BRIS GROUP

BULGARIA

EOOD / OOD COMPANY FORMATION

CLIENT GUIDE 2026

EU company formation, 10% corporate tax, accounting, VAT and annual compliance

Professional company formation and ongoing corporate administration

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COMPANY FORMATION OVERVIEW

Bulgarian EOOD / OOD at a Glance

The most commonly used Bulgarian private company is the **limited liability company** under the **Commerce Act**: an **EOOD** where the capital belongs to one owner, or an **OOD** where there are two or more partners. Bulgaria adopted the euro on 1 January 2026; company capital and Registry fees are now stated in euro. A Bulgarian-incorporated EOOD/OOD is a Bulgarian resident legal person for corporate-income-tax purposes.

Topic	Current legal / practical position
Foreign ownership	EOOD/OOD may be owned by foreign individuals or foreign legal entities. There is no general Bulgarian-shareholder requirement.
Owners	EOOD: one sole owner. OOD: two or more partners.
Manager	One or more managers represent and manage the company. The manager may be a foreign national; sector-specific or immigration rules may separately apply.
Registered seat/address	The company must have a registered seat and management address in Bulgaria.
Minimum capital	From 1 January 2026, Article 117 of the Commerce Act sets the OOD/EOOD minimum capital at **EUR 1**.
Currency	Bulgaria adopted the euro on 1 January 2026; new capital is registered in euro.
Corporate tax	Bulgarian resident companies are subject to **10% corporate income tax** on their taxable profits.
Annual compliance	Annual accounting, annual financial statements, corporate tax return and Commercial Register publication/filing obligations apply.

Key Benefits for International Clients

- 100% foreign ownership is permitted for a standard EOOD/OOD.
- Very low statutory minimum capital - **EUR 1** from 1 January 2026.
- Flat **10% corporate income tax**, one of the lowest headline corporate rates in the European Union.
- Standard **5% withholding tax on dividends** under domestic law, subject to exemptions and applicable EU/treaty rules.
- EU-established company with access to the EU legal and VAT framework.
- Limited liability: owners are generally exposed only to their agreed capital contribution, subject to statutory exceptions.
- Simple governance for an EOOD: the sole owner takes shareholder-level decisions and appoints the manager.
- No general requirement for the owner to be resident in Bulgaria.
- Broad range of lawful activities can be carried on, subject to licensing for regulated sectors.

Important Tax Point for Non-Resident Owners

Bulgaria is NOT a 0% offshore jurisdiction

Unlike Panama, Cayman, Bahamas or certain territorial/offshore structures, a Bulgarian company does **not** become tax-free merely because its owner, customers, management or business are outside Bulgaria. Under the Corporate Income Tax Act, a Bulgarian resident legal person is taxable in Bulgaria and the standard corporation-tax rate is **10%**.

Therefore, BRIS Group should not advertise a Bulgarian EOOD/OOD as '0% tax for foreign business'. Foreign ownership is fully possible and the 10% rate is highly competitive, but the company's taxable profit remains within the Bulgarian corporate tax system. Double-tax treaties, EU directives, tax credits and specific statutory exemptions may affect particular transactions.

Incorporation Requirements

Topic	Current legal / practical position
Company name	Must be distinguishable and compliant with the Commerce Act/Commercial Register requirements.
Constitutive document	EOOD uses a founding act; OOD uses articles/company agreement.
Owner/partners	Identity, ownership and capital interests are stated in the incorporation documents and Registry filing.
Manager	At least one manager is appointed; the manager provides the statutory consent/specimen declarations required for registration.
Capital	At least EUR 1 total registered capital for an ordinary EOOD/OOD.
Capital contribution	The subscribed capital/contributions required for registration must be made/documented in accordance with the Commerce Act and Registry requirements.
Registered address	Bulgarian registered seat and management address required.
Commercial Register	The company acquires legal personality upon registration in the Commercial Register.
Regulated activities	Financial, payment, insurance, investment, transport and other regulated activities can require separate licences/permits.

Share Capital - 2026 Euro Rules

Article 117 of the Commerce Act, as amended for euro adoption and effective from 1 January 2026, provides that the capital of an OOD cannot be less than **EUR 1**. The capital is divided into company interests/quotas. The constitutive document records each owner's participation.

Capital must be properly contributed - but the legal minimum is only EUR 1

The capital is not merely a decorative figure: the subscribed contribution must be made and evidenced as required for incorporation. In practice, a special capital-raising bank account or other legally accepted evidence may be used depending on the formation route. After registration, the funds belong to the company and may be used for its business. Regulated activities may require substantially higher capital.

