obtained exclusively from a commercial or industrial activity and the holders of a Single-Member Limited Liability Company, as well as the respective spouses, who effectively perform a professional activity with them, on a regular and permanent basis;

Agricultural producers who effectively perform their professional activity on farms or similar agricultural holdings, their spouses or persons living with them in a de facto relationship, who effectively perform their professional activity on the farm, on a regular and permanent basis;

Forestry, livestock, horticulture, floriculture, poultry and apiculture activities and businesses are considered as agricultural holdings, even though the land has a function of merely holding the facilities;

Activities and businesses essentially aimed to the production of raw materials for manufacturing industries, being this production their main objective, are not considered agricultural holdings.

Free professionals (including scientific, artistic or technical activities);

Intellectual workers, such as the authors of protected works, in accordance with the Code of Copyright and Related Rights, whatever the genre, form of expression, way of dissemination and use of the respective works:

Intellectual creators in the literary, scientific and artistic fields are considered intellectual workers, being covered by the self-employment Scheme, namely:

Authors of literary, dramatic and musical works;

Authors of choreographic, staging and pantomime works;

Authors of cinematographic works or those produced by any process similar to that of cinematography;

Authors of plastic, figurative or applied arts and photographers;

Translators;

Authors of arrangements, instrumentations, dramatizations, cinematography and other transformations of any work.

Partners or members of a free professionals' society;

Partners of group farming societies;

Cooperative members who, in the cooperative statutes, opt for the Self-Employment Scheme (the right of option cannot be changed for a minimum period of five years);

Workers receiving support for the creation of a self-employment activity;

Category B Income holders, due to urban lease for local accommodation in the form of accommodation establishment (hostel);

Spouses and persons who live in a *de facto* relationship with self-employed persons and individual entrepreneurs exclusively engaged in a commercial or industrial activity, who work with them, collaborating in the pursuit of their activity, on a regular and permanent basis.

## 11. Who is not required to submit the Quarterly Earnings Statement?

**A:** Self-employed persons who are exempt from contributions payment in the following situations, are not required to submit the Quarterly Earnings Statement:

Self-employed persons who simultaneously receive a pension resulting from the verification of an occupational risk and who suffer from an incapacity for work equal to or higher than 70%;

Self-employed persons who accumulate their professional activity with an activity as employees, provided that, cumulatively:

The average monthly relevant income from self-employment work is lower than 4 times the Social Support Index (IAS) value (€2.090,00 in 2025);

Both activities are provided to different contracting entities;

They are already covered by another social protection scheme; and,

The average monthly remuneration as an employee is equal to or higher than the Social Support Index (IAS) value (€522,50 in 2025).

Lawyers and solicitors covered by the respective mandatory Insurance Scheme, only in the exercise of these activities;

Self-Employed Persons with temporary employment in Portugal who prove that they are covered by a mandatory social protection scheme from another country;

Owners of local and coastal fishing vessels that are part of the crew and carry out effective professional activity on these vessels;

Marine species catchers and anglers;



Holders of Category B income resulting exclusively from:

Lease contracts and urban lease contracts for local accommodation in a house or apartment,

Electricity production for self-consumption or through small production units from renewable energies;

Self-employed persons covered by the Organised Accounting Scheme who, in November of the year concerned, do not request that the scheme of quarterly calculation of income is applied to them.

In the case of holders of rights over agricultural holdings and farmers receiving allowances or grants under the Common Agricultural Policy (*PAC*):

Self-employed persons with rights over agricultural holdings or similar holdings whose products are predominantly intended for consumption by their owners and their households and the activity income does not exceed the annual amount of 4 times the Social Support Index (IAS) value [Article (139)(1)(a) of the Code of Contributory Schemes], in order to be excluded from the self-employment scheme, must currently apply for such exclusion (Mod. RV 1027-DGSS).

Self-employed farmers receiving allowances or grants under the Common Agricultural Policy (*PAC*) for an annual amount lower than 4 times the Social Support Index (IAS) value and who do not have any other income as self-employed persons [Article (139)(1)(g) of the Code of Contributory Schemes], in order to be excluded from the self-employment scheme, must currently also apply for such exclusion (Mod. RV 1027-DGSS).

**12. Do self-employed persons who accumulate their professional activity with an activity as employees under the Civil Servants Pension Fund (CGA – *Caixa Geral de Aposentações*) and for whom Social Security has already recognised the exemption from contributions payment, have to submit the Quarterly Earnings Statement?**

**A:** No, provided that they cumulatively meet the following requirements:

The average monthly relevant income from self-employment work, calculated on a quarterly basis, is lower than 4 times the Social Support Index (IAS) value (€2.090,00 in 2025);

The activity as a self-employed person and the other activity as an employee are provided to different contracting entities that do not have a control or group relationship between each other;

The other social protection scheme for the activity as an employee mandatorily includes all the contingencies covered by the Self-Employment Scheme;

The average monthly remuneration considered for the other social protection scheme is equal to or higher than the Social Support Index (IAS) value (€522,50 in 2025).

