



DRAFT LAW "MORE HOUSING"

MOBILISATION OF VACANT PROPERTY

On 30th March 2023 the program "More Housing" was approved in the Council of Ministers, being the Proposed Law no. 71/XV/1.^a in discussion in Parliament since 14 April 2023.

In this same Proposal there is a chapter that aims the implementation of a measure that mobilizes the State's vacant patrimony for the creation of housing.

The purpose of this measure, according to the text of the proposal, is to give more immediate responses to intervene in the rental market and ensure that everyone has access to decent housing that is

adequate to the income and size of the different households, in order to guarantee decent housing for all.

ADDITION OF ARTICLE 108.º-C TO THE LEGAL REGIME ON URBANIZATION AND BUILDING

In order to put into practice this objective of creating "More Housing", article 108.º-C was added to Decree-Law 555/99, making it possible to resort to a forced lease, when we are facing dwellings considered vacant.

BUT WHAT IS MEANT BY VACANT HOUSING?

The classification of vacant dwellings is provided for in Decree-Law no. 159/2006, of 8 August.

Article 2 of this Decree-Law states that *"for the purposes of application of the IMI tax, the urban building or autonomous fraction that is unoccupied for one year is considered vacant"*.

Article 2(2) continues by referring to the **signs of vacancy**, which are cases in which:

- a) The inexistence of contracts in force with telecommunications, water, gas and electricity supply companies;
- b) The inexistence of invoices related to water, gas, electricity and telecommunications.

WHICH CASES DO NOT FIT INTO THE VACANT BUILDING CONCEPT?

Article 3 of Decree-law no. 159/2006 also defines the cases in which, although at first glance it might seem that the requirements of article 2 of this Decree-law are met, **it is not considered that we are dealing with a vacant building or fraction, the cases in which:**

- these spaces are considered holiday homes, intended for short term habitation, located in beaches, countryside, spas or any other places of holiday, for temporary rental or for own use;

- the dwellings are empty during a period when rehabilitation works are being carried out, provided that these are certified by the municipalities or after the conclusion of construction or the issuing of a utilisation licence which took place less than one year ago;
- it is a residence in national territory of a Portuguese emigrant, considering as such his/her fiscal residence, in the absence of any other indication, or is the residence in national territory of a Portuguese citizen who performs abroad functions or commissions of a public nature at the service of the Portuguese State, international organizations, or functions of recognized public interest, and the respective authorized accompanying persons, among other situations set forth in this decree-law.

CONCLUSION

In light of the above, we conclude that the starting point for this measure will always be the identification of the vacant house, verifying afterwards if the assumptions and requirements characteristic of this concept are fulfilled.

Afterwards, and having the knowledge that there is a demand for a property with those characteristics, a proposal is made to the proprietor so that he, in the first person, promotes its lease with the Institute of Housing and Urban Rehabilitation (IHRU).

Only when the owner decides not to lease the property to the State is a certain deadline imposed, after which the IHRU will proceed with the compulsory leasing of the property.

We recall that the Proposed Law no. 71/XV/1^a is still under discussion in the Portuguese Parliament.

Inês de Azeredo Silva
ines.as@caldeirapires.pt