

# Bulgarian Company Formation: Benefits and Residency

Bulgaria, an EU member since 2007, attracts entrepreneurs and investors eager to start firms in Europe. Bulgaria provides several advantages for EU citizens forming companies. This article discusses the benefits of forming a corporation in Bulgaria for EU nationals and residence issues.



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## The Pros of Setting Up Shop in Bulgaria If You're a Resident of

# the EU

[Company registration in Bulgaria](#) offers several benefits for EU citizens, primarily due to Bulgaria's membership in the European Union and its favorable business environment. Here are some key advantages:

## 1. Access to the European Single Market

Access to the European Single Market is a major benefit of starting a firm in Bulgaria for EU nationals. Since Bulgaria is an EU member, its enterprises may profit from free movement of products, services, money, and labor. This offers several options to grow the firm, reach more customers, and collaborate internationally.

## 2. Favorable Tax System

EU citizens seeking tax optimization will like Bulgaria's competitive tax policy. Bulgaria has a 10% corporate income tax rate, one of the lowest in the EU. Bulgarian firms may save money and make more with this tax arrangement.

## 3. Easy Company Formation

Company establishment in Bulgaria is simple and efficient, particularly for EU members. Documentation is simple and the procedure may be done in a few days. EU citizens do not need any special permission to establish and manage businesses in Bulgaria.

## 4. Low Operating Costs

Bulgaria has lower company running expenses than several EU nations. Cheap office space, labor, and administrative

expenditures are included. Cost advantages may help startups and SMEs achieve financial sustainability and development.

## 5. Supportive Business Environment

Bulgaria has worked hard to enhance its economic climate and attract international investment. The nation gives EU citizens and other entrepreneurs incentives and assistance to boost innovation and economic growth. Additionally, English-speaking experts and business consultants may help with firm establishment and operations.

For assistance with company registration in Bulgaria, you can apply for [Business Legal Services](#) in InteliumLaw.

# **Residency Considerations for EU Citizens Starting a Bulgarian Company**

EU nationals may live and work in any EU member state, but starting a firm in Bulgaria does not provide resident rights. Therefore, EU residents seeking business registration in Bulgaria must address the following residence issues:

As an EU citizen, you may remain in Bulgaria for three months without registering. This time is usually plenty for business visits and firm formation. When staying longer than three months, you must register with local authorities. EU citizens in Bulgaria for more than three months require a long-term permit.

Long-term EU residents may apply for permanent residence and citizenship in Bulgaria. EU citizens may seek for permanent residence after five years of lawful presence. Naturalization after 10 years of legal residence or sooner under specific investment or extraordinary situations grants Bulgarian

citizenship.

## **Conclusion**

Company creation in Bulgaria offers EU nationals access to the European Single Market, a favorable tax structure, a helpful business climate, and cheaper operational expenses. However, residence requirements for extended periods or permanent residency and citizenship must be considered. Bulgaria is a good place for EU nationals to start and expand their enterprises due to its pro-business atmosphere and strategic position.