

# Local Taxes and Fees Act

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Text in Bulgarian: Закон за местните данъци и такси

## Chapter One

(Amended, SG No. 103/1999, amended and supplemented, SG No. 109/2001, SG No. 45/2002, SG No. 56/2002, amended, SG No. 119/2002)

## GENERAL PROVISIONS

### Section I

#### Local Taxes

**Article 1.** (1) (Redesignated from Article 1, SG No. 110/2007) The following local taxes shall accrue to the municipal

budgets:

1. immovable property tax;
2. inheritance tax;
3. gift tax;
4. tax on onerous acquisition of property;
5. transport vehicle tax;
6. (repealed, SG No. 106/2004, new, SG No. 110/2007) licence tax;
7. (new, SG No. 98/2010, effective 1.01.2011) visitor tax;
8. (renumbered from Item 7, SG No. 98/2010, effective 1.01.2011) any other local taxes as determined by statute.

(2) (New, SG No. 110/2007) The Municipal Council shall determine by ordinance the amount of the taxes covered under Paragraph (1) under the terms, according to the procedure and within the range established by this Act.

(3) (New, SG No. 110/2007) Where the Municipal Council has failed to determine the amount of the local taxes for the current year until the end of the last preceding year, the local taxes shall be collected on the basis of the amount effective at the 31st day of December of the last preceding year.

(4) (New, SG No. 110/2007) Changes in the amount and manner of determination of the local taxes, as adopted by the Municipal Council, shall be inadmissible in the course of the year.

**Article 2.** (Amended, SG No. 106/2004, effective 1.01.2006) Local taxes shall be paid in cash at the cash departments of the municipal administration, or cashlessly, by means of crediting the relevant bank account.

**Article 3.** (1) (Redesignated from Article 3, SG No. 105/2014, effective 1.01.2015) Tax returns under this Act shall be submitted by the taxable persons or the legal representatives thereof in a standard form endorsed by the Minister of Finance, which shall be promulgated in the State Gazette.

(2) (New, SG No. 105/2014, effective 1.01.2015) The tax returns referred to in Paragraph (1) may alternatively be submitted by electronic means according to the procedure established by the Tax and Social-Insurance Procedure Code.

**Article 4.** (1) (Amended, SG No. 106/2004, effective 1.01.2006, SG No. 100/2005, SG No. 105/2005, supplemented, SG No. 105/2006) Local taxes shall be assessed, secured and collected by municipal administration officers according to the procedure established by the Tax and Social-Insurance Procedure Code. The written statements related to local taxes shall be appealed according to the same procedure.

(2) (Amended, SG No. 105/2005, SG No. 98/2010, effective 1.01.2011) Any delinquent taxes covered under this Act shall be collected with interest under the Interest on Taxes, Fees and Other Such State Receivables Act. Coercive collection shall be levied by public enforcement agents according to the procedure established by the Tax and Social-Insurance Procedure Code or by enforcement agents according to the procedure established by the Code of Civil Procedure.

(3) (New, SG No. 100/2005, amended, SG No. 105/2005, supplemented, SG No. 95/2009, effective 1.01.2010, SG No. 98/2010, effective 1.01.2011) In the proceedings referred to in Paragraph (1), the municipal administration officers shall have the rights and obligations of revenue authorities, and in proceedings to secure outstanding tax liabilities, the said officers shall have the rights and obligations of public enforcement agents. Where a statutory instrument provides for a requirement to present a certificate referred to in Article 87 (6) of the Tax and Social-Insurance Procedure Code, in respect of outstanding liabilities for taxes and fees under this Act a certificate shall be presented solely on the outstanding liabilities for taxes and fees to the municipality exercising competence over the permanent address or the registered office, as the case may be, of the taxable person.

(4) (New, SG No. 100/2005) The officers referred to in Paragraph (3) shall be designated by an order of the municipality

mayor.

(5) (New, SG No. 100/2005, amended, SG No. 105/2005) The municipality mayor shall exercise the powers of a deciding authority under Article 152 (2) of the Tax and Social-Insurance Procedure Code, and the head of the local revenue unit in the relevant municipality shall exercise the powers of a territorial director of the National Revenue Agency.