Documents Required from the Client

- Passport or acceptable government-issued identification for each owner, manager and ultimate beneficial owner.
- Recent proof of residential address.
- Full ownership/control and UBO information.
- Proposed company names and detailed business activities.
- Proposed registered capital and ownership percentages.
- Source-of-funds/source-of-wealth information required by the bank/service provider under AML rules.
- For a corporate owner: current incorporation, constitutional, ownership and representation documents, normally with appropriate certification/legalisation and Bulgarian translation.
- Power of attorney and declarations required for the chosen formation procedure.
- Additional documentation for regulated activities, VAT registration, banking or employment/immigration matters.

Foreign documents

Foreign corporate and personal documents may require apostille/legalisation and certified Bulgarian translation depending on the issuing country, document type and procedure. BRIS Group will confirm the exact requirements before certification.

Formation Process & Documents Received

1. Structure/activity review **2.** KYC/document preparation **3.** Name check **4.** Capital contribution **5.** Commercial Register filing **6.** Corporate/tax/accounting setup

Typical corporate file: Commercial Register incorporation evidence; founding act/articles; owner/partner decision(s); manager appointment/consent documents; capital documentation; current Registry extract/certificate where requested; and statutory corporate records. Apostilled/certified Registry documents can be arranged separately.

Corporate Income Tax - 10%

10% flat corporation tax

The Bulgarian Ministry of Finance confirms that corporation tax is levied on the profit of **resident legal persons** and that the corporation-tax rate is **10%**. The tax period is the calendar year, including for newly incorporated companies from incorporation to year-end.

The annual tax return reports the tax financial result and corporation tax due. The Ministry of Finance states that the annual return is submitted between **1 March and 30 June** of the following year. The annual activity report is generally submitted together with the return, subject to the statutory no-activity rules.

Dividends & Withholding Tax

Domestic Bulgarian law generally applies a **5% withholding tax** to dividends and liquidation proceeds within Article 194 of the Corporate Income Tax Act. The actual rate may be reduced to 0% or otherwise modified where a statutory exemption, the EU Parent-Subsidiary framework or an applicable double-tax treaty is satisfied.

Other Bulgarian-source payments to non-resident legal persons - including certain interest, royalties, technical-service fees and other categories - can be subject to **10% withholding tax**, again subject to exemptions, EU rules and treaty relief.

VAT

Bulgaria operates the EU VAT system. The standard VAT rate is **20%**, with reduced and zero rates applying to specified supplies. VAT registration may be compulsory, voluntary, or arise under special EU cross-border rules.

Do not rely only on the general turnover threshold

The Ministry of Finance currently publishes a general mandatory-registration threshold equivalent to the statutory threshold under Article 96, but cross-border EU services, intra-Community acquisitions, e-commerce and other transactions can trigger VAT registration independently. The company's actual activity must therefore be reviewed before trading.

Accounting Records & Annual Financial Statements

A Bulgarian company is subject to the **Accountancy Act**. It must maintain accounting records and prepare annual financial statements according to the applicable accounting framework. The company's size and public-interest status determine whether audit is required.

Topic	Current legal / practical position
Bookkeeping	Ongoing accounting records must reflect the company's transactions, assets, liabilities, income and expenses.
Annual financial statements	Prepared for each financial year in accordance with the Accountancy Act.
Publication	Annual financial statements are filed/published through the Commercial Register within the statutory deadlines, subject to the rules for inactive entities and applicable categories.
Audit	Not every small EOOD/OOD requires a statutory audit; audit depends on the statutory thresholds/category and regulated/public-interest status.
Tax return	The annual financial statements/accounting result support the corporate income-tax return.
No activity	Special declaration/reporting rules apply where the company has not carried on activity within the statutory meaning.

Foreign business still requires Bulgarian accounts

Even if all customers and sales are outside Bulgaria, a Bulgarian-incorporated EOOD/OOD remains subject to Bulgarian bookkeeping, annual accounts and corporate tax compliance.

Commercial Register & Beneficial Ownership

The Registry Agency maintains the Bulgarian Commercial Register and Register of Non-Profit Legal Entities. Company particulars, including registered office, capital, owners/partners and managers, are registered in accordance with the Commerce Act and the Commercial Register Act.