If Social Security has not recognised the exemption from contributions payment, the self-employed person must submit an application - Mod. RC 3001 – DGSS – accompanied by a document attesting the monthly remuneration received for the professional activity carried out as an employee.

**13. In the case of self-employed persons who accumulate their professional activity with an activity as employees under the Civil Servants Pension Fund (CGA – *Caixa Geral de Aposentações*), how do they communicate the amounts of the monthly remuneration**

**received for the activity as an employee to the Social Security services, so that they may assess the existence of a contributory obligation? Is it necessary to send a copy of the respective payslips?**

**A:** If the self-employed person has been covered by another mandatory social protection scheme, such as the Civil Servants Pension Fund (CGA), until 31.12.2018, there is no need to send a copy of the respective payslips, as the exemption has already been recognised by Social Security. He/she will only have to communicate the income resulting from the self-employment activity, so that the Social Security services may calculate the contribution base corresponding to the remainder, if any, i.e., if the average monthly relevant income, calculated on a quarterly basis, is higher than 4 times the Social Support Index (IAS) value (€2.090,00 in 2025).

**14. What are the time limits for the Quarterly Earnings Statement submission?**

**A:** The Quarterly Earnings Statement must be submitted until the last day of the months of January, April, July and October, concerning the income earned in the three immediately preceding months.

When there is a suspension or cessation of activity, the self-employed person must submit the Quarterly Earnings Statement in the period of submission immediately after the activity suspension or cessation.

When the period of submission ends on a Saturday, Sunday or public holiday, it is extended to the following 1<sup>st</sup> business day.

**15. If the self-employed person forgets to submit the Quarterly Earnings Statement within the respective time limits (until the last day of the months of January, April, July and October), is he/she allowed to submit it afterwards? If yes, is the Statement considered to have been submitted after the established time limit?**

**A:** If the self-employed person forgets to submit the Quarterly Earnings Statement within the time limits established for that purpose, he/she can submit it until the last day of the month prior to the following period of submission of the Quarterly Earnings Statement. However, the Statement is considered to have been submitted after the established time limit.

In the Social Security Online Service (*Segurança Social Direta*), access:

the **Emprego** (Employment) tab and click on > **Regime de declaração trimestral** (Quarterly Earnings Statement Scheme) > **Consultar declaração trimestral** (Consult Quarterly Earnings Statement); then, click on **Registar Declaração** (Register the Statement) and follow the steps described in the question "**Como Entrego a Declaração Trimestral?**" (How do I submit the Quarterly Earnings Statement?) in order to submit the Statement.

**16. Self-employed persons who are simultaneously pensioners, when they submit the Quarterly Earnings Statement through the Social Security Online Service (SSD – *Segurança Social Direta*), the following question is displayed: *Pretende Contribuir Sim/Não* (Are you going to pay contributions? Yes/No). Is it mandatory to answer? If the self-employed person does not answer, does the system understand that he/she does not want to pay contributions?**

**A:** Self-employed persons who are simultaneously pensioners are not required to submit the Quarterly Earnings Statement; however, if they enter this SSD feature, it is mandatory to answer "yes" or "no".

If the self-employed person answers "no", the Quarterly Earnings Statement is registered in the system, but the worker is not required to pay any Social Security contributions.

If the self-employed person answers “yes”, the Quarterly Earnings Statement is registered in the system and the worker is required to pay Social Security contributions because he/she has chosen to voluntarily cease the exemption from contributions payment.

If the self-employed person does not answer “yes” or “no” and exits the screen, the Quarterly Earnings Statement will not be registered in the system and there will be no contributory obligation.

**17. Does a self-employed person whose beginning of activity (1<sup>st</sup> coverage) is on 1 March 2024 have to submit the Quarterly Earnings Statement? If yes, when?**

**A:** Yes. Since coverage by the self-employment scheme takes effect on 1 March 2025, the worker is required to submit the Quarterly Earnings Statement in April 2025, stating the income earned in March 2025.

**18. In the case of a self-employed person who issues an invoice to a client in a given month and receives the invoice values in a different month, issuing the respective receipt at that date. If the invoice has been issued in the month covered by the Quarterly Earnings Statement in progress, should the self-employed person include the invoice amounts in that statement, or should he/she state the amounts only in the Quarterly Earnings Statement corresponding to the month in which the amounts were paid?**

**A:** The self-employed person must state the values concerning the services provided during the period covered by the Quarterly Earnings Statement and in accordance with the values stated for Income Tax purposes.

**19. Is the VAT value also declared in the Quarterly Earnings Statement?**

**A:** No.

**20. Can a self-employed person covered by the organised accounting scheme opt for the scheme of quarterly determination of relevant income?**

**A:** Yes. After being notified in October of each year of the contribution base applicable to him/her, based on the value of the taxable profit calculated in the immediately preceding calendar year, the self-employed person covered by the organised accounting scheme may request, within the time limits set in the respective notification, that the scheme of quarterly determination of relevant income is applied to him/her, thus being required to submit the Quarterly Earnings Statement as of January.

