MFA INSIGHT | INDIRECT TAXES

MFA Legal & Tech

Monthly VAT Refund Scheme

Application for 2027 until 30 November

A faster route to recovering Portuguese VAT credits

IN A NUTSHELL

Monthly vs. standard refunds

The key difference is the payment deadline. The monthly scheme may also change the taxpayer's filing frequency.

01 Refund timetable

Monthly scheme: within 30 days of the request.
Standard regime: by the end of the second month following the request.

02 Filing frequency

Monthly scheme: monthly VAT returns are mandatory, including for taxpayers otherwise filing quarterly.

03 Access window

Apply electronically by 30 November for effect from 1 January of the following calendar year.

04 Minimum commitment

Registration is binding for at least one year.

05 Who benefits most?

Businesses with recurring VAT credits, significant input VAT or long refund cycles may benefit most.

Eligibility and access conditions

1 VAT status

The scheme is available to taxable persons under the standard VAT regime.

2 Tax standing

The taxpayer must have its tax situation regularised when the registration conditions are assessed.

3 No filing defaults

No outstanding filing defaults for VAT, corporate income tax (IRC) or personal income tax (IRS), as applicable.

4 EU bank account

The taxpayer must hold a bank account with a credit institution established in the EU.

5 Electronic request

Submit the registration request electronically through the Tax Authority Portal by the statutory deadline.

6 One-year stay

The taxpayer must remain in the monthly refund register for at least one year.

Additional control: registration may be refused or cancelled if the requirements are not met or information is inaccurate.

How a VAT refund claim works

01

VAT credit arises

Credit is normally carried forward. A refund may be claimed for credits above €3,000 (or between €250 and €3,000 after 12 months).

02

Request in return

The taxpayer claims the refund in the periodic VAT return, which must be submitted within the legal deadline.

03

Supporting data

The claim requires customer, supplier and adjustment annexes, if applicable.

04

Legal deadline

Monthly regime: 30 days from the request. Standard regime: by the end of the second month after the request.

05

Review and payment

The Tax Authority verifies the claim. The deadline may be suspended if requested information is not provided or certain compliance requirements are not met.

A faster legal deadline for payment does not mean automatic repayment: the credit must be eligible, properly documented and validated. The Tax Authority may also require a guarantee where the refund exceeds €30,000.

Apply by 30 November for entry on 1 January

2026

Check tax compliance, bank account details and the ability to meet monthly VAT filing deadlines.

NOVEMBER 2026

Submit the request through the Tax Authority Portal (electronic data transmission).

30 NOVEMBER

Deadline for registration to take effect in the following calendar year – 2027.

1 JANUARY 2027

Registration takes effect: monthly VAT filing applies.

2027 ONWARDS

Refund requests are subject to the 30-day payment deadline, subject to verification and possible suspension.

Deadline

For entry into the scheme on 1 January 2027, the request must be submitted by **30 November 2026**.

Payment after the deadline

If the refund is paid after the legal deadline (30 days for the monthly refund regime) the taxable person can claim interest.

Is the monthly scheme right for your business?

01 Refund profile

Map the frequency, average amount and duration of VAT credit positions. The benefit is greatest where credits are recurrent and material.

02 Eligibility and controls

Check tax standing, filing compliance and bank account requirements. Refund claims remain subject to Tax Authority review and may require supporting annexes.

03 Operational impact

Assess the extra monthly return cycle, reconciliations, supplier/customer data and internal approval timetable.

04 Exit constraints

Registration requires a one-year stay. Renunciation or exclusion can affect re-entry; exclusion may trigger a three-year bar.

CONTACTS

MFA Legal & Tech – Indirect Taxes

For further information, please contact our team.



Bárbara Miragaia

Coordinator, Indirect Taxes

bam@mfalegal.pt



Rita Simão Luís

Coordinator, Indirect Taxes

rsl@mfalegal.pt

MFA Legal & Tech
Edifício Jean Monnet, Largo Jean Monnet, nº 1, piso 2, 1250-130 Lisboa, Portugal

(+351) 211 372 676

www.mfalegal.pt

mfalegaltech

This presentation is for information purposes only and does not constitute legal or tax advice.