



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Indirect Taxation and Tax administration
VAT and other turnover taxes

Brussels, October 2010
TAXUD/C/1

VAT in the European Community

**APPLICATION IN THE MEMBER STATES,
FACTS FOR USE BY
ADMINISTRATIONS/TRADERS
INFORMATION NETWORKS ETC.**

Note

This document collates a range of basic information on the application of VAT arrangements in the Member States which has been obtained from the tax authorities concerned.

The sole purpose of distributing details of national provisions is to create a work tool. In no way does this document reflect the views of the Commission of the European Communities. Nor does it signify approval of the relevant legislation.

BULGARIA

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GENERAL INFORMATION

1. IF A FOREIGN TRADER WANTS TO OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM, WHOM SHOULD THEY CONTACT? (ADDRESS, TELEPHONE, FAX, EMAIL)

The Bulgarian Finance Ministry website www.minfin.bg has a section in English titled 'Tax Policy – Documents' where tax legislation and sources of information are arranged by subject.

Ministry of Finance
Tax Policy Directorate
102 Rakovski St.
1040 Sofia, Bulgaria
Tel.:+ 359 2 9859 1
Fax: +359 2 9859 2852

The National Revenue Agency website, which is in Bulgarian and English, also has information on VAT legislation.

<http://portal.nap.bg/ospage?id=85> and
<http://portal.nap.bg/?lang=en>

National Revenue Agency
52 Dondukov Blvd,
1000 Sofia, Bulgaria
tel. + 359 0 700 18 700

2. WHAT IS THE ADDRESS OF THE NATIONAL TAX ADMINISTRATION WEBSITE? WHICH CATEGORIES OF INFORMATION ON VAT IS AVAILABLE ON THAT WEBSITE (GENERAL INFORMATION, LEGISLATION, CONTACT POINTS, FORMS, ETC.)? AND IN WHICH LANGUAGE(S)?

The National Revenue Agency's website is <http://portal.nap.bg/ospage?id=85>. It provides information on VAT legislation, opinions, instructions, bank account numbers, etc. in Bulgarian and English (<http://portal.nap.bg/?lang=en>.)

3. WHERE IS IT POSSIBLE TO FIND NATIONAL VAT LEGISLATION AND REGULATIONS? IN WHICH LANGUAGE(S) ARE THEY AVAILABLE?

The Bulgarian Finance Ministry website www.minfin.bg has a section in English entitled 'Tax Policy – Documents' under which information on tax legislation is arranged by subject. The information can also be found on the National Revenue Agency's website <http://portal.nap.bg/ospage?id=85>

VAT REGISTRATION OF FOREIGN TRADERS

4. WHAT ARE THE CIRCUMSTANCES GOVERNING THE NEED TO BE REGISTERED FOR VAT?

If you make taxable supplies in Bulgaria you must register even if you do not live in Bulgaria. Registration can be obligatory or voluntary.

Article 96. (1) Any taxable person with a taxable turnover of BGN 50 000 or more over the 12 months or less preceding the current month shall register under the VAT Act (Bulgarian abbreviation: ZDDS) within 14 days of expiry of the taxable period in which that turnover was made.

For the purpose of calculating the turnover of supplies, the following shall be included:

1. taxable supplies including zero-rated supplies;
2. supply of financial and insurance services;
3. advance payments for the aforementioned supplies.

Article 97. Regardless of the taxable turnover referred to in Article 96, any person established in another Member State and not established in Bulgaria who makes taxable supplies of goods installed or assembled in Bulgaria by themselves or on their behalf shall register for VAT under this Act. Registration shall not be obligatory where the supplier is a taxable person not established in Bulgaria who supplies goods assembled or installed by them or on their behalf and the recipient is registered for VAT.