The relevant income of the self-employed person covered by the quarterly scheme is determined according to the income earned in the three months immediately preceding the month of the Quarterly Earnings Statement submission, being applied the following coefficients:

- 70% of the total value of services provision;
- 20% of the income from the production and sale of goods;
- 20% of the total value of services provision within the scope of hotel and similar activities, catering and beverages, which are declared as such for tax purposes.

The relevant income of self-employed persons covered by the organised accounting scheme, provided for in the Personal Income Tax Code, corresponds to the amount of taxable profit calculated in the immediately preceding calendar year.

**21. How can a self-employed person covered by the organised accounting scheme opt for the scheme of quarterly determination of relevant income?**

**A:** Every year from the 1<sup>st</sup> to the 30<sup>th</sup> of November, the self-employed person may opt for the quarterly determination of relevant income. In order to do this, he/she must access the Social Security Online Service (*Segurança Social Direta*) and take the following steps:

- Step 1. Access the **Emprego** (Employment) tab and click on **Trabalhadores Independentes** (Self-Employed Persons)
- Step 2. Click on **Contabilidade organizada** (Organised accounting)
- Step 3. Click on the Option **Regime de Declaração Trimestral** (Quarterly Earnings Statement Scheme)
- Step 4. Click on **Alterar regime para Declaração Trimestral** (Change to Quarterly Earnings Statement Scheme)
- Step 5. Click on **Confirmar** (Confirm)
- Step 6. Click on **OK**

**22. I am a self-employed person covered by the organised accounting scheme and I have already opted for the scheme of quarterly determination of relevant income. Can I cancel this option?**

**A: Yes. Until the last day of November, you may change the last option you made. In order to do this, you must access the Social Security Online Service (*Segurança Social Direta*) and take the following steps:**

- Step 1. Access the **Emprego** (Employment) tab and click on **Trabalhadores Independentes** (Self-Employed Persons)
- Step 2. Click on **Contabilidade organizada** (Organised accounting)
- Step 3. Click on the option **Regime de Declaração Trimestral** (Quarterly Earnings Statement Scheme)
- Step 4. Click on **Anular a opção pelo Regime da Declaração Trimestral** (Cancel the Quarterly Earnings Statement Scheme option)
- Step 5. Click on **Confirmar** (Confirm)
- Step 6. Click on **OK**

**23. A self-employed person covered by the simplified scheme in 2022 changes to the organised accounting scheme in 2023. When does this change take effect in the Social Security system?**

**A:** This change takes effect in the Social Security system in January 2025, i.e., in October 2024, the self-employed person is notified of the contribution base that corresponds to the twelfth of the taxable profit declared for tax purposes in 2023 and that will take effect in 2025. This is because the information that the self-employed person is covered by the organised accounting scheme is only available to Social Security through the Tax Administration: in 2023, the self-employed person submits the Income Tax Return corresponding to the year 2022, in which he/she was still covered by the simplified scheme and it is only in 2024 that the self-employed person submits the Income Tax Return corresponding to the year 2023, the year in which he/she changed to the organised accounting scheme.

## D – RELEVANT INCOME DETERMINATION

**24. How is the relevant income of a self-employed person covered by the Quarterly Earnings Scheme determined?**

**A:** The relevant income of the self-employed person is determined according to the income earned in the three months immediately preceding the month of the Quarterly Earnings Statement submission, in the following terms:

70 % of the total value of services provision;

20 % of the income from the production and sale of goods;

20% of the total value of services provision within the scope of hotel and similar activities, catering and beverages, which are declared as such for tax purposes.

The relevant income of self-employed persons covered by the organised accounting scheme, provided for in the Personal Tax Code, corresponds to the amount of taxable profit calculated in the immediately preceding calendar year.

The mentioned income is calculated by the competent Social Security Institution on the basis of the amounts stated by the self-employed person, as well as the amounts stated for tax purposes.

The Tax Administration electronically sends an *ex officio* information of the amounts stated by the self-employed person, to the competent Social Security Institution.

Income that is not considered for the determination of the relevant income:

Income earned with the production of electricity for self-consumption or through small production units from renewable energies;

Income from lease contracts and urban lease contracts for local accommodation in a house or apartment;

Investment grants or allowances;

Income from capital gains;

Income from intellectual or industrial property.

The following excluded income may be considered for the determination of the relevant income, if the self-employed person chooses to consider it: Investment grants or allowances; Income from capital gains; Income from intellectual or industrial property.

**25. Can self-employed persons request for the excluded income – investment grants or allowances, income from capital gains, income from intellectual or industrial property – to be considered for the determination of the relevant income? If they choose to include this type of income, does it fall on the Production and Sale of Goods item, on the Services Provision item or on both items?**

**In the case of investment allowances:**

**A:** The new Contributory Scheme does not require the statement of investment allowances (as, for example, the installation bonus for young farmers).