(6) (New, SG No. 100/2005, amended, SG No. 105/2005) The Executive Director of the National Revenue Agency shall issue methodological directions on the application of this Act.

(7) (New, SG No. 105/2005, amended, SG No. 98/2010, effective 1.01.2011) The municipality mayor shall be the authority competent to defer and reschedule any local taxes to an amount not exceeding BGN 100,000 and subject to the condition that the deferral or rescheduling is requested within one year after the date of grant of the authorization, and in the rest of the cases the Municipality Council shall be such competent authority.

**Article 5.** (Amended, SG No. 100/2005, repealed, SG No. 110/2007).

**Article 5a.** (New, SG No. 105/2014, effective 1.01.2015) (1) On a daily basis, the municipalities shall provide the Ministry of Finance by electronic means with information on:

1. the identification data on the persons liable under this Act;
2. the subjects to levy of local taxes and fees, the assessed values thereof and the book value thereof;
3. the rights of ownership and use to the subjects to levy;
4. the tax reliefs and exemptions under this Act;
5. the amount of liabilities by type of tax and fee, the payments and the outstanding liabilities;
6. measures to secure and collect the receivables under this Act;
7. other data relevant to the determination, securing and collection of local taxes and fees.

(2) The information covered under Paragraph (1) shall be provided according to a procedure, in a manner and in a format determined by an order of the Minister of Finance.

(3) The order referred to in Paragraph (2) shall be published on the Internet sites of the Ministry of Finance and the National Association of Municipalities in Republic Bulgaria.

## **Section II**

### **Local Fees**

**Article 6.** (1) Municipalities shall collect the following local fees:

- (a) for disposal of household waste;
- (b) for use of retail markets, wholesale markets, fairs, sidewalks, squares and street roadways;
- (c) (supplemented, SG No. 70/2004, amended, SG No. 105/2008, effective 1.01.2009) for attendance at creches, provision of cooked take-away meals from baby-food kitchens, attendance at kindergartens, residence at specialized institutions for provision of social services, camps, dormitories, and use of other forms of municipal social services;
- (d) (repealed, SG No. 70/2008, new, SG No. 79/2015, effective 1.08.2016) for raising and upbringing activities in the compulsory pre-school education to be used by the kindergarten or the school beyond the activities financed by the state;

- (e) for technical services;
  - (f) for administrative services;
  - (g) for lease of grave plots;
  - (h) (repealed, SG No. 98/2010, effective 1.01.2011, new, SG No. 79/2015, effective 1.08.2016) for general support activities within the meaning of the Pre-school and School Education Act, which are not financed from the state budget and which are carried out by personality development support centres;
  - (i) (new, SG No. 87/2005) for dog ownership;
  - (j) (redesignated from Letter (i), SG No. 87/2005) other local fees as determined by statute.
- (2) (Supplemented, SG No. 37/2015) The [competent] Municipal Council shall set a price for any service provided or any right, including under Paragraph (3) granted by the municipality with the exception of such covered under Paragraph (1).
- (3) (New, SG No. 37/2015) The manner of use of the municipal sidewalks, squares and roadways or parts thereof as areas for paid or free parking under the Road Traffic Act shall be determined by ordinance of the municipal council.

**Article 7.** (1) Local fees shall be determined proceeding from the necessary logistical and administrative expenses incurred on provision of the service.

(2) Fees shall be simple or proportional, and shall be payable by a cashless method, in cash, or in municipal revenue stamps within the time limits and according to the procedure established by this Act.

**Article 8.** (1) The [competent] Municipal Council shall determine the amount of the fees in conformity with the following principles:

