



DIMITROVA, CHOLAKOV & PARTNERS

UPDATED FOR 2026 — EURO & SCHENGEN EDITION

# Pay 10% Tax. Stay in Europe. Legally.

The 2026 Guide to Bulgarian Tax Residency for EU Citizens,  
Remote Workers & Entrepreneurs

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# What If You Could Keep 85% of Your Company Profits?

Most European entrepreneurs give away 40–55% of their earnings in taxes. Corporate tax, dividend tax, social contributions, solidarity surcharges — the layers add up fast.

Bulgaria offers a different equation:

- **10% corporate tax** — the lowest in the EU
- **5% dividend tax** — flat, no brackets
- **15% combined (10% + 5%)** — that's it. No municipal surcharge, no solidarity tax, no wealth tax.

Since 1 January 2026, Bulgaria is a **eurozone member** (no more currency risk) and a **Schengen country** (no border controls). It's the newest — and most tax-efficient — member of both clubs.

This isn't a loophole. It's national law, protected by EU treaty rights.

| Tax Type                        | Western EU Average | Bulgaria   |
|---------------------------------|--------------------|------------|
| Corporate tax                   | 25–30%             | <b>10%</b> |
| Dividend tax                    | 25–30%             | <b>5%</b>  |
| Combined on distributed profits | 40–55%             | <b>15%</b> |
| Wealth tax                      | 0–3.5%             | <b>0%</b>  |
| Inheritance (children)          | 15–40%             | <b>0%</b>  |

# Is Bulgaria Right for You?

Bulgaria works best for people who earn income internationally and don't need to be physically present in one specific country for work. Our clients typically fall into one of these profiles:



## Company Owner

You run a GmbH, BV, SRL, Ltd, or similar in a high-tax EU country. You want to relocate your tax residency and operate through a Bulgarian EOOD at 15% combined.

Typical saving: EUR 30k–80k/year



## Freelancer / Consultant

You're a developer, designer, marketer, consultant, or knowledge worker with international clients. You want 7.5% effective tax as a Bulgarian freelancer.

Typical saving: EUR 15k–40k/year



## Remote Worker

You're employed by a foreign company and work remotely. You want to restructure through an EOOD or Employer of Record and pay Bulgarian rates.

Typical saving: EUR 15k–30k/year

**Best fit:** Internationally earned income, location flexibility, and willingness to make Bulgaria your real primary base.

# From Decision to Operating: 1–2 Weeks

Here's the actual process — no vague promises, just concrete steps.

**1**

## Step 1 — We Plan

Choose the right structure: EOOD (company) or freelancer. We assess your income, home-country obligations, exit tax exposure, and recommend the optimal path.

**2**

## Step 2 — You Arrive

**EU citizens:** register at the Migration Directorate for your EU residence certificate. LNCH (personal number) issued. Takes 3–14 days. Fees: EUR 7–36.

**Non-EU citizens:** Type D visa at the Bulgarian consulate, then residence permit at Migration Directorate.

**3**

## Step 3 — We Register

Company or freelancer registration at the Bulgarian Commercial Registry. Capital accumulation account opened through a licensed financial institution. EIK (company number) issued.

**4**

## Step 4 — We Activate

NRA (tax agency) registration. Bank account opened. Social security set up. Your accountant starts monthly filings. First payroll or dividend distribution.

**5**

## Step 5 — You Build Your Tax Residency

You start paying Bulgarian taxes and social contributions and begin building your tax residency record. Full tax residency status is typically established within 4–6 months. From that point forward, your worldwide income is taxed at 10% flat (personal) or 15% combined (EOOD), your home country is notified, and double tax treaty protection applies.

*EU residence registration can often be completed the same day when documents are fully prepared.*

## Concrete Example: EUR 150,000 Profit

Let's compare what happens to EUR 150,000 of company profit in three countries:

|                         | Germany (GmbH)     | Netherlands (BV)   | Bulgaria (EOOD)         |
|-------------------------|--------------------|--------------------|-------------------------|
| <b>Company profit</b>   | EUR 150,000        | EUR 150,000        | <b>EUR 150,000</b>      |
| <b>Corporate tax</b>    | EUR 45,000 (30%)   | EUR 37,350 (25.8%) | <b>EUR 15,000 (10%)</b> |
| <b>After-tax profit</b> | EUR 105,000        | EUR 112,650        | <b>EUR 135,000</b>      |
| <b>Dividend tax</b>     | EUR 27,720 (26.4%) | EUR 34,921 (31%)   | <b>EUR 6,750 (5%)</b>   |
| <b>Total tax</b>        | <b>EUR 72,720</b>  | <b>EUR 72,271</b>  | <b>EUR 21,750</b>       |
| <b>Net to you</b>       | <b>EUR 77,280</b>  | <b>EUR 77,729</b>  | <b>EUR 128,250</b>      |
| <b>You keep</b>         | <b>52%</b>         | <b>52%</b>         | <b>85%</b>              |

# 85%

Is what you keep.