If self-employed persons choose to state the investment allowances for the determination of the relevant income, the amounts declared in the Quarterly Earnings Statement must be equal to the amounts that will be declared in the Income Tax Return (these allowances are generally considered in equal fractions, over five financial years), being applied the Social Security coefficients [70% of the value of services provision and/or 20% of the income from production and sale of goods (hotel and similar activities, catering and beverages)].

The amount of investment allowances may be included either in the production and sale of goods item, or in the services provision item, or in both. The amount will be added to the income from services provision or to the income from the sale of goods, or both, depending on the activity or activities it concerns.

**26. In the case of Operating Subsidies, are they considered for the determination of the relevant income? If yes, on what terms? Must they be included in the Services Provision item, in the Production and Sale of Goods item, or in both?**

**A:** Operating subsidies are taken into account separately. They are not linked to income from services provision, nor to income from the production and sale of goods. This type of income is taken into account in the Quarterly Earnings Statement as income declared by the self-employed person and is considered for the determination of the Relevant Income. In these cases, the relevant income of the self-employed person is determined according to the income earned in the three months immediately preceding the month of the Quarterly Earnings Statement submission, in the following terms:

- 70% of the total value of services provision
- 20% of the income from the production and sale of goods (hotel and similar activities, catering and beverages)
- 20% of the operating subsidies value

**Note:** If the worker only earns income from operating subsidies, the stated value is subject to a coefficient of 20%.

**27. How is the relevant income of self-employed persons with an organised accounting scheme determined?**

**A:** The relevant income of self-employed persons covered by the organised accounting scheme corresponds to the amount of taxable profit calculated in the immediately preceding calendar year (stated in Annex SS to model 3 of the Income Tax return).

The monthly incidence base corresponds to the twelfth of the taxable profit, with a minimum limit of 1,5 times the Social Support Index (IAS) value (€783,75 in 2025) and a maximum limit of 12 times the Social Support Index (IAS) value (€6.270,00 in 2025) being established in October to take effect in the following calendar year (in January of each year).

**28. Can a self-employed person opt for the establishment of a higher or lower income amount of up to 25% of the one calculated according to the stated amount?**

**A:** In the Quarterly Earnings Statement submission periods, self-employed persons may opt for the establishment of a higher or lower income amount of up to 25% of the one calculated according to the stated amounts. This option is made in intervals of 5% (5%, 10%, 15%, 20%, 25%) without prejudice to the established limits [minimum of €20,00 and maximum of 12 times de Social Support Index (IAS) value (€522,50 x 12 = €6.270,00)].

Self-employed persons whose activity is accumulated with an activity as employees and pay contributions at the value of the Remaining Relevant Income cannot opt for the establishment of a higher or lower income amount of up to 25%.

**29. In the case of a self-employed person covered by the organised accounting scheme, who opts for the establishment of a higher or lower income of up to 25% of the one calculated according to the stated amounts, does he/she necessarily have to change to the quarterly determination of relevant income scheme?**

**A:** Yes. The option for the establishment of a higher or lower income of up to 25% of the one calculated according to the stated amounts on a quarterly basis, is only applicable to self-employed persons who are covered by the quarterly determination of relevant income scheme.

**E – CONTRIBUTION BASE**

### **30. What is the contribution base for self-employed persons who are required to submit a Quarterly Earnings Statement?**

**A:** The monthly contribution base corresponds to 1/3 of the relevant income calculated in each earnings statement submission period, taking effect in the month of submission and in the following two months.

When there is no income to declare, or the value of the contributions due according to the calculated relevant income is lower than €20,00, the contribution base is established according to the amount of contributions at that value.

### **31. What is the contribution base applicable to spouses or persons living in a *de facto* relationship with self-employed persons who are required to submit a Quarterly Earnings Statement?**

**A:** The contribution base applicable to workers covered by the Self-Employment Scheme only by virtue of being spouses or *de facto* partners of self-employed persons corresponds to 70% of the relevant income of the self-employed person, with the minimum limits established within the scope of the contribution base for self-employed persons.

Nevertheless, the spouse or person living in a *de facto* relationship with the Self-Employed Person may apply for the determination of a lower relevant income of up to 20%, or a higher relevant income of up to the limit amount established for the Self-Employed Person.

In cases where the self-employed person is recognised as having the right to be exempt from fulfilling the contributory obligation, the contribution base applicable to the respective spouse or partner is determined according to the last relevant income calculated for the self-employed person.

In situations where there is no relevant income calculated for the self-employed person in the last 12 months, the value of €783,75 (in 2025) is considered as relevant income for the spouse or partner.

### **32. How is the Contribution Base calculated?**

**A:** Please find below several examples of how the contribution base is calculated:

#### **Example 1:**

In a stated period, Filipe earned income from services provision in the amount of €6.000,00. Thus, his relevant income will be 70% of €6.000,00, i.e., €4.200,00. Therefore, the monthly contribution base will correspond to  $€4.200,00:3$  (months) = €1.400,00, on which the respective contribution rate will apply.

In summary, Filipe will pay a contribution of € 299,60 per month (i.e., €1.400,00 x 21,4%).

