

Jurisdiction's name:

BULGARIA

Information on Residency for tax purposes

Section I – Criteria for Individuals to be considered a tax resident

The criteria for individuals to be considered a tax resident in Bulgaria are set out in Art. 4 of the Income Taxes on Natural Persons Act.

Regardless of his/her nationality, a Bulgarian resident shall be a person who:

1. has a permanent address in Bulgaria, or
2. resides in the territory of Bulgaria for more than 183 days in each twelve month period, or
3. resides abroad on assignment of the Bulgarian State, its authorities and/or its organizations, or Bulgarian enterprise, and also the members of his/her family, or
4. has his/her centre of vital interests in Bulgaria.

The person shall be regarded as resident for the year in which his/her stay exceeds 183 days. The days of entering and leaving the country shall be regarded separately as days of stay within the country.

The period of stay in Bulgaria for the sole purpose of receiving education or medical treatment shall not be regarded as a period of stay in Bulgaria.

A person shall have his/her centre of vital interests in Bulgaria when the interests of the person are closely connected with the country. When determining that, the following may be taken into consideration: the family, the property, the place in which the person carries out his/her employment, professional or business activity, and the place from which the person manages his/her property.

A person who has a permanent address in Bulgarian but his/her centre of vital interests is not in the country, shall not be regarded as a Bulgarian resident.

The relevant legislation could be found at:

<https://www.minfin.bg/en/174>

Section II – Criteria for Entities to be considered a tax resident

The criteria for an entity to be considered a tax resident in Bulgaria are set out in Art. 3 of the Corporate Income Tax Act.

The following entities are considered as tax residents in Bulgaria:

1. legal entities established under the Bulgarian law;
2. companies established under Regulation (EC) No. 2157/2001 of the Council, and cooperative societies established under Regulation (EC) No. 1435/2003 of the Council where they have their registered office within the country and are entered in a Bulgarian register.

For the purposes of the Corporate Income Tax Act the insurance funds established under Art. 8 of the Social Insurance Code and the legal arrangements such as partnerships, civil associations or funds shall be treated as legal entities.

The relevant legislation could be found at:

<https://www.minfin.bg/en/174>

Section III – Entity types that are as a rule not considered tax residents

N/A

Section IV – Contact point for further information

For further questions on tax residency you can contact:

Tax Treaties Directorate,
HQ of the National Revenue Agency,
52 Dondukov Blvd.,
1000 Sofia
Bulgaria

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