Article 97a. Any taxable person within the meaning of Article 3(1), (5) and (6), who receives taxable services whose place of performance is in Bulgaria and the tax on which is payable by the recipient within the meaning of Article 82(2) shall register for VAT. Also subject to registration under this Act shall be taxable persons within the meaning of Article 3(1), (5) and (6), established in Bulgaria and providing services within the meaning of Article 21(2) which are performed in another Member State.

Article 98. (1) Any taxable person supplying goods via distance selling within the meaning of Article 14 and with a place of performance in Bulgaria within the meaning of

Article 20 shall register for VAT. The application shall be submitted no later than 7 days prior to the date of the taxable event in the case of a supply by which the total value of the distance sales for the current year first exceeds BGN 70 000. The supplies referred to in the first sentence are taxable under this Act.

When excisable goods are supplied under a distance contract with place of performance in Bulgaria, and the goods are intended for personal consumption by natural persons who are not sole traders, the taxable person referred to in the previous paragraph shall submit an application for VAT registration no later than 7 days prior to the date of the taxable event in the case of a supply, or to receipt in the case of advance payment.

Article 99. Any non-taxable legal person or any taxable person not registered on other grounds shall register for VAT if their intra-Community acquisitions of goods for the current calendar year exceed BGN 20 000.

Article 132. Any person who, as a result of the conversion of a commercial company as defined in Chapter Sixteen of the Commerce Act, acquires goods or services from a registered person shall be subject to compulsory registration.

5. WHAT ARE THE SITUATIONS WHERE REGISTRATION IS UNNECESSARY BECAUSE THE RECIPIENT OF THE GOODS OR SERVICES IS LIABLE FOR THE TAX? IN SUCH SITUATION, IS IT POSSIBLE TO REGISTER ON A VOLUNTARY BASIS?

Article 21. (2) Where a service is supplied to a recipient who is a taxable person, the place of performance shall be the place where the recipient has established their independent economic activity. If the service is supplied at a permanent location other than the place where the recipient has established their independent economic activity, the place of performance shall be that location. In the absence of a place of established independent economic activity or permanent location, the place of performance of the supply shall be the recipient's permanent or usual address.

6. WHOM SHOULD A FOREIGN TRADER CONTACT TO GET REGISTERED FOR VAT? (DETAILS ABOUT THE DEPARTMENT, INCLUDING ADDRESS, TELEPHONE, FAX, E-MAIL)

Any foreign person or entity subject to compulsory or voluntary VAT registration may register under the standard procedure. They may appoint an authorised representative. Branches of foreign persons may also register for VAT under the standard procedure.

National Revenue Agency (NAP)
52 Dondukov Blvd.
1000 Sofia, Bulgaria
tel. + 359 0 700 18 700

Competent regional office (in Bulgarian: *teritorialna direktsia*)

Article 8. (1) Unless stated otherwise, the National Revenue Agency's regional office responsible for procedures under this Code is:

1. for natural persons, including sole traders: the regional office for the trader's permanent address;
2. for non-incorporated traders and social security funds: the regional office for the trader's head office;
3. for local legal entities: the regional office for the registered office;
4. for foreign persons or entities: the regional office for the registered office of a branch or for the address of its representation ;
5. for foreign entities not covered by point 4 which conduct business in Bulgaria from a fixed place of business, a particular base or otherwise, or which are effectively managed from Bulgaria: the regional office for the place at which business is conducted or for the entity's registered office;
6. for persons or entities not covered by points 1-5: the regional office for the location of the first immovable property acquired;
7. if no other regional office can be determined on the basis of points 1-6: the Sofia regional office.

7. PLEASE DESCRIBE THE DETAILED PROCEDURES (INCLUDING NECESSARY DOCUMENTS) FOR ISSUING VAT IDENTIFICATION NUMBERS, SPECIFICALLY TO FOREIGN TRADERS.

To register for VAT, the first thing you need to do is submit an application using the form given in Annex 1 to Article 74 of the VAT Act Implementing Provisions (Bulgarian abbreviation: PPZDDS). If you are subject to compulsory registration under Article 96(1) of the VAT Act, you must also attach a statement of your taxable turnover over the previous 12 months, broken down by month.

