

## Portugal's Draft State Budget Law includes potential VAT measures

---

### **NEW!** EY Tax News Update: Global Edition

EY's new Tax News Update: Global Edition is a free, personalized email subscription service that allows you to receive EY Global Tax Alerts, newsletters, events, and thought leadership published across all areas of tax. Access more information about the tool and registration [here](#).

Also available is our [EY Global Tax Alert Library](#) on ey.com.

---

Portugal's Draft State Budget Law for 2019 (issued through the approval of Proposal Law no. 156/XII, of 13 October 2018) includes some potential measures that may be introduced to the Portuguese Value Added Tax (VAT) Code as follows:

- ▶ Transposition of the Council Directive (EU) 2016/1065 of 27 June 2016 addressing the VAT transposition rules of gift vouchers
- ▶ Transposition of the Council Directive (EU) 2017/2455 of 5 December 2017 addressing place of supply rules in terms of telecommunications, radio broadcasting or television services and electronic services
- ▶ Expansion of services subject to the reduced or intermediate VAT rate (still under public discussion, example, the bullfighting artists' services)

As the State Budget Law for 2019 is still a proposal, it is subject to changes and final approval prior to entry into force, which will be only after 1 January 2019.

---

For additional information with respect to this Alert, please contact the following:

#### **Ernst & Young S.A., Lisbon**

- ▶ Carlos Lobo                      carlos.lobo@pt.ey.com
- ▶ Amilcar Nunes                    amilcar.nunes@pt.ey.com

**About EY**

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit [ey.com](http://ey.com).

Indirect Tax

© 2018 EYGM Limited.  
All Rights Reserved.

EYG no. 012450-18Gbl

1508-1600216 NY  
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

**[ey.com](http://ey.com)**