

IN 2 MINUTES

Each case is unique_Reduction of IRS rate for mortgage loan payment

The year 2023 started the same way as 2022 ended!

We continue to see rising inflation rates, rising interest rates on home loans and the measures expected to be implemented to support families.

The Government has therefore decided to authorize companies to reduce to the tax bracket immediately preceding the income tax bracket, the employees who earn up to 2,700.00 € and who can prove that they have a mortgage.

But, will it be that simple?!



You know **Luisa**, I asked Rui (Boss) to go down a step of my monthly retention. I gave him a statement that I asked the bank to prove that I have home loans and since I get less than 2,700 € monthly, there was no need to do anything else. I'm bringing home more €19.00 each month.

yes, I did those math, too. But right now I really need to increase my monthly income and this was the best option.

Too bad you can't deduct the house interest. In the case of older credits where people can deduct interest, there was already a better chance of not having to return...

João, I also did this analysis. But by reducing withholding tax every month, I could be penalizing myself next year and I don't want any surprises. I don't know if you know, but you may have to return that €19.00 monthly when you deliver your IRS. Or in case you get paid, you get less.



How to perform calculations:

Normal withholding

- Single, no children
- Base salary of € 1,000.00 = withholding of € 112.00 (11.20%)

With reduced rate

- Single, no children with reduced rate
- Base salary of € 1,000.00 = withholdind of € 93.00 (9.3%)

Immediate increase in income

19,00 €

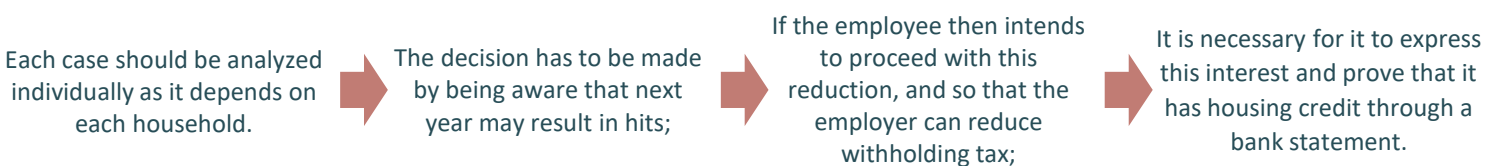
WITHHOLDING TAX TABLES FOR THE MAINLAND - 2023 Semester 1

TABLE 1 - DEPENDENT WORK

NOT MARRIED

Monthly Remuneration Euros		Number of Dependents					
		0	1	2	3	4	5 ou +
Until	762,00	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %
Until	790,00	2,0 %	0,4 %	0,0 %	0,0 %	0,0 %	0,0 %
Until	812,00	4,0 %	0,7 %	0,0 %	0,0 %	0,0 %	0,0 %
Until	863,00	7,0 %	4,4 %	0,9 %	0,0 %	0,0 %	0,0 %
Until	964,00	9,3 %	6,6 %	3,4 %	0,0 %	0,0 %	0,0 %
Until	1 051,00	11,2 %	7,8 %	5,6 %	1,3 %	0,0 %	0,0 %
Until	1 113,00	12,0 %	8,7 %	6,4 %	3,2 %	0,0 %	0,0 %
Until	1 194,00	13,0 %	10,6 %	8,2 %	5,0 %	2,6 %	0,1 %
Until	1 280,00	14,0 %	11,7 %	9,2 %	6,0 %	3,5 %	1,1 %

Important to retain:



And you, what do you think of this measure?

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.