If you are subject to compulsory registration under Article 99(1) of the VAT Act you must attach a statement giving the total of your taxable intra-Community acquisitions for the current year, leaving out any new vehicles or excisable goods.

If you are a foreign person registering for VAT under Article 133 of the VAT Act, your application must be accompanied by:

- proof of tax registration abroad issued by the competent tax authority, together with a translation;
- the original of the agreement with your authorised representative, authenticated in the country where it was concluded, entrusting him or her with the duties referred to in Article 135(2) and (3) of the VAT Act;
- proof that the authorised representative is duly registered with the Bulgarian courts, or a copy of their proof of identity if they are a natural person;

If you register under Articles 98 and 100(3) of the VAT Act, you must also provide a proof of VAT registration in the other Member State issued by that Member State's tax authority. If you register under Article 100(3), you must also attach a document from your tax authority confirming that you have notified them of your intention to have Bulgaria as place of performance for your distance sales.

Finally you must attach a document issued by the persons referred to in Article 176a(1) certifying that you have not been convicted and that no criminal investigation has been launched against you for tax fraud, unless you are registering under Article 99(1) of the VAT Act.

THRESHOLDS

8. WHICH THRESHOLD DO YOU OPERATE AS REGARDS INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 34 OF THE VAT DIRECTIVE (2006/112/EC)?

The threshold for distance supplies in Bulgaria is BGN 70 000.

9. WHICH THRESHOLD DO YOU OPERATE AS REGARDS ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT PERSONS UNDER ARTICLE 3 OF THE VAT DIRECTIVE (2006/112/EC)?

The threshold is BGN 20 000. The entire amount of intra-Community acquisitions with which this threshold is exceeded is subject to VAT.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN (NON-EU) TRADERS

10. WHAT ARE THE SITUATIONS IN WHICH THE APPOINTMENT OF A TAX REPRESENTATIVE IS OBLIGATORY?

When a foreign person is established in a country outside the European Union with which Bulgaria has no instruments for mutual assistance.

11. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF TAX REPRESENTATIVES?

Only a legally competent person with a permanent address or permanently resident in Bulgaria, or a local legal person not undergoing liquidation proceedings and not declared insolvent, and with no outstanding tax obligations or social security liabilities collectable by the National Revenue Agency, may act as the authorised representative of a legal entity.

12. WHAT ARE THE RIGHTS AND OBLIGATIONS OF TAX REPRESENTATIVES?

Authorised representatives represent foreign entities in all VAT matters and are jointly and severally liable for the VAT obligations of the registered foreign person.

13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER COUNTRY TO DESIGNATE A TAX REPRESENTATIVE IN YOUR TERRITORY?

If the tax authority finds that a trader has not registered within the required time-limit, it will register them on its own initiative. The tax authority may register a foreign person on its own initiative if the application has been submitted on time but no authorised representative has been appointed.

If the authorised representative terminates their activity or if other circumstances prevent them from fulfilling their duties under the VAT Act, the foreign person must appoint a

new representative within 14 days of the change taking effect. If the foreign person fails to appoint a new authorised representative within the requisite time, their registration may be terminated at the initiative of the tax authority, which will issue a deregistration order.

14. IS IT NECESSARY TO SET UP A BANK GUARANTEE?

Article 176a. The competent tax authority may refuse to register a person who has not deposited a guarantee in the form of cash, government securities or an unconditional and irrevocable bank guarantee valid for one year, and if it has information that one or more of its owners, managers, authorised signatories, majority partners or shareholders:

1. are or were, at the time the obligation arose, owners, authorised signatories, majority partners or shareholders, members of executive or managing bodies of a person with VAT liabilities exceeding BGN 5 000, or
2. are natural persons with VAT liabilities exceeding BGN 5 000, or
3. are the subject of criminal proceedings or have been convicted of tax offences.