#### **Example 2:**

In a stated period, Marta did not earn any income. Therefore, regardless of the relevant income calculated and the respective monthly contribution base, Marta will pay €20,00 per month in the quarter following that period.

#### **Example 3:**

Leonor, which has an organised accounting, earned a taxable profit in the amount of €15.000,00. Thus, her monthly contribution base will be  $€15.000,00:12$ , i.e., €1.250,00 per month, on which the respective contribution rate will apply.

In summary, Leonor will pay the contribution of €267,50 per month (i.e., €1.250,00 x 21,4%).

#### **Example 4:**

Paulo is an employee, whose earnings exceed the Social Support Index (IAS) value (€522,50 in 2025) and is simultaneously a self-employed person.

He earned €10.000,00 in January, €10.000,00 in February and €4.000,00 in March, which amounts to a total of €24.000,00 in the quarter.

Thus, his relevant income will be 70% of € 24.000,00, which corresponds to €16.800,00:3 (months) = €5.600,00 (being more than 4 times the Social Support Index (IAS) value, which is €2.090,00 in 2025).

Therefore, the monthly contribution base will correspond to the difference between the declared income and 4 times the Social Support Index (IAS) value (remainder) = €5.600,00 - €2.090,00 = €3.510,00.

Thus, the contributory rate will be applied to €3.510,00.

In summary, Paulo will pay a contribution of €751,14 per month (i.e., €3.510,00 x 21,4%), during the three months following the stated period.

**Example 5:**

1. The contribution base for each month has a maximum limit of 12 times the Social Support Index (IAS) value (€6,270,00 in 2025),

Example:

In the stated period, João earned €20.000,00 in April, €20.000,00 in May and €20.000,00 in June, which amounts to a total of €60.000,00 in the quarter.

Thus, his relevant income will be 70% of € 60.000,00, which corresponds to €42.000,00:3 (months) = €14.000,00.

In this case, instead of the amount calculated as relevant income (€14.000,00), the contribution base of João will have the maximum limit of €6.270,00 [i.e., 12 times the Social Support Index (IAS) value], on which the respective contribution rate will apply.

In summary, João will pay a contribution of €1.341,78 (i.e., €6.270,00 x 21,4%) per month, during the three months following the stated period.

**33. In the case of a self-employed person who did not submit the mandatory Quarterly Earnings Statement to Social Security, nor did he/she even declare income to the Tax Administration.**

**Considering that it is not possible to calculate the relevant income for the purpose of determining the contribution base, which will be the contribution base applied to this self-employed person?**

**A:** For self-employed persons covered by the Simplified Scheme, who do not submit the Quarterly Earnings Statement, in accordance with Article 163(2) of the Code of Contributory Schemes, it is applied the minimum contribution amount of €20,00.

**F – CONTRIBUTION RATES**

**34. What are the contribution rates applied to self-employed persons with a contributory obligation?**

**A:** The contributory obligation of self-employed persons requires the payment of Social Security contributions and the statement of earnings from the self-employment activity.

The contributions are paid every month between the 10<sup>th</sup> and the 20<sup>th</sup> day of the month following the one to which they concern and the respective amount is based on the following contribution rates:



The contribution rate for self-employed persons is set at 21,4%;

The contribution rate for individual entrepreneurs and holders of a single-member limited liability company and the respective spouses is set at 25,2%.

## **G – ACCUMULATION OF ACTIVITY AS A SELF-EMPLOYED PERSON WITH AN ACTIVITY AS AN EMPLOYEE**

**35. In the case of a self-employed person who accumulates his/her professional activity with an activity as an employee for different companies, does he/she have to pay Social Security contributions for both activities?**

**A:** Self-employed persons that accumulate their professional activity with an activity as employees are exempt from contributions payment when the average monthly relevant income, calculated on a quarterly basis, is lower than 4 times the Social Support Index (IAS) value (€2.090,00 in 2025) and provided that:

The activity as a self-employed person and the activity as an employee is carried out for different employers that do not have a control or group relationship between each other;

The other social protection scheme mandatorily includes all the contingencies covered by the Self-Employment Scheme;

The average monthly remuneration, considered for the other social protection scheme, is equal to or higher than the Social Support Index (IAS) value (€522,50 in 2025).

**36. In the case of a self-employed person who accumulates his/her activity with an activity as an employee for different employers and who, based on the amount of his/her income is required to pay contributions as a self-employed person [if the average monthly relevant income from self-employment work calculated on a quarterly basis is higher than 4 times the Social Support Index (IAS) value (€2.090,00 in 2025) or, the average monthly remuneration of the professional activity as an employee is lower than the Social Support Index (IAS) value (€522,50 in 2025)]. If this worker ceases his/her self-employment activity and resumes it only after the period established for the Quarterly Earnings Statement submission, will he/she be entitled to the exemption from contributions payment, considering that the contribution base has not been determined for that period?**

**A:** No. In case of activity resumption and until the next Quarterly Earnings Statement submission, considering that no income has been declared, the contribution base applicable for the period concerned is €20,00.

