

# ASSOCIATION OF HOUSE OWNERS

## Quinta do Paraiso

Founded: October 3, 1981

### HOA Newsletter September 2016

#### 1. Contract 2017

Negotiations are proceeding well. The HOA Board submitted its initial proposals on 12th August, and CC/QdP responded on 22nd August. The HOA Board met by Skype on 5th September to review these responses, and the HOA Chairman and Treasurer then met face-to-face with CC/QdP Management on 20th September. CC/QdP then submitted a second draft Contract on 28th September.

CC/QdP is offering an across-the-board 5% increase in Rental Rates for 2017, commensurate with a 5% increase in their Rack Rates (effective for new bookings since 19th September 2016). There will be some routine cost increases, as anticipated; plus additional costs for WiFi (see next item).

CC/QdP is also improving its Winter Season offer - more details are to follow.

#### 2. Future WiFi

The current low-cost solution continues to be a source of complaints from Guests. CC/QdP Management have recently signed a deal for Fibre Optics throughout the Clube Atlantic resort, and they are now seeking to negotiate a similar deal for Quinta do Paraiso. The HOA Board supports this idea, provided it is cost-effective. Indications are that it will provide WiFi for each house at a monthly cost in the region of €25 to €27 including VAT. Television channels and/or a landline telephone service are also expected to be available at extra cost.

CC/QdP Management anticipate finalising this deal in the next week or two, and offering it to all House Owners at QdP (so that any installation costs can be shared as widely as possible); they then propose to discontinue the current WiFi solution.

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The HOA Board is awaiting this further information, including timescales. For the time being, Owners should be prepared for an increase in the costs for WiFi, from the current € 98,40 to about € 300-324 (including VAT) annually, together with any installation costs.

### 3. CC/QdP On-line Statements

CC/QdP Management has apologised for the teething problems and for the unclear row titles (for example, 'Extra Maid Hours' in June was in fact the Maid Hours for January-March). Improvements are in hand, and meanwhile, Mrs Firmino is available to give any clarifications.

### 4. SEF Reporting

QdP Reception routinely undertakes the daily Portuguese SEF (Serviço de Estrangeiros e Fronteiras) ('Border Force') reporting for all non-Portuguese guests. This is a legal requirement.

Owners who have extra family members and friends coming to stay with them, during their 'private use', are advised to get those individuals to check in at QdP Reception, so that the SEF reporting requirements can be completed.

Otherwise, there could be negative consequences for Owners if an SEF inspection takes place.

### 5. Electricity suppliers

Any Owner who has not already transferred their electricity and water supplies to their own name is advised to do so, not least in case they need to become

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VAT registered (due to having an individual\* annual rental income of €10.000 or more), as otherwise they will not be able to claim back their 'input' VAT. You can have the statements, etc., sent to you at the address of your choice (such as at QdP, or your Fiscal Representative).

Competition between alternative suppliers has now arrived in Portugal. For details, and a 'simulator' to compare prices, see [www.erse.pt](http://www.erse.pt) (in Portuguese only). The tariff of 'EDP Universal' (the legacy supplier) is now being increased every three months, to provide an incentive for consumers to switch. Owners will therefore achieve a cost saving by switching their supplier.

The HOA Board understands that QdP Management is available to assist any HOA Member with any such transfers.

### 6. Social Security exemption

Owners with an individual\* annual rental income of € 12.500 or more are liable to pay Portuguese social security contributions. There is an exemption for persons who are either 'economically active', or drawing a state pension, in any other EFTA country (comprising the 28 EU countries, plus Norway, Iceland, Lichtenstein and Switzerland). There has been some confusion about how to claim and prove entitlement to this exemption (EU forms 'A' and 'P'). The HOA Board understands that the Portuguese authorities have recently introduced a new form 'RC3001' for this purpose. Your Fiscal Representative should be able to advise you further on this point.

Alan Jenkins, HOA Chairman

\* See the HOA Bulletin, November 2015, for information about income splitting between multiple registered owners, or for married couples and those in civil partnerships.