TFRA®

SOCIEDADE DE ADVOGADOS, SP, RL

Covid-19: Decree-Law No. 37/2021 - Exceptional Compensation Measures

www.tfra.pt

June 9th, 2021

Decree-Law No. 37/2021, of May 21, created an exceptional measure of compensation to increase the value of the minimum guaranteed monthly wage (MGMW) currently set at €665.00.

What it is: an exceptional measure, applicable to the entire continental territory, which consists in the attribution of a pecuniary subsidy, paid at once, by IAPMEI - Agency for Competitiveness and Innovation, IP (IAPMEI, IP), or by the Institute of Turismo de Portugal, IP (Turismo de Portugal, IP), under the terms set out in ANNEX I below.

Who is it for: employers, regardless of their legal form, as well as natural persons, with one or more workers at their service.

Application deadline: electronic registration must be completed **by July 9, 2021**, under the terms indicated below.

Requirements: depends on whether the employer has the following conditions:

a) in the remuneration statement for the month of December 2020, have one or more workers, full-time, with a declared base remuneration value equal to or greater than the MGMW for 2020 (i.e., EUR 635.00), pursuant to provided for in Decree-Law No. 167/2019, of November 21st, and lower than the MGMW (that is, EUR 665.00) for 2021, pursuant to Decree-Law No. 109-A/2020, of December 31st;

b) have, at the time of payment of the subsidy, their tax and contribution situations regularized, before the tax administration and social security.

c) proceed with their identification as an employer exclusively through the Social Security information system, which, for this purpose, makes available, through a protocol, to the above mentioned paying entities:

   i. Name or company name of the employer;

   ii. Number of workers covered by the condition established in paragraph a) above. It should be noted that social security considers the number of full-time workers included in the last remuneration statement submitted on the date the information is made available to the payers referred to in article 3, with a declared base remuneration value equivalent to the MGMW for 2021, under the terms provided for in Decree-Law No. 109 -A/2020, of December 31, when this is less than the number of workers referred to in subparagraph a) above;

   iii. Tax identification number (NIF) and Social Security identification number (NISS) of the employer.

Subsidy amount: the cash subsidy has the value of € 84.50 per worker who in the remuneration declaration for the month of December 2020 received the value of the declared base remuneration equivalent to the MGMW for 2020, without prejudice to the following paragraph.

The aforementioned pecuniary allowance per employee, which in the remuneration statement for the month of December 2020, earned the value of the base remuneration declared between the RGMW for 2020 and less than the MGMW for 2021, corresponds to 50% of the value provided for in the previous paragraph.

Payment: For the purposes of subsidy payment, IAPMEI, IP, and Turismo de Portugal, IP, provide employers identified by the Social Security information system with an electronic registration system, accessible through their respective websites, for collection of the following additional information:

a) Authorization to consult the tax and contribution situation;

b) Indication of the IBAN (International Bank Account Number) of the bank account held by the employer;

c) Indication of the respective main Portuguese Classification of Economic Activities;

d) Indication of the email address and, optionally, contact telephone number.

Failure to complete, by July 9, 2021, the complete electronic registration of the information referred to in the preceding paragraphs determines the forfeiture of the right to the cash subsidy.

Cumulation of support: This measure may be combined with other employment support applicable to the same job, including those granted in the scope of the COVID -19 disease pandemic, the attribution of which is, by nature, dependent on conditions inherent to contracted workers.

Financing: The financing of this measure is provided by the State Budget for 2021.

The information contained in this document is of a generic nature and does not exempt the analysis of the specific case, nor the consulting of the official documentation and legislation in force at that any given time

www.tfra.pt

ANNEX I

The Instituto do Turismo de Portugal, IP, is the entity responsible for payments to employers whose main activity corresponds to economic activities included in the groups/classes/subclasses of the Portuguese Classification of Economic Activities (CAE — rev. 3), approved by Decree- Law No. 381/2007, of November 14, in its current wording, which are identified below :

a) 551 — Hotel establishments;
b) 55201 — Furnished accommodation for tourists;
c) 55202 — Tourism in rural areas;
d) 55204 — Other short-term accommodation;
e) 55300 — Camping and caravan parks;
f) 561 — Restaurants;
g) 563 — Beverage establishments;
h) 771 — Rental of motor vehicles;
i) 79 — Travel agencies, tour operators, other reservation services;
j) 82300 — Organization of fairs, congresses and other similar events;
k) 90040 — Operation of concert halls and related activities;
l) 91020 — Museum activities;
m) 91030 — Activities of historical sites and monuments;
n) 91041 — Zoological, botanical and aquarium activities;
o) 91042 — Activities of parks and nature reserves;
p) 93110 — Management of sports facilities;
q) 93192 — Other sporting activities, n. and.;
r) 93210 — Amusement and theme park activities;
s) 93211 — Traveling amusement park activities;
t) 93292 — Activities of recreational ports (marinas);
u) 93293 — Organization of animation activities;
v) 93294—Other Fun and Recreational Activities, n. and.;
w) 93295 — Other traveling entertainment activities;
x) 96040 — Physical wellness activities.

IAPMEI — Agency for Competitiveness and Innovation, I. P., is the entity responsible for payments to employers whose main activity corresponds to economic activities included in the groups/classes/subclasses of the CAE — rev. 3, approved by Decree-Law No. 381/2007, of 14 November, in its current wording, which are not identified above, as well as to employers with registration of activity framed in the table of activities of article 151. º of the Personal Income Tax Code, approved by Decree-Law No. 442 -A/88, of November 30, in its current wording.

PORTUGAL

Lisboa
Av. da República 32 - 4.º Esq.
1050-193 Lisboa
T +351 217 815 660
lawfirm@tfra.pt

Funchal
Av. do Infante 8, Edifício Executivo
2.º Andar, Sala K
9000-060 Funchal – Madeira
T +351 291 202 400

/ Teixeira de Freitas, Rodrigues & Associados | TFRA

TFRA®
SOCIEDADE DE ADVOGADOS, SP, RL