**37. Should a self-employed person, who is also an employee in the same company, pay contributions for the activity carried out as an employee, when he/she is already paying contributions for the activity carried out as a self-employed person?**

**A:** No. The contributory obligation does not apply to self-employed persons who accumulate their self-employment activity with an activity as employees for the same employer (same company) as these workers are not covered by the self-employment scheme, but are covered by the accumulation scheme provided for in Articles 129 to 131 of the Code of Contributory Schemes.

**38. In the case of a self-employed person whose income comes only from services provided to the same employer or company belonging to the same business group, is this self-employed person exempt from the Quarterly Earnings Statement submission, as he/she is not covered by**

**the self-employment scheme? And in the following year, will it be possible to detect these situations by crossing data with the Tax Administration?**

**A:** These workers are not required to submit a Quarterly Earnings Statement. They are exempt from contributions payment to Social Security as self-employed persons as they are covered by article 129 of the Code of Contributory Schemes, because they accumulate the activity as employees with the activity as self-employed persons for the same employer or company belonging to the same business group.

Only income obtained from receipts issued to other entities is relevant for the Quarterly Earnings Statement submission and the annual review of the Income Tax Return will identify the income that is not relevant, i.e., H code income which is subject to deductions (this procedure is used to avoid inconsistencies between income declared to Social Security and income declared to the Tax Administration).

**39. If the self-employed person has income from services provided to the same employer or company belonging to the same business group, as well as to other contracting entities, should he/she only declare the income from services provided to the other contracting entities? And in the following year, will it be possible to detect these situations by crossing data with the Tax Administration?**

**A:** Only the income earned as a self-employed person (i.e., from services provided to other contracting entities) will be considered for the determination of the self-employed person's relevant income.

Only income obtained from services provided to other contracting entities is relevant for the Quarterly Earnings Statement submission, according to the way it was declared in the Income Tax Return, and the annual review of the Income Tax Return will identify the income that is not relevant, i.e., H code income which is subject to deductions (this procedure is used to avoid inconsistencies between income declared to Social Security and income declared to the Tax Administration).

**40. Does the Social Security Online Service (SSD – *Segurança Social Direta*) have an option to declare the situation in which the worker accumulates a self-employment activity with an employment activity for the same employer?**

**A:** No, because these workers do not have to submit a Quarterly Earnings Statement, as they are not in a situation of accumulation, but of exclusion from the self-employment scheme.

When they accumulate their activity as employees with a self-employment activity for the same employer, they are covered by the general scheme for employees, with specific features.

**41. In the case of a self-employed person covered by the organised accounting scheme, who accumulates his/her activity as a self-employed person with an activity as an employee, how is the limit of 4 times the Social Support Index (IAS) value (€2.090,00 in 2025) calculated, so that this worker may be exempt from the contributory obligation?**

**A:** The limit of 4 times the IAS value refers to the average monthly income. In the case of self-employed persons covered by the organised accounting scheme, the monthly income is = TP/12, therefore:

if  $TP/12 < 4 \times IAS \Rightarrow$  The self-employed person is exempt from contributory obligation due to the accumulation of coverages (provided that the condition of the average monthly remuneration as an employee is higher than or equal to the IAS value)

if  $TP/12 \geq 4 \times IAS \Rightarrow$  The self-employed person is covered by the "remainder" [provided that the condition of the average monthly remuneration as an employee is higher than or equal to the IAS value (€522,50 in 2025)]

TP = Taxable profit

**42. A self-employed person with an organised accounting in 2020, in October 2021 is identified as being covered by this scheme and is notified of the Contribution Base applicable to him/her by virtue of the taxable profit value calculated in the preceding year (or 1,5 times the IAS value, in cases where the Taxable Profit value is not stated in Annex SS to model 3 of the Income Tax Return); however, in 2021, he/she has fiscally opted for the simplified accounting scheme.**

**Can this self-employed person, whose Contribution Base is determined according to the Taxable Profit, pay contributions according to the notification received, or is he/she required to submit a Quarterly Earnings Statement, informing Social Security that he/she became covered by the simplified accounting scheme as of 01/2021?**

**A:** The self-employed person is required to fulfil his/her contributory obligation under the terms of the notification received in October 2021, if he/she does not opt for the Quarterly Earnings Statement scheme, and only in 01/2023 will he/she be required to submit a Quarterly Earnings Statement, as he/she will not be identified in the universe of self-employed persons with an organised accounting in 10/2022.

In fact, if the self-employed person did not communicate his/her option for the simplified accounting scheme to Social Security in November 2021, he/she continues to be covered by the organised accounting scheme until the Social Security has access to this information through the Tax Administration, i.e., after the self-employed person has submitted in 2022 the Income Tax Return for 2021.

**43. If a self-employed person covered by the organised accounting scheme exceeds the exemption limit and, therefore, is required to pay contributions, does the minimum contribution amount of €20,00 apply?**

**A:** No. The minimum contribution amount of €20,00 is only applied to self-employed persons covered by the Quarterly Earnings Statement scheme and provided that there is no income to declare, or the value of contributions due according to the calculated relevant income is lower than €20,00, being the contribution base established according to the amount of contributions at that value.