1. recovery of the full amount of expenses incurred by the municipality on provision of the service;
  2. creation of conditions for expansion of the services provided and for improvement of the quality thereof;
  3. achievement of greater fairness in the determination and payment of local fees.
- (2) A separate fee shall be determined for each distinguishable activity into which a service can be disaggregated.
- (3) The amount of the fee may not recover the full amount of expenses incurred by the municipality for provision of a specific service should the [competent] Municipal Council resolve that protection of the public interest so dictates.
- (4) (Supplemented, SG No. 101/2013, effective 1.01.2014) In the cases where the amount of the fees does not recover the full amount of expenses incurred for provision of the service, the difference between the said expenses and the amount of the fees shall be for the account of municipal revenues. In the cases of exemption from fees by resolution of the [competent] Municipal Council, the expenses incurred for provision of the service shall be for the account of municipal revenues.
- (5) By the ordinance referred to in Article 9 herein, the [competent] Municipal Council shall establish the procedure according to which the persons who do not use a service during the relevant year or during a specific period of the said year shall be exempt from payment of the said fee.
- (6) (Amended, SG No. 110/2007) The [competent] Municipal Council may exempt certain categories of persons from full or partial payment of specific types of fees according to a procedure established by the ordinance referred to in Article 9 herein.

**Article 9.** The [competent] Municipal Council shall adopt an ordinance on the determination and administration of local fees and prices for services.

**Article 9a.** (1) Local fees shall be collected by the municipal administration.

(2) (Amended, SG No. 106/2004, repealed, SG No. 100/2005).

(3) Revenues from local fees shall accrue to the municipal budget.

(4) (New, SG No. 105/2006) The [competent] Mayor shall authorize a rescheduling or deferral of liabilities for local fees to an amount not exceeding BGN 30,000 and subject to the condition that a rescheduling or deferral is requested within one year after the date of grant of the authorization.

(5) (New, SG No. 105/2006, amended, SG No. 98/2010, effective 1.01.2011) A deferral or rescheduling of outstanding liabilities for local fees exceeding BGN 30,000 or for a period longer than one year shall be authorized by the [competent] mayor after a resolution of the Municipal Council.

**Article 9b.** (Amended, SG No. 84/2003, SG No. 105/2005, SG No. 105/2006, SG No. 98/2010, effective 1.01.2011, supplemented, SG No. 19/2011, effective 8.03.2011) Local fees under this Act shall be assessed, secured and collected according to the procedure established by Article 4 (1) to (5) herein. Written statements related to local fees shall be appealed against in accordance with the same procedure.

**Article 9c.** Where a municipal authority has been entrusted with the performance of an act or with the issuance of a document for which a stamp duty is charged, the fee charged shall accrue to revenue of the municipal budget.

## **Chapter Two**

### **LOCAL TAXES**

#### **Section I**

##### **Immovable Property Tax**

**Article 10.** (1) (Amended, SG No. 106/2004, supplemented, SG No. 39/2011) Immovable property tax shall be levied on the buildings and lots located within the territory of Bulgaria, which are situated within the development limits of the nucleated settlements and the dispersed settlements, as well as the lots outside such development limits, which, according to a detailed plan, have the intended purpose under Item 1 of Article 8 of the Spatial Development Act, as well as after the intended purpose of the land is changed, where required by the procedure of a special law.

(2) (New, SG No. 106/2004) No tax shall be levied on any lots occupied by streets, roads of the national and municipal road networks and the railway network, up to the delimiting building lines. No tax shall furthermore be levied on any lots occupied by water bodies constituting state and municipal property.

(3) (Supplemented, SG No. 109/2001, renumbered from Paragraph (2), SG No. 106/2004) No tax shall be levied on agricultural land tracts and forests, with the exception of developed land in respect of the actually developed surface area and the adjoining ground.

(4) (New, SG No. 100/2005, amended, SG No. 105/2006, SG No. 105/2008, effective 1.01.2009, SG No. 95/2009, effective 1.01.2010, repealed, SG No. 98/2010, effective 1.01.2011, new, SG No. 61/2013, effective 1.01.2014) No tax shall be levied on any corporeal immovables of assessed value of up to BGN 1680.

**Article 11.** (1) The taxable persons shall be the owners of taxable corporeal immovables.

(2) (Supplemented, SG No. 153/1998, amended, SG No. 106/2004, supplemented, SG No. 98/2010, effective 1.01.2011) The owner of a building constructed on a state-owned or municipal-owned lot shall furthermore be taxable in respect of the said lot or the proportionate part thereof.

(3) (Supplemented, SG No. 109/2001, amended, SG No. 36/2006) Should a right in rem to use have been created, the user shall be the taxable person.

