



Bulgaria

VAT Standard rate

The standard VAT rate in Bulgaria in 2024 is **20%**.

VAT Reduced rate

9%

Supply of books on physical means of support or supplied electronically or both, other than publications wholly or predominantly devoted to advertising and other than publications wholly or predominantly consisting of video content or audible music;

0%

Supply of bread and flour (in effect until 1 July 2023).

Threshold

The tax threshold is €0 for digital services.

Pieces of evidence

To identify the customer's location, the merchant has to collect at least two items on non-contradictory evidence. And if two of them are in Bulgaria, the customer may be determined as Bulgarian:

- Customer's permanent address;
- Billing address (bank or electronic payment operator);
- IP address;
- Telephone number;
- The location of the customer's fixed landline through which the service is supplied to him;
- Other commercially relevant information.

E-services list

As defined by EU law, a digital product is any product that's stored, delivered, and used in an electronic format. These are goods or services that the customer receives via email, by downloading them from the Internet, or through logging into a website, in particular:

- E-books, images, movies, and videos, whether buying a copy from Shopify or using a service like Netflix. In tax language, these products are in a category usually called, «Audio, visual, or audio-visual products»;
- Downloadable and streaming music, whether buying an MP3 or using a service like SoundCloud or Spotify. Of course, these products also fall into the audio category;
- Cloud-based software and as-a-Service products, such as Software-as-a-Service (SaaS), Platform-as-a-Service (PaaS), and Infrastructure-as-a-Service (IaaS);
- Websites, site hosting services, and internet service providers;
- Online ads and affiliate marketing.

VAT registration procedure in Bulgaria

The obligation to submit an application for registration arises no later than the 10th day of the month following the date of the tax event of the first delivery.

For non-EU businesses, a registration application form must be submitted to the Territorial Directorate of NRA in Sofia. For EU businesses, the application form must be submitted to the competent Territorial Directorate as per the business's place of establishment. The application form must be submitted electronically via the web portal of the NRA and at least the following information must be provided:

Name, postal address, electronic addresses, incl. web sites of the taxable person;

Tax registration Identification number, if any (for the non-Union scheme) or VAT identification numbers in other MS (for the Union scheme);

Electronic declaration evidencing that the taxable person is not registered for VAT purposes in a Member State (for the non-Union scheme);

Bank account details of the taxable person (Euro bank account for the non-Union scheme);

Identification numbers from previous registrations of the taxable person, if any (for both Union and non-Union schemes);

Evidence of any fixed establishments in other Member States (for the Union scheme).

Keeping records

All records and supporting documents should be kept for 10 years.

Filing VAT returns

The dates for filing the tax return are as follows:

Calendar quarter I by 20 April;

Calendar quarter II by 20 July;

Calendar quarter III by 20 October;

Calendar quarter IV by 20 January.

VAT payment date

The dates for VAT payment are as follows:

Calendar quarter I by 20 April;
Calendar quarter II by 20 July;
Calendar quarter III by 20 October;
Calendar quarter IV by 20 January.