The self-employed person covered by the organised accounting scheme has a contributory obligation for the amount resulting from the difference between the value of the average monthly relevant income calculated annually (based on the taxable profit value) and 4 times the Social Support Index (IAS) value (€2.090,00 in 2025), to which the respective contribution rate will apply.

The self-employed person covered by the organised accounting scheme pays the contribution amount calculated for the remainder. Only the value of the relevant income which determines a contribution amount of less than €5,00 (established by Order no. 599/2019 of 11 January) is not relevant for the contribution base determination.

The value of the contribution to be paid cannot exceed 12 times the Social Support Index (IAS) value (€6.270,00 in 2025).

**44. In the case of a self-employed person who is exempt from contributions payment due to accumulation of an activity as a self-employed person with an activity as an employee has a relevant monthly income of €2.180,00. Considering that the difference between this value and €2.090,00 (4 times the IAS value) determines a contribution base of €90,00, which results in a**

**contribution amount (Single Social Rate of 21,40%) of €19,26. What is the amount of the contribution to be paid?**

**A:** As this amount is higher than €5,00 (amount established by Order no. 599/2019 of 11 January), the self-employed person has to pay the contribution amount determined by the remainder of €19,26, which corresponds to the contribution value of €20,00. Only the value of the relevant income which determines a contribution amount of less than €5,00 is not relevant for the contribution base determination.

The value of the contribution to be paid cannot exceed 12 times the Social Support Index (IAS) value (€6.270,00 in 2025).



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**45. When there is exemption from contributory obligation due to the accumulation of an activity as a self-employed person with an activity as an employee, and the income earned as a self-employed person is obtained exclusively from intellectual or industrial property, does the self-employed person maintain the right to exemption, regardless of the value of the income earned, without having to submit a Quarterly Earnings Statement?**

**A:** In the abovementioned situation, the self-employed person maintains the exemption and the income earned from intellectual or industrial property is not considered for the relevant income calculation and there is no obligation to submit the Quarterly Earnings Statement.

However, the self-employed person may choose to submit the Quarterly Earnings Statement, waiving the exemption, and consider this income for the purposes of the relevant income calculation and contributions payment.

## **H – EXEMPTION FROM CONTRIBUTIONS PAYMENT WITHIN THE SCOPE OF THE SELF-EMPLOYMENT SCHEME**

**46. A self-employed person started working as an employee for different employers in March 2024 and paid contributions corresponding to the minimum amount of the Social Support Index (IAS) value. In April 2024, he/she submitted the Quarterly Earnings Statement concerning the months of January, February and March 2024. If the stated amount as a self-employed person is <4xIAS, is this worker entitled to be exempt from contributions payment in the next quarter? Or does he/she have to work for a certain period as an employee in order to be exempt from contributions payment as a self-employed person?**

**A:** Self-employed persons that accumulate their professional activity with an activity as employees are exempt from contributions payment when:

The average monthly relevant income, calculated on a quarterly basis, is lower than 4 times the Social Support Index (IAS) value and provided that:

The average monthly remuneration as an employee is equal to or higher than the Social Support Index (IAS) value;

They simultaneously receive an invalidity or old-age pension and their professional activity may be legally accumulated with their pensions;

They simultaneously receive a pension resulting from the verification of an occupational risk and who suffer from an incapacity for work equal to or higher than 70%.

The exemption from contributions payment is also granted when, in January of the year following the one to which the contributions are due, it is verified that the self-employed person was required to pay contributions at the minimum value during the previous year, because there was no income to declare or the value of contributions due according to the calculated relevant income was less than €20,00, being the contribution base established according to the amount of contributions at that value, and as long as the conditions that determined this payment continue to be fulfilled.

**47. In order to be entitled to the exemption in January of the following year, will the self-employed person be required to pay contributions at the minimum value (€20,00) during all the previous year, or will there be a reference value (e.g. 6xIAS)?**

**A:** If there is no income to declare, or the value of the contributions due according to the relevant income calculated is lower than €20,00, the contribution base is established according to the amount of contributions at that value, i.e., €20,00 per month,

The exemption from contributions payment is granted when, in January of the year following the one to which the contributions are due, it is verified that the self-employed person has paid contributions under the aforementioned terms.

**48. Self-employed persons with no income or low income to declare who, during 2024, paid the minimum contribution amount of €20,00 and who, as of January 2025, are exempt from contributions payment, can they waive this exemption and continue to contribute?**

**A:** When, in January of the year following the one to which the contributions are due, it has been verified that the obligation to pay contributions during the previous year resulted from the lack of income, or the value of the contributions due according to the relevant income calculated is lower than €20,00, self-employed persons are exempt from the obligation to contribute which they cannot waive. This exemption is officially recognised by Social Security.