Article 176b. (1) When requiring the deposit of a guarantee, the competent tax authority shall do so in writing and give:

1. the reasons for requiring the guarantee;
2. the amount of the guarantee;
3. the deadline for providing proof that the guarantee has been deposited. This deadline shall not be shorter than 7 days;

(2) The guarantee shall be equal to the outstanding liabilities which constitute the grounds for requiring the guarantee. In the cases referred to in Article 176a(1)(3), the guarantee shall be BGN 250 000 if the outstanding amount has not been established at the time the guarantee was required.

(3) The guarantee may be released or reduced before the time-limit of one year has expired if the grounds for establishing the amount of the guarantee lapse or change after registration.

(4) A tax authority that has found that the guarantee referred to in (3) may be released or reduced shall inform the relevant bank that the guarantee may be released or reduced by a specified amount.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS ESTABLISHED IN THE EU

15. IS IT POSSIBLE TO APPOINT A TAX REPRESENTATIVE?

Any foreign person established in a Member State may appoint an authorised representative.

16. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

See point 11

17. WHAT ARE THE RIGHTS AND OBLIGATIONS OF A TAX REPRESENTATIVE?

Authorised representatives represent foreign persons in all VAT matters.

18. ARE THERE SITUATIONS WHERE IT IS OBLIGATORY TO SET UP A BANK GUARANTEE?

See question 14.

INVOICING

RULES ABOUT INVOICING

19. WHERE CAN THE RELEVANT RULES (LAWS, REGULATIONS, INSTRUCTIONS, GUIDELINES...) BE FOUND?

These rules can be found in the VAT Act (Bulgarian abbreviation: ZDDS) and its Implementing Provisions (PPZDDS), as well as in the Accountancy Act (ZSch). This legislation is available on the websites referred to in point 1, as well as in Opinion No 91-00-288 on the requirements for tax documents of the Executive Director of the National Revenue Agency of 26 September 2008.

Information can be requested either by sending an electronically signed email in Bulgarian or by sending a letter to the following address:

nap@nra.bg

[mailto:National Revenue Agency](mailto:nap@nra.bg)

52 Dondukov Blvd

1000 Sofia, Bulgaria

ISSUANCE OF INVOICES

20. CASES WHERE AN INVOICE NEEDS TO BE ISSUED

You must issue invoices for the goods or services you supply, or upon receiving advance payment, unless the supply is documented by a notification within the meaning of Article 117 of the VAT Act.

Invoices need not be issued for:

- supplies made to non-taxable natural persons
- supplies of financial services

- supplies of insurance services
- air ticket sales
- supplies made free of charge
- electronic services supplied by persons established outside the EU.

21. WHAT ARE THE RULES ON CORRECTIVE INVOICES (CREDIT / DEBIT NOTES)?

When the tax base for a supply changes or an invoiced supply is cancelled, the supplier must issue a note correcting the invoice within 5 days of the change occurring. If the tax base rises, a debit note is issued, and if it is reduced, or the supply is cancelled, a credit note is issued. In addition to the invoice details, such notes must include:

1. the number and date of the invoice to which the note applies
2. the reasons for which it is issued.

Debit/credit notes must be issued in at least two copies – one for the supplier and one for the recipient.

22. WHAT IS THE TIME LIMIT FOR ISSUING INVOICES?

Invoices must be issued no later than 5 days after the taxable event in the case of supplies, or no more than 5 days from receipt of the payment for advance payments. In the case of intra-Community supplies and advance payments, invoices must be issued no later than the 15th day of the month following that of the taxable event.

23. WHAT ARE THE RULES FOR SUMMARY INVOICING?

Not applicable

24. WHAT ARE THE CONDITIONS IMPOSED ON SELF-BILLING?

Not applicable

25. IS THERE ANY SPECIFIC RULE IN RELATION TO OUTSOURCING OF INVOICES TO A PERSON WHO IS ESTABLISHED OUTSIDE THE EU?

Not applicable

CONTENT OF INVOICES

26. UNDER WHAT CONDITIONS MUST THE VAT NUMBER OF THE CUSTOMER BE ON THE TAX INVOICE?

The client's VAT number must be included whenever the issue of an invoice is compulsory.