**Annual saving: EUR 50,000–51,000**

Over 5 years: EUR 250,000+

# What You're Probably Wondering

## Do I need to live in Bulgaria full-time?

No. Most of our clients travel frequently and don't spend more than 183 days in any single country. What matters is that Bulgaria is your **primary tax base** — your centre of vital interests. You can live an international lifestyle; you just need Bulgaria to be the place you return to, the country whose tax system covers your worldwide income, and the jurisdiction no other country can realistically claim over you.

## What should I do with my property and assets in my home country?

The general rule: don't own significant personal assets — cars, apartments, houses — in your former home country in your own name. A home or car available for your personal use is the single strongest argument tax authorities there use to claim you never really left. The cleaner approach is to sell those assets, or transfer them into your Bulgarian business, rather than holding them personally abroad. The same logic applies to banking: close or stop using your foreign accounts as your primary accounts, and run your daily financial life through Bulgarian accounts. It's about removing the factual ties that let a foreign tax authority argue you still live there.

## What about my pension?

EU Regulation 883/2004 protects your accrued pension rights. Years worked in other EU countries count. Most private pensions are taxable only in Bulgaria (10%) under double tax treaties. Government pensions usually stay taxable in the paying country.

## Is this legal?

Yes. EU freedom of movement is a treaty right. Bulgaria's 10% flat tax is national law. Double tax treaties prevent double taxation. Over 200 clients have used this structure through our firm.

## What about healthcare?

You're covered through the Bulgarian NHIF (National Health Insurance Fund) once you pay social contributions. Private health insurance is also available from EUR 300/year. Your EU Health Insurance Card covers temporary visits to other EU countries.

## Do I need to speak Bulgarian?

No. We handle everything in English (and German on request). Your accountant, bank, and tax filings are all managed by our team.

## 2026 Figures

### Minimum Insurable Income:

EUR 550.66 / month

### Maximum Insurable Income:

EUR 2,111.64 / month

### Min. Social Security (with OZM):

Approx. EUR 172.36 / month

# Why 200+ Entrepreneurs Chose Us

We're not a formation agent. We're a regulated Bulgarian law firm — Dimitrova, Cholakov & Partners, practicing under the Bulgarian Bar Association. Here's what that means for you:



## Legal Privilege

Your communications with us are protected by attorney-client privilege. Formation agents don't have this.



## Full-Service

Residence, company, bank, tax, accounting — one team, one invoice. No handoffs to third parties.



## Court Representation

If something goes wrong — NRA audit, bank dispute, visa issue — we represent you. Formation agents can't.



## Ongoing Support

We don't disappear after registration. Questions 6 months later? Changes needed? We're here.

**5.0 Google Rating | 30+ Google Reviews | 200+ Clients**

*"Very honest and professional."*

— **Marco P., Spain**

*"Innovires absolutely stands out from the rest."*

— **Sophie B., France**

*"Communication was quick and fees were reasonable."*

— **Andreas K., Germany**

## Ready? Here's How to Start.

Book a free 15-minute consultation. No sales pitch — we assess your situation and tell you honestly whether Bulgaria is right for you, which structure fits, and what it costs.



### 1. Book Online

[innovires.com/tax-residency/#contact](https://innovires.com/tax-residency/#contact)



### 2. Email

[office@innovires.com](mailto:office@innovires.com)



### 3. Call / WhatsApp

+359 888 787 414

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*Note: A Digital Nomad Visa is also available for qualifying non-EU remote workers.*

#### Free Tools at [innovires.com/tax-residency/calculator/](https://innovires.com/tax-residency/calculator/)

[Tax Savings Calculator](#) | [EOOD vs Freelancer Calculator](#) | [Relocation Readiness Quiz](#) | [Visa Finder](#)

General information only. Individual tax and immigration outcomes depend on your facts, treaty position, and compliance.