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LEGAL UPDATE

*Reforms to the Eviction Process
in Macau & Stamp Duty
reduction for Tenancy
Agreements*

The current eviction process in Macau is widely regarded as time-consuming, often making it difficult for landlords to recover their properties promptly and raising concerns among the public. To address these needs, under Law 19/2024, which became in force this 1st March 2025, the Macau Government made substantial changes to the eviction procedures governed under the Macau Civil Procedural Code.

This reform was enacted to make the eviction swifter and more effective, with main changes as follows:

1) Swifter Resolution Targets Chronic Rent Delinquency

- Landlords can initiate the simplified eviction proceedings if tenant has delayed payment of any rent installment for three months, provided that rent was paid via bank transfer, and the landlord has issued a written notice to the tenant requesting payment of overdue rent. (Section 930)

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2) Legal Representation not mandatory

- Appointment of lawyer is no longer mandatory during proceedings in first instance, for simplified eviction proceedings. (Section 74, n. ° 4)

3) Simplification of Writs and Service Procedures

- Simplified structure and contents for the Plaintiff writs (Section 937-A)
- Service of writs to the Defendant no longer requires prior dispatch by the judge (Section 177-A, n. ° 5)

4) Streamlined Adjudication and Hearing Procedures

- Boarder scope for the judge to adjudicate the case and make a final decision upon completion of the written step of proceedings, without going through the motions of court hearing; (Section 937-D)
- Simplified procedures for the hearing, with a maximum of three (3) witnesses per side and only one (1) expert (Sections 937-E and 937-F)
- Cases to be handled by a single judge, being unnecessary to have a panel or collective of judges to adjudicate the case (Section 937-G, n. ° 1)

5) Accelerated Enforcement of Eviction Orders

- Eviction orders can be enforced directly without the need for separate enforcement proceedings. (Section 937-H)
- If a tenant fails to vacate the rental property within 15 days upon being notified, legal officers may proceed with eviction upon the landlord's request to the court.
- Despite appeals to the Court of Appeal being still admissible, the same no longer have suspensive effect, thereby streamlining the appellate process. (Section 937-J)

Overall, these new procedural rules aim to have an eviction case tackled and decided in a fast mode. However, these changes are exclusively applicable to tenancy agreements, as agreements being used under Licenses or Grant of Use (common for shopping malls) does not fall under the scope of Law 19/2024. Full Text of the new law refers to ([Imprensa Oficial - Lei n.º 19/2024](#))

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Interpretation of Stamp Duty Reduction

Recently, the Macau Tax Department released new guidelines on the interpretation of special reduction of Stamp Duty for tenancy agreements under section 27 n.º 3 of Stamp Duty Ordinance.

This legal provision grants a special reduction of 50% on the Stamp Duty applicable to any tenancy agreement that contains an arbitration clause for any dispute on its contents.

Given the Tax Department noticed that many of the agreements submitted to benefit from this reduction have limited or restricted clauses of arbitration (i.e., carving out certain results, as not being subject to arbitration but instead to the jurisdiction of the Macau Courts.), the Tax Department ruled that agreements with arbitration clauses with caveats no longer qualify for Stamp Duty reduction.

Instead, under these guidelines, only unrestricted arbitration clauses – i.e., that do not exclude any matters from arbitration – will be admissible for the purpose of qualifying a tenancy agreement for Stamp Duty reduction.

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