27. ANY OTHER SPECIFIC RULE IN RELATION TO THE CONTENT OF THE INVOICE

Article 114. (1) Invoices shall include:

1. the document name;
2. a unique identifying ten-digit serial number, containing only Arabic numerals, based on one or several series depending on the accounting requirements of the taxable person;
3. the date of issue;
4. the supplier's name and address;
5. the supplier's identification number issued on the basis of Article 94(2) or the number issued on the basis of Article 84 of the Code of Tax and Social Security Procedure (DOPK) where the supplier is not registered under the VAT Act;
6. repealed
7. the recipient's name and address;
8. the supplier's identification number issued on the basis of Article 94(2) or the number issued on the basis of Article 84 of the Tax and Social Security Procedures Code if the supplier is not registered under this Act, the VAT identification number if the recipient is registered in another Member State, or a different number identifying the person if this is required under the laws of the country in which the recipient is established;
9. the quantity and type of goods or services;
10. the date of the taxable event or the date on which payment was received;
11. the unit price exclusive of VAT and the tax base of the supply, as well as any commercial discounts and deductions, if they are not included in the unit price;
12. the rate of VAT, and in the case of zero-rated supplies, the grounds for the application of zero rating and the reasons why VAT is not applied;
13. the amount of VAT;
14. the total due, if different from the tax base and the VAT;
15. for intra-Community supplies of new vehicles: the elements defining the goods as a new vehicle.

(2) Where a person is making distance sales of goods, is registered for VAT in another Member State and the place of performance is the territory of that Member State, the following details shall be included in addition to the requirements laid down by (1):

1. the person's identification number for VAT purposes issued by the other Member State;
2. the applicable tax rate in the other Member State;
3. the amount of tax payable on the supply.

(3) When the registered person who is an intermediary in a triangular operation records a supply of goods to the recipient in the triangular operation, the invoice must cite 'Article 28c(E)(3) 77/388/EEC' as grounds for exemption from VAT.

(4) If the VAT is chargeable to the recipient, the invoice shall not state the tax base and the amount of VAT. In such cases the invoice shall mention explicitly that the tax is chargeable to the recipient and shall give the grounds for this.

(5) The invoice totals may be stated in any currency, provided that the tax base and VAT are stated in Bulgarian leva and Article 26(6) is complied with.

ELECTRONIC INVOICING

28. AS REGARDS INVOICES SENT WITH ADVANCED ELECTRONIC SIGNATURES, IS IT OBLIGATORY TO USE QUALIFIED CERTIFICATED AND SECURE-SIGNATURE-CREATION DEVICES? IF SO, PLEASE GIVE DETAILS.

Electronic invoices are permissible if the recipient has confirmed receipt, provided that their authenticity and the integrity of their contents are verified in one of the following ways:

1. by an advanced electronic signature within the meaning of the Electronic Documents and Signatures Act (ZEDEP), or
2. by electronic data interchange, or
3. in any other way that guarantees the authenticity and the integrity of the contents.

29. AS REGARDS INVOICES SENT BY ELECTRONIC DATA INTERCHANGE, IS AN ADDITIONAL SUMMARY DOCUMENT ON PAPER OBLIGATORY? IF SO, PLEASE GIVE DETAILS ABOUT ITS CONTENT AND PROCEDURE.

Not applicable

30. DO YOU ALLOW INVOICES ISSUED PURSUANT TO ARTICLE 233(1) SECOND SUB PARAGARPH OF THE VAT DIRECTIVE ("BY OTHER ELECTRONIC MEANS")? IF SO, UNDER WHICH CONDITIONS AND FORMALITIES?

