

## REPORT TO THE IUT

### **LISBON TENANTS ASSOCIATION MEMORANDUM TO THE PORTUGUESE PRIME MINISTER ON COVID19 MEASURES – PART 2 (23<sup>TH</sup> MARCH, 2020)**

Following the memorandum that the Lisbon Tenants Association sent on March 16, and due to the rapid evolution and aggressive expansion of COVID19, the association sent a new memo to the Prime Minister of the Portuguese Government on March 23, reporting the following:

*Taking into account the following assumptions:*

- A. That the possible and foreseeable difficulties in the payment of rents housing and non-housing cannot be ignored by the government;*
- B. That the state of emergency has led to paralysis and even the closing of multiple economic, cultural and social activities resulting in a reduction, if not absence, of their income;*
- C. That this reduction in income has, consequently, effects on the income of the respective workers and service providers;*
- D. That, for this very reason, appropriate measures must be taken and safeguarded exceptional circumstances in order to avoid defaults in the payment of rents caused by these income reductions, such as those foreseen for Bank “tenants”;*
- E. That the mandatory rental payment period is approaching, with situations reductions or absence of wages or other income;*
- F. That landlords should also have an attitude of citizenship and solidarity, facilitating the receipt of rents.*

*Therefore, the Lisbon Tenants Association come again to you to request that it be urgently decreed the following:*

- 1. The extension of the rent payment period – housing (mostly pensioners) or non-housing (largely closed) - by the 15th of each month during the emergency and extensions.*
- 2. In cases of proven reduction in the income of housing tenants, at the tenant's request, an equal percentage reduction in respective rent, the differential being subsidized by Social Security directly to the landlord, who can opt for exemption from taxation of property income in the period.*
- 3. The IRS (national income tax) subsidy or exemption is granted only to landlords whose rents are not speculative, for which they must be at least equal or less 1/20 of the current leased Asset Tax Value.*
- 4. In the event of a reduction or paralysis of economic, social and cultural activities tenants, similar measures are taken.*

*5. Obligation of rents to be paid by deposit or transfer bank account indicated by the landlord, mitigating the transmission (possible epidemiological spread in direct contact between tenants and landlords or in handling currency).*

*Honorable Prime Minister, the subscribing Association is not complaining, but at the moment, we don't ask to the repeal of the current legislation and the drafting and approval of new rental legislation.*

*We only ask for your special attention to requiring exceptional, weighted and adjusted measures for a exceptional situation in order to protect the tenants.*

**Lisbon Tenants Association**

**March 25, 2020**