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Company formation in Portugal

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Coat of arms

Common form	Lda (sociedade por quotas) [1]
Registry	Commercial Registry (IRN), including Empresa na Hora [1]
Minimum capital	€1 per shareholder [1]
Directors	1 manager (gerente) [1]
Local director	Not required; founders need a Portuguese tax number (NIF) [1]
Corporate tax	19% headline, plus municipal and state surcharges [2]
VAT / sales tax	23% (mainland) [2]
Typical timeline	Same day with Empresa na Hora [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Euro (EUR)

In short: To set up a company in Portugal, most founders form a Lda, registered with the Commercial Registry (IRN), including Empresa na Hora. [1] Minimum capital: €1 per shareholder. Corporate tax: 19% headline, plus municipal and state surcharges. Registration: same day with Empresa na Hora (as of November 2026).

A Portuguese **Lda** can be formed on the spot through **Empresa na Hora** (“company in an hour”) at a registry desk or online. The headline corporate tax rate is 19% for 2026, plus municipal and state surcharges.

Business structures

Most founders in Portugal form a Lda, registered with the Commercial Registry (IRN), including Empresa na Hora. [1] Other forms are listed below.

- **Lda (sociedade por quotas)** – private limited company
- **Unipessoal Lda** – single-member Lda
- **SA** – public limited company, €50,000 capital
- **Empresário em nome individual** – sole trader

Requirements

Minimum share capital in Portugal (2026): €1 per shareholder. Directors required: 1 manager (gerente). Local resident director: not required; founders need a Portuguese tax number (NIF). [1]

- A company name that is available, checked with the registry.
- Share capital: €1 per shareholder.
- Directors: 1 manager (gerente).
- Local residency: not required; founders need a Portuguese tax number (NIF).
- A registered office address in Portugal.
- Articles of association; standard templates are often available.
- Beneficial owners reported to the Central Register of Beneficial Owners (RCBE).

Registration process

Typical time to register a company in Portugal (2026): same day with Empresa na Hora. [1] The usual steps are:

1. Choose the company form and check that the name is available.
2. Prepare and sign the articles of association.
3. File the registration with the Commercial Registry (IRN), including Empresa na Hora.
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the Tax and Customs Authority (AT).

Taxation

The corporate tax rate in Portugal in 2026 is 19% headline, plus municipal and state surcharges. [2] Standard VAT or sales tax: 23% (mainland). [2]

Tax	Rate and notes
Corporate income tax	19% headline, plus municipal and state surcharges
VAT / indirect tax	23% (mainland)
Withholding tax on dividends to non-resident companies	25%

Ongoing compliance

Annual compliance in Portugal: Companies file an annual corporate tax return (Modelo 22), the annual IES declaration, which also covers the accounts filing, and periodic VAT returns. [1]

Double tax treaties

Portugal has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
25%	0 or 25%	0 or 25%

Within the EU, the Parent-Subsidiary and Interest and Royalties Directives can reduce these rates to 0% for qualifying group payments.

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Portugal lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Portugal?

Typical registration time in Portugal: same day with Empresa na Hora (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Portugal?

Minimum share capital in Portugal: €1 per shareholder (as of November 2026).

What is the corporate tax rate in Portugal in 2026?

The corporate tax rate in Portugal in 2026 is 19% headline, plus municipal and state surcharges. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Portugal?

Yes. There is no nationality requirement for shareholders. Local director rule in Portugal: not required; founders need a Portuguese tax number (NIF).

What withholding tax applies to dividends paid from Portugal?

Portugal withholds 25% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty or the EU Parent-Subsidiary Directive. See the Double tax treaties section.

Official registries and resources

- Commercial Registry (IRN)
- Tax and Customs Authority (AT)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country

- Company formation in the United Kingdom
- Company formation in Germany
- Company formation in Poland
- Company formation in Ireland
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Commercial Registry (IRN) . Government of Portugal. Accessed November 2026.
2. Official Tax and Customs Authority (AT) . Government of Portugal. Accessed November 2026.
3. Portugal: Corporate – Taxes on corporate income (reviewed 24 July 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
4. Quick charts: Corporate income tax (CIT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
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6. Quick charts: Withholding tax (WHT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
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