See question 14.

31. ANY OTHER SPECIFIC RULE IN RELATION TO ELECTRONIC INVOICING

Not applicable

STORAGE OF INVOICES

32. WHAT ARE THE RULES ON THE PLACE OF STORAGE OF INVOICES?

Accounting information must be kept in the company or in an archive kept by another company whose object is the keeping of archives.

33. IS PRIOR NOTIFICATION OF INVOICES STORED IN ANOTHER COUNTRY AN OBLIGATION? IF SO, PLEASE SPECIFY.

Not applicable

34. WHAT IS THE OBLIGATORY STORAGE PERIOD FOR INVOICES?

Five years after the payment deadline for the debt to the state to which the documents refer.

35. WHAT ARE THE SPECIFIC RULES ON STORAGE FORM AND POSSIBLE CONVERSIONS?

Accounting information may be kept on paper or technical media. Invoices recorded or transferred from paper to magnetic, optical or other media enabling them to be reliably reproduced, must be reproducible with a volume and content identical to the information contained on paper media.

36. ANY OTHER SPECIFIC RULE IN RELATION TO INVOICE STORAGE.

The authenticity of the documents, the integrity of their content, and their legibility must be guaranteed for the entire storage period.

SIMPLIFIED INVOICES

37. WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 238 OF THE VAT DIRECTIVE (2006/112/EC)? AND WHAT ARE THE SPECIFIC RULES?

Not applicable

PERIODIC VAT RETURNS

38. UNDER WHAT CIRCUMSTANCES IS A TRADER OBLIGED TO SUBMIT A VAT RETURN?

As a registered person you must submit a VAT return for every taxable period, even if you have not made or received any supplies or acquisitions, or carried out any imports, and even when no tax or refund is due.

If you are a trader from outside the EU with a special registration to provide electronic services in Bulgaria, you must submit a return for each three-month taxable period, regardless of whether you actually provided such services.

39. AT WHAT INTERVALS ARE VAT RETURNS AND ASSOCIATED PAYMENTS TO BE MADE?

As a registered person you must submit returns for every taxable period, which usually means once every month. Returns (including VIES declarations, if applicable) must be submitted no later than the 14th of the month following the taxable period to which they relate.

If you are a trader from outside the EU with a special registration to provide electronic services in Bulgaria, you must submit your returns using the template given in the VAT Act Implementing Provisions (PPZDDS) within 20 days of the end of the previous period, regardless of whether you actually provided electronic services, and your taxable period is three calendar months.

Any tax due must be paid into the account of the competent regional office (in Bulgarian: *teritorialna direktsia*) of the National Revenue Agency before the submission deadline of the tax return. VAT is considered paid when it arrives on the correct account.

For intra-Community supplies of excisable goods, the VAT must be paid by the person acquiring the goods within 14 days of the end of the month during which the tax became due.

Traders with a special registration to provide electronic services must pay into the account of the Sofia regional office of the National Revenue Agency within the deadline for the submission of the tax return.

40. WHAT IS THE PROCEDURE FOR OVERPAID VAT DECLARED IN THE VAT RETURN? WHAT ARE THE TIMESCALES FOR REFUNDING OVERPAID VAT, IF ANY?

Overpaid VAT is offset, deducted or refunded as follows:

1. if you have any other outstanding tax or social security debts to the National Revenue Agency that arose before the submission date for your VAT return, the National Revenue Agency will offset these against any overpaid VAT. The balance, if any, will be settled as described under 2;
2. once other remaining tax or social security debts have been offset (see 1), you may deduct the remainder from your next two VAT returns;
3. if, after that, you owe VAT, the deadline for payment is the same as for submission of the VAT return for that taxable period;
4. if, after the two taxable periods referred to under 2, you are still owed overpaid VAT, the National Revenue Agency offsets this amount against any other tax or social security debt you may have, or refunds it within 30 days of the date you submitted your latest return;

If you have been issued a permit for an investment project by the Minister of Finance (see answer 49), any VAT you overpaid will be refunded within 30 days after you submit your return.