The **Measures Against Money Laundering Act** imposes beneficial-ownership identification and declaration requirements. The precise Registry filing position depends on whether the ultimate beneficial owner is already ascertainable from registered ownership information and on the ownership chain. Licensed banks and professional providers also perform their own AML/KYC checks.

Annual Compliance Checklist

■ Maintain a valid Bulgarian registered seat/address and manager details.

■ Keep accounting records throughout the year.

■ Prepare annual financial statements under the Accountancy Act.

■ File/publish the annual financial statements or applicable no-activity declaration within the statutory period.

■ Submit the annual corporate tax return between 1 March and 30 June of the following year and pay corporation tax due.

■ Review VAT registration and monthly VAT/VIES obligations where applicable.

■ Review dividend and other withholding-tax obligations before distributions/payments to non-residents.

■ Keep beneficial-ownership information current and file changes where required.

■ Maintain payroll/social-security registrations if the company employs personnel or remunerates management in a way triggering such obligations.

■ Update the Commercial Register when capital, ownership, manager, registered address or constitutional documents change.

Why Bulgaria Can Be Attractive

Topic	Current legal / practical position
EU jurisdiction	Bulgarian companies operate within the EU legal and VAT environment.
Low corporate rate	10% flat corporation tax is highly competitive within the EU.
Low capital	EUR 1 statutory minimum for EOOD/OOD from 1 January 2026.
Foreign ownership	100% foreign ownership is permitted.
Dividend regime	5% domestic dividend withholding rate, with potential exemptions/reductions under EU/treaty rules.

Topic	Current legal / practical position
Operating company	Well suited to genuine EU trading, consulting, technology, e-commerce, holding and service businesses where proper accounting/tax compliance is maintained.

How BRIS Group Supports You

Pre-formation review - Review ownership, activities and whether EOOD or OOD is appropriate.

Formation - Coordinate incorporation documents, capital arrangements and Commercial Register registration through Bulgarian professionals.

Foreign-document coordination - Confirm apostille/legalisation, certified translation and power-of-attorney requirements.

Corporate administration - Assist with ownership, manager, capital and registered-office changes.

Accounting & tax - Coordinate Bulgarian bookkeeping, annual financial statements and corporate tax compliance.

VAT - Coordinate VAT registration and ongoing VAT support where applicable.

Documents - Arrange current Registry extracts, certified documents and apostille/legalisation where required.

Professional Fees & Quotations

Tailored quotation

This brochure is an informational guide to Bulgarian EOOD/OOD incorporation and maintenance and is not a fee quotation. BRIS Group professional fees, Bulgarian legal/accounting/provider fees, registered-address services, Commercial Register fees, translations, apostilles, bookkeeping, tax/VAT compliance, banking assistance and optional services are quoted separately. Clients may request a tailored quotation based on the proposed structure and activity.

Client Preparation Checklist

- Three proposed company names.
- EOOD (one owner) or OOD (two or more partners).
- Detailed business activity and countries of operation.
- Owner(s), ownership percentages and ultimate beneficial owners.
- Proposed manager(s).
- Passport and proof of address for each relevant individual.
- Corporate documents for any legal-entity owner.
- Proposed registered capital (minimum EUR 1).
- Source-of-funds/source-of-wealth information where required.
- Expected turnover, currencies, banking and transaction profile.
- Expected EU customers/suppliers and VAT requirements.
- Whether the company will employ staff or require immigration/residence support.
- Any regulated activity, licence, banking or apostille requirements.

Important Legal Notes & Official Sources

This brochure is a general commercial guide and does not constitute Bulgarian legal, tax, accounting, VAT, immigration or investment advice. **There is no general 0% non-resident/offshore company regime for a Bulgarian-incorporated EOOD/OOD.** A Bulgarian resident company is subject to the Bulgarian corporate-income-tax framework, with a standard rate of **10%**. Foreign ownership and foreign customers do not by themselves remove that liability.

Primary official/legal sources reviewed: Bulgarian Commerce Act, including Article 117 as effective from 1 January 2026; Commercial Register and Register of Non-Profit Legal Entities Act; Corporate Income Tax Act effective 1 January 2026; Accountancy Act; Value Added Tax Act; Measures Against Money Laundering Act; Bulgarian Registry Agency guidance concerning euro conversion; Ministry of Finance corporate-tax and VAT guidance; National Revenue Agency corporate-return service.

Information reviewed: August 2026. Tax/VAT thresholds, Registry procedures and administrative practice will be reconfirmed before incorporation and annual compliance work.