



TAX NEWSLETTER

INTRODUCTORY NOTE

The purpose of this Tax Newsletter is to draw attention to the relevant aspects of tax / parafiscal obligations of a periodic nature, as well as to highlight those in spite of not being of this nature should be complied during or from this month.

In particular this month we highlight the Miner's Income Tax.

However, it should be noted that this publication is not exhaustive and does not waive the consultation of the applicable legislation and is intended exclusively to be distributed to Mazars customers and partners.

Good reading!

(Joel Almeida)

AUGUST TAX CALENDAR

Deadline	Obligation
Until 10 th	Delivery, in the Directorate of Tax Areas, of the revenues collected by the Public Services in the previous month.
	Payment of contributions to the National Institute of Social Security (INSS) of the previous month-paragraph. 3, art. 13 of Decree no. 53/2007 of 3 rd December.
Until 15 th	Delivery of VAT returns (normal regime) with Recoverable Tax - line a), paragraph 1, art. 32 of CIVA-Law no. 13/2016, of 30 th December.
Until 20 th	Payment of PIT (IRPS) and CIT (IRPC) withheld at source in the previous month- paragraph 3 of article 29 of PIT Code Regulation, approved by Decree no. 8/2008, of 16 th April and paragraph 5 of article 67 Of the CIT code, approved by Law no. 34/2007, of 31 st December.
	Payment of tax stamp liquidated relative to the previous month. Article 17 of Decree no. 6/2004 of 1 st April.
	Payment of the Petroleum Production Tax for the previous month, paragraph 2 of article 11 of the Regulation Specific Regime of Petroleum Taxation, approved by decree 32/2015 of 31 st December.
	Payment of Mining Tax for the previous month, paragraph 2 of article 9 of the Regulation of the Specific Regime of Mining Activity, approved by Decree 28/2015 of 28 th December.
Until the last day of the month	Payment of VAT in respect of the previous month by the taxable persons of the normal regime - line b), paragraph. 1, article 32 of the VAT Code, approved by Law no. 13/2016, of 30 th December.
	Payment of the 2nd installment of the payment on behalf of the IRPC; line a) of Article of the CIRPC Regulation, approved by Decree No. 9/2008, of 16 th April.

Payment of Miner's Income Tax

Taxpayers of the Mining Income Tax are the holders of a mining concession or mining certificate, provided that it has accumulated net cash gains at the end of the tax year, i.e. from the moment when such gain gives rise to an internal rate of return, before CIT, equal to or greater than 18%, according to the articles 41 to 50 of Law No. 28/2014, of 23rd September.

Determination of Taxable Income

The calculation of the net cash gains starts in the fiscal year in which the mining concession or mining certificate is granted, in each fiscal year, corresponds to the taxable income, as determined for CIT purposes, but before the deduction of tax losses, plus interest, other financial charges and depreciation presented for deduction in the CIT, deducted:

- Total capital costs, excluding the costs of acquiring the mining title;
- In the first year of calculation, the costs incurred in the seven years prior to the award of the mining concession, including operating costs, which shall be supervised by the sector supervising the mining activity and by the tax administration.

It should be noted that:

If, at the end of the previous fiscal year, the accumulated net cash earnings give a negative result, the opening balance is the closing balance of the previous year increasing by 18%, however, this increase applies during the period in which the mining activity is in development or there is production, otherwise, the closing balance of the accumulated net cash earnings is carried forward to the following fiscal year without increase; and,

If, at the end of the previous fiscal year the net cash earnings are positive, the opening balance equals zero.

Liquidation

The taxpayer must submit the annual declaration on the same date as the annual declaration of CIT, the same must at the beginning of the tax year, prepare the estimate relating to the tax updating regularly, according to the payments made in view of the tax due and submit until 31st May of the tax year.

The amount due is obtained by applying the rate of 20% to the closing balance of the accumulated net cash gains when this is positive and in turn, payment is made in two instalments, the first in the month of August and the second in the month of November, where each instalment should be equivalent to 50% of the estimate presented, rounded up.

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