If, over the 12 months preceding the current month, your zero-rated supplies came to more than 30% of all taxable supplies you made (including your zero-rated supplies), any VAT you overpaid is also refunded within 30 days after you submit your return.

41. DOES A SPECIAL REGIME AS REGARDS PERIODIC VAT RETURNS EXIST FOR SMALLER TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS? IF SO, PLEASE DESCRIBE THEM.

If your company had a taxable turnover below BGN 50 000 over the previous 12 months and it is not registered for VAT, you do not have to submit returns.

42. DO YOU OPERATE SIMPLIFIED CALCULATIONS OF TAX LIABILITY? IF SO, WHAT ARE THE QUALIFYING CRITERIA, TO WHOM DO THEY APPLY AND WHAT IS THE NATURE OF THE SIMPLIFICATION?

There is no simplified calculation of VAT.

RECAPITULATIVE STATEMENTS

43. IS IT POSSIBLE TO SUBMIT THREE-MONTHLY RECAPITULATIVE STATEMENTS? IF SO, WHAT IS THE THRESHOLD AND UNDER WHAT CONDITIONS IS THIS APPLIED?

This is not possible.
No threshold exists.

44. IS ANY ADDITIONAL INFORMATION REQUIRED OTHER THAN THAT SET OUT IN CHAPTER 6 RECAPITULATIVE STATEMENTS OF TITLE XI OF THE VAT DIRECTIVE (2006/112/EC)?

1. Information about the registered person – name, VAT identification number, postal address;
2. information about the person submitting the return – name, personal identity number (Bulgarian abbreviation: EGN/LNCh), postal address;
3. taxable period to which the return applies, in the format: mm/yyyy;
4. total tax base for:
 - a) all intra-Community supplies of goods to recipients registered for VAT in other Member States;
 - b) supplies of services with place of performance in other Member States to taxable persons registered for VAT in their Member States. This information may be left out of the VIES declaration if the place of performance was in a Member State where such services were exempt;
 - c) supplies as an intermediary in triangular operations;
5. the tax base of intra-Community supplies of goods whose recipients are VAT-registered persons in other Member States;
6. the total number of lines declared;

7. the VAT identification number of the recipient/acquirer, including the ISO 3166 country identifier code of that party's Member State;
8. the total tax base of intra-Community supplies of goods to each VAT-registered person in other Member States;
9. the total tax base of intra-Community supplies of services with place of performance in other Member States to each taxable VAT-registered person in other Member States. This information may be left out of the VIES declaration if the place of performance was in a Member State where these services were exempt;
10. the total tax base of supplies made as an intermediary in triangular operations to each VAT-registered person in other Member States;
11. the taxable period during which the tax on the supplies referred to in points 8-10 arose, if different from the taxable period referred to in point 3.

45. DO YOU OPERATE SIMPLIFIED PROCEDURES AS REGARDS RECAPITULATIVE STATEMENTS AS PROVIDED FOR IN ARTICLE 269 OF THE VAT DIRECTIVE (2006/112/EC)? IF SO, WHAT ARE THE RELATED THRESHOLDS FOR APPLYING SUCH PROCEDURES?

No.

ELECTRONIC RETURNS

46. IS IT POSSIBLE TO SUBMIT VAT RETURNS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT RETURNS ELECTRONICALLY?

VAT returns may be submitted electronically using a universal digital signature in accordance with the Electronic Documents and Signatures Act.

A universal electronic signature certifies electronic statements, defined as verbal statements presented in digital form using a generally-accepted conversion, decoding and visualisation standard that are included in, added to or logically associated with the same statements before conversion. Conversion is based on an algorithm making use of an asymmetrical private key encryption system.

