

We have all heard of the IRS Jovem. But sometimes in a rather abstract way, without knowing the real effects of this measure.

The IRS Jovem measure was born from the State Budget for 2020 and, that to this day, still maintains the main objective of:

- Encourage the qualification of young people;
- To facilitate their integration in the labour market and in their new phase of adult life.

What does it consist of?


In a concise way, it consists of a partial tax exemption on the value of the income earned during the year!

Are your doubts still the same?

Come and see the case we have received, which could be very close to being yours too!

1 End of course Alberto saw his son finish his degree in 2021 in only three years, thus finishing it at the age of 21. He was immediately able to find a job in his field of training and started working as soon as he finished his degree, still in 2021.	2 Entering the labour market In 2021 he only worked a few months. In 2023, he wonder if he is covered to take advantage of the IRS Jovem in his first year (2022) of filing the IRS on his own.	3 Application of the IRS Jovem! Alberto, a long-standing client of Gabinete Rosa Barreto, told us about his son's situation. It was at that moment that we got to know about André's (Alberto's son) case and decided to advise him.
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ANDRÉ'S CASE - REQUIREMENTS TO BENEFIT FROM IRS JOVEM		
▪ Be aged between 18 and 26;	André is 21 years old.	<input checked="" type="checkbox"/>
▪ Obtain income from dependent or independent work;	Yes, André has.	<input checked="" type="checkbox"/>
▪ Not to be considered dependent;	André is going to file his IRS for the first time without his father.	<input checked="" type="checkbox"/>
▪ Have completed a course of studies at level 4 or higher.	André has finished his degree, level 6.	<input checked="" type="checkbox"/>

Monthly salary: 900€	Without IRS Jovem	With IRS Jovem	
Gross Annual Remuneration	12 600,00 €	12 600,00 €	
Specific Deduction	4 104,00 €	4 104,00 €	
Exempt income	- €	3 324,00 €	Limit 7,5 IAS=3 324€
Taxable Income	8 496,00 €	5 172,00 €	
Yield to determine rate	8 496,00 €	8 496,00 €	
Applicable rate	23%	23%	
Collection	1 349,22 €	821,35 €	
Deductions from collection	362,14 €	362,14 €	
Withholding at source	1 272,60 €	1 272,60 €	
IRS receivable	285,52 €	813,39 €	

As this is the first year of work after the end of the studies cycle, André benefited from a substantial tax exemption in his IRS.

The exemption in the 1st year of income is 30%. As this amount is higher than the existing limit (3,324 euros), it was not possible to do it in full. Even so, we managed to make the application of IRS Jovem, allowing André to collect more **527.87 euros**.

Having analysed both simulations made by **Gabinete Rosa Barreto**, we can see that, in addition to André meeting the requirements to enjoy this benefit, he can use the amount recovered from his application to buy the present he has been waiting so long to give his father.

André's case is the same as many others and possibly the same as yours.
Contact us and find out about the particularities of your case!

For previously published content, you can access our website at:
<https://www.rosabarreto.pt/contents>

Note: This information is only of general nature, its reading does not exempt the consultation of the legislation in force. In case of any discrepancy between the version in English and the version in Portuguese, the later shall prevail.