



COVID-19

Legal Insights no. 47

Law No. 45/2020, of August 20th

Law No. 45/2020, of August 20th, proceeds to the second amendment of the exceptional regime for the situations of late payment of rent due under residential and non-residential urban lease agreements, in relation with the Covid-19 pandemic.

On August 20th, 2020, Law No. 45/2020, was published in the Portuguese Official Gazette, which proceeds to the second amendment of the exceptional regime for the situations of late payment of rent due under residential and non-residential urban lease agreements, in relation with the Covid-19 pandemic, set forth by [Law no. 4-C/2020, of April 6th](#), subsequently amended by [Law no. 17/2020, of May 29th](#).

Accordingly, the Law under review, in the first instance, presents amendments to the regime applicable to **non-residential lease agreements and other forms of buildings exploration for commercial purposes**.

With effect, it is established that the possibility of deferral of payment of the rents due by non-residential tenants that meet the respective requirements, in addition to the cases previously foreseen, may be applied to the rents due within three months following the termination of the imposition of closure of their facilities or the suspension of their activity.

In any case, this deferral only applies to the rents falling due by December 31st, 2020. It should be recalled that the limit previously foreseen was until September 1st, 2020.

With reference to the debt settlement period, it begins on January 1st, 2021, and spans until December 31st, 2022. The format of the debt's payment remains the same, but, with the increase of the debt settlement period, the instalment to be settled by the non-residential tenant will correspond to the result of the apportionment of the total amount due by 24.

It should also be noted that the landlords whose non-residential tenants cease to pay their rent in the respective terms foreseen may request the granting of a credit line with reduced costs.

Furthermore, and only in relation to the rents due between July 1st, 2020 and December 31st, 2020, this Law introduces a duty of communication to the non-residential tenant of his intention to benefit from the moratorium regime, in writing and no later than five days before the due date of the first rent in which he intends to benefit from said regime.

As an alternative to the referred duty of communication, the non-residential tenant may address and agreement proposal to his landlord regarding the payment of the rents due and falling due, different from the solution foreseen in the regime under analysis.

In regard to the **complementary provisions**, this Law has added two new articles which (i) prevent the landlord from being able to enforce bank guarantees for non-residential rents and (ii) stipulate that the more favorable regimes for tenants, resulting from a law or agreement, entered into or to be entered into between the parties, are not affected by the provisions of Law 4-C/2020, of April 6th.

This Law takes effect at midnight of August 21st, 2020.

To access its full text, please click [here](#).

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