If you wish to submit electronic returns you must have a valid universal electronic signature issued by a certification service provider registered with the Communications Regulatory Commission. A list of registered providers can be found at <http://www.crc.bg/files/bg/registar-es-bg.pdf>

47. IS IT POSSIBLE TO SUBMIT RECAPITULATIVE STATEMENTS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT RECAPITULATIVE STATEMENTS ELECTRONICALLY?

See previous answer.

IMPORT OBLIGATIONS

48. WHO CAN BE DEFINED OR RECOGNISED AS A VAT PAYER ON IMPORTS PURSUANT TO ARTICLE 201 OF THE VAT DIRECTIVE?

Import tax on goods is payable by the importer. If two or more persons are jointly liable to pay customs duties in accordance with customs law, they are also jointly liable for the tax due.

49. WHAT RULES ARE APPLICABLE FOR DECLARING AND PAYING VAT ON IMPORTS?

When you import goods, the customs authorities will make a VAT assessment and the amount you owe will be included in your customs declaration. The rules for payment are the same as for customs duties, with the same deadlines. The customs authorities will release the goods once you have made your payment or provided security in accordance with the rules for customs debts.

As a VAT-registered person you must record any tax documents you receive in your purchase ledger no later than the twelfth taxable period following that in which they were issued. You must submit a return for each taxable period on the basis of your purchase ledger, even if you did not make any imports.

There is also a special scheme for declaring and paying VAT on imports associated with investment projects. To be eligible, you need to be registered for VAT, have a permit issued by the Minister of Finance, and import goods (other than excise goods) specified in a list approved by the Minister. The scheme entitles you to report the VAT on such imports in your return for the period in which the taxable event arises. On your customs declarations you must declare that you are making use of the scheme, that you were registered for VAT at the time of the import and that you had no outstanding tax or social security debts. The scheme entitles you to a tax credit for VAT charged in this way, and therefore the customs authorities will release the goods without payment or security.

50. DO YOU USE THE OPTION OF APPLYING DEFERRED PAYMENTS ACCORDING TO ARTICLE 211 OF THE VAT DIRECTIVE (DIRECTIVE 2006/112/EC)? IF SO, WHAT ARE THE CONDITIONS?

Yes, a special scheme is available for declaring and paying VAT on imports associated with investment projects. The scheme is described in the previous answer.

ADMINISTRATIVE REQUIREMENTS

51. DO YOU OPERATE A FLAT-RATE SCHEME? IF SO, TO WHOM DOES THE SCHEME APPLY?

We do not operate such a scheme.

52. DO YOU OPERATE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS OTHER THAN THOSE ALREADY MENTIONED? IF SO, PLEASE GIVE A DESCRIPTION.

No.

49. IN WHICH LANGUAGE(S) ARE FORMS (PERIODIC VAT RETURNS AND RECAPITULATIVE STATEMENTS) AVAILABLE OR TRANSLATED INTO?

In Bulgarian.

RIGHT TO DEDUCTION

54. FOR WHICH CATEGORIES OF GOODS AND SERVICES IS THERE NO RIGHT OF DEDUCTION?

1. Goods or services destined for exempt supplies;
2. goods or services to be supplied free of charge or not destined for your business activities;
3. goods or services destined for representation or entertainment purposes;
4. motorcycles or cars that have been acquired, imported or rented;
5. goods or services used to maintain, repair, improve or operate the vehicles referred to in item 4, and transport or taxi services provided using such vehicles;
6. goods confiscated by the state or a building demolished on the ground that it was illegal;
7. for tax charged incorrectly;
8. if you are registered for intra-Community acquisitions and have exceeded the threshold for compulsory VAT registration, or have registered voluntarily and have not exceeded the threshold (Articles 99 and 100(2) of the VAT Act (ZDDS)).

55. ARE THERE CATEGORIES OF GOODS AND SERVICES FOR WHICH THERE IS A RIGHT TO A PARTIAL DEDUCTION? IF SO, WHAT IS THE PERCENTAGE?

Not applicable