**49. My exemption period ended in September. Do I have to submit the quarterly earnings statement already in October?**

**A:** Yes, you have to submit the quarterly earnings statement as of October because, in the month following the end of the exemption, you already have a contributory obligation (i.e. you are no longer exempt). Self-employed persons, when subject to compliance with the contributory obligation (i.e., when they are not exempt), are required to submit the quarterly earnings statement until the last day of January, April, July and October. If it has not been possible to submit the quarterly earnings statement during the respective submission period (until the last day of January, April, July and October), the self-employed person may confirm or amend the stated values, or declare the unstated values.

**I – CESSATION OF ACTIVITY UNDER THE SELF-EMPLOYMENT SCHEME**

**50. Where does the cessation take place?**

**A:** The cessation of activity of the self-employed person in the Social Security system is carried out *ex officio* as it is based on the exchange of information with the Tax Administration, to which the self-employed person has to participate the cessation of the respective activity.

**51. After the activity has been ceased, can the self-employed person submit the Quarterly Earnings Statement? Is it merely informative? Or is it for the payment of any amounts?**

**A:** In the case of suspension or cessation of activity, the Self-Employed Person must submit the Quarterly Earnings Statement in the period of submission immediately after the activity suspension or cessation.

In the month of January, he/she must confirm or declare the income amounts concerning the previous calendar year.

The Quarterly Earnings Statement to be submitted in January 2025 concerns the income earned in the last quarter of the previous year (October, November and December 2024).

Each year, the Social Security services review the earnings statements submitted in the previous year, based on the income information communicated by the Tax Administration, and notify the Self-Employed Person of the differences found.

**52. When does the contributory obligation cease?**

**A:** The contributory obligation ceases as from the 1<sup>st</sup> day of the month following that in which the activity of the self-employed person ceases, without prejudice to the payment of contributions resulting from an annual review.

**J – CONTRIBUTIONS PAYMENT**

**53. In the case of a self-employed person whose beginning of activity was on 1 March 2024, when does he/she have to pay contributions?**

**A:** Coverage under the self-employment scheme takes effect on 1 March 2025. The self-employed person must pay contributions for that month at the minimum value (€20,00). For this purpose, he/she must issue the Payment Document (DP – *Documento de Pagamento*) through the Social Security Online Service (SSD – *Segurança Social Direta*) at [www.seg-social.pt](http://www.seg-social.pt).

**L – SOCIAL SECURITY PROTECTION OF SELF-EMPLOYED PERSONS**

**54. Are self-employed persons entitled to Sickness Benefits?**

**A:** Yes. Self-employed persons are now entitled to Sickness Benefits as of the 11<sup>th</sup> day of temporary incapacity for work (previously, they were entitled as of the 31<sup>st</sup> day of incapacity, except in the case of hospitalisation, where the benefit is due from the 1<sup>st</sup> day of hospitalisation).

**55. Are self-employed persons entitled to parenting protection?**

**A:** Yes. Self-employed persons are now entitled to the following Parental Allowances:

Childcare Allowance for children aged under 12 or, regardless of age, children with disabilities or chronic illness;

Grandchild Care Allowance - allowance for the care of minor grandchildren or, regardless of age, grandchildren with disabilities or chronic illness;

Childcare Allowance in the case of sickness or accident of children aged over 12

Grandchild care allowance, granted for a period of up to 30 consecutive days, following the birth of a grandchild who resides with the beneficiary in the same household and who is the child of a young person aged under 16.

## 56. Are self-employed persons entitled to Unemployment Benefits?

**A:** The new entitlement conditions for the Activity Cessation Allowance are the following:

### **Economically Dependent Self-Employed Persons**

- One entitlement condition is that self-employed persons must be considered economically dependent on the contracting entity only in the calendar year immediately preceding the termination of the service provision contract;
- The qualifying period for entitlement of the Activity Cessation Allowance is now 360 days of economically dependent activity as a self-employed person, with the respective contributions paid in a period of 24 months immediately prior to the date of involuntary termination of the service provision contract;

In order to complete this 360-day period, when necessary, the earnings registration periods under the general scheme for employees and the self-employment scheme are taken into account, provided that the respective contribution rate includes unemployment protection;

- The Partial Activity Cessation Allowance is now granted to Economically Dependent Self-employed persons who are applying for the Activity Cessation Allowance and on the date of termination of the service provision contract with the contracting entity, which determines the granting of the Activity Cessation Allowance, have another part-time job as employees or carry out a self-employment activity, provided that the remuneration from the work as an employee or the relevant income from the self-employment activity is lower than the Activity Cessation Allowance value, depending on the case.

### **Self-Employed Persons with a business activity**

- The percentage of the activity's turnover volume for calculating the significant reduction in business volume is 40% verified in the year in which the activity ceased and in the two immediately preceding years.
- In order to complete the qualifying period (720 days of professional activity carried out as a self-employed person with a business activity), other earnings registration periods under the general scheme for employees and the self-employment scheme are taken into account, if necessary, provided that the respective contribution rate includes unemployment protection.
- If, on the date of the business activity cessation, the self-employed person maintains another part-time job, he/she may be entitled to the Partial Activity Cessation Allowance, provided that the remuneration for part-time work is lower than the Activity Cessation Allowance value.