

§1 According to the Brazilian norms framework, a Digital Nomad is “*the immigrant who, remotely and with the use of information and communication technologies, is able to perform in Brazil your work activities for a foreign employer*” (Normative Resolution CNI MJSP nº 45/2021, Article 1), observing that the norm exclude the immigrant that already has a residence permit based on any other situation or that is working for a Brazilian Employer.

§2 The Digital Nomad will have the condition of a Visiting Visa, with an initial term for residence of 1 year, which one can be renewed by equal period. If outside Brazil, the request shall be done to the Consular authority, if already in Brazil the apply shall be done with the Ministry of Justice and Public Security.

§3 The proof of the condition of Digital Nomad is done with the labor agreement/service provider contract closed with the foreigner employer/company, a self declaration on the ability to provide the remote service, and a proof of the means of subsistence, from a foreign paying source, in a monthly amount equal to or greater than US\$ 1,500.00 or availability of bank funds in the minimum amount of US\$ 18,000.00.

§4 An important issue to note is the taxation on the earnings of the Digital Nomad; Brazil works with World-wide Income Taxation (Brazilian Tax Code, Article 43), what means that any income outside Brazil, by a Brazilian tax resident, will be taxed here. The Brazilian National Tax Code, on residence, states: “*the tax domicile...it is*

*considered as: I – concerning the natural persons, their habitual residence, or, being this uncertain and unknown, the habitual center of her activities” (Article 127). So it is very important check if exist Treaty against Double Taxation among Brazil and the country where the foreign payment is done, aiming to avoid taxation in both countries on the same remuneration fact without a the possibility of compensation.*

§5                      In some cases, can be more profitable use a different structure like a Investment Visa, setting up a legal entity in Brazil that can have a special treatment if framed as an Innovation Startup (Complementary Law 182/2021). This legal entity can take the form, for example, of an Individual Entrepreneur or of an Individual Limited Liability Company. For this kind of Startup exist a special tax simplified regime (Inova Simples) that grants to business initiatives differentiated tax treatment in order to stimulate their creation, formalization, development and consolidation.

\* this is an informative newsletter by *De Conti Law Office*

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