

LAW No. 14/VI/2002
Tax on Expenses – VAT

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Article 8
Exemptions in the Internal Operations

1. The internal transmission of goods and the rendering of services are the object of exemption whenever such exemption is justified for technical reasons or for reasons of economic or social policy, namely:
 - a) The transmissions of goods and rendering of services in the ambit of agriculture, forestry, livestock or fishing activities;
 - b) The rendering of services and the transmissions of goods closely connected thereto, in the ambit of medical and sanitary activities, of education and professional training, of protection of infants, youths or senior citizens, social security and social assistance, habitually pursued by public entities or not for profit organizations whose purpose and object are recognized by the competent authorities;
 - c) The rendering of services that consist of classes ministered on a personal basis, at the level of basic and pre-school education, of secondary, technical-professional, medium and higher education;
 - d) The rendering of services by not for profit organizations that explore establishments or installations destined for the practice of sports, recreational and physical education activities, the persons that practice these activities;
 - e) The rendering of services and the transmissions of goods connected thereto, by

- i) The transmission of copyright and the authorization to use intellectual work, defined by Law No. 101/III/90 of December 29th, Copyright Law, by the authors themselves, their heirs or legataries;
- j) The transmissions by artists themselves, their heirs or legataries of art objects of their authorship, under the conditions and limits fixed in the VAT Regulation.
- k) The transmission of newspapers, magazines and books, considered to be of a cultural, educational, technical or recreational nature;
- l) The cedence of personnel by religious or philosophical institutions to perform activities exempt or for spiritual assistance purposes;
- m) Rendering of services in the collective interest of its associates by not for profit organizations, as long as these organizations pursue objectives whose nature is political, syndical, religious, patriotic, humanitarian, philanthropic, recreational, sports, cultural, civil or of representation of economic interests, and the sole counterpart is a quota fixed under the terms of the statutes.
- n) The transmission of goods and the rendering of services by entities whose habitual activities are exempt, during occasional fund raising activities in their

- u) The rental of immovables, however not including in this the situations in which the same are inserted in commercial, industrial and services rendering activities;
- v) The rendering of services by funeral and cremation enterprises, as well as the transmission of accessory goods to the same services;
- w) Public garbage removal services;