(4) (New, SG No. 36/2006) Should a concession have been awarded, the concessionaire shall be the taxable person.

(5) (New, SG No. 98/2010, effective 1.01.2011) In respect of any immovable constituting state or municipal property, the taxable person shall be the person whereto the immovable has been allocated for management.

**Article 12.** (1) Where the right of ownership or the limited right in rem to a taxable corporeal immovable vests in several persons, liability for tax shall apply to the said persons in proportion to the parts thereto appertaining.

(2) Any one of the co-owners of the property, and any one of the co-holders of the limited right in rem, as the case may be, may pay the tax on the entire property for the account of the rest.

**Article 13.** Tax shall be payable irrespective of whether the corporeal immovables are used or not.

**Article 14.** (Amended, SG No. 103/1999) (1) The owner of, or the holder of the limited right in rem to, any newly constructed or otherwise acquired property, as the case may be, shall notify the municipality exercising competence over the situs of the property within two months after the said construction or acquisition by submission of a tax return for annual immovable property taxation.

(2) (New, SG No. 98/2010, effective 1.07.2011) Where the owner or the holder of the limited right in rem, as the case may be, is an enterprise, the return referred to in Paragraph (1) shall furthermore state the book value and any other circumstances relevant to the assessment of the tax.

(3) (Renumbered from Paragraph (2), SG No. 98/2010, effective 1.07.2011) Upon alteration in any circumstance relevant to the assessment of the tax, the taxable persons shall notify the municipality according to the procedure and within the time limit established under Paragraph (1).

(4) (New, SG No. 102/2000, renumbered from Paragraph (3), SG No. 98/2010, effective 1.07.2011) Upon acquisition of a property by succession, the tax return referred to in Paragraph (1) shall be submitted within the time limit referred to in Article 32 herein.

(5) (New, SG No. 119/2002, renumbered from Paragraph (4), SG No. 98/2010, effective 1.07.2011) The tax return submitted by one co owner or user, as the case may be, shall benefit the rest of the co-owners or users.

**Article 15.** (1) In respect of any newly constructed building or part of a building, tax shall be due as from the commencement of the month next succeeding the month wherein the said building or part thereof was completed or when use thereof began.

(2) Upon transfer of a property, the transferee shall be liable for tax as from the commencement of the month next succeeding the month wherein the alteration in ownership or use occurred, unless the tax has been paid by the transferor.

**Article 16.** (1) (Amended, SG No. 103/1999, supplemented, SG No. 102/2000) Upon partial or complete destruction of a building, as well as upon change of the status of a corporeal immovable from non-taxable to taxable and vice versa, the taxable persons shall notify the municipality exercising competence over the situs of the property according to the procedure and within the time limit established by Article 14 (1) herein.

(2) In the instances under Paragraph (1), the liability for payment of the tax shall terminate or arise, as the case may be, as from the commencement of the month next succeeding the month wherein the change occurred.

**Article 17.** (Supplemented, SG No. 153/1998, amended, SG No. 103/1999, amended and supplemented, SG No. 102/2000, SG No. 109/2001, amended, SG No. 119/2002, SG No. 100/2005, SG No. 95/2009, effective 1.01.2010, repealed, SG No. 98/2010, effective 1.07.2011).

- Article 18.** (1) (Redesignated from Article 18, SG No. 153/1998, amended, SG No. 34/2000) The municipal administration officer shall verify the returns as submitted. The said authority may require additional information on the taxable property, to compare the particulars of the return with the books of account, plans, drawings and documents of title or use of the property and, when necessary, through surveying of the said property by the technical authorities.
- (2) (New, SG No. 153/1998, amended, SG No. 34/2000) When requested by the municipal administration officers to provide any data and evidentiary material of property status (copies of maps and plans, computer models, registers and other such), the competent public financed services shall be obliged to provide any such data and material gratuitously within seven days.
- (3) (New, SG No. 34/2000) Any data of the cadastre, coming under Paragraph (2), shall be provided under the terms and according to the procedure established by the Cadastre and Property Register Act.
- (4) (New, SG No. 98/2010, effective 1.01.2011) The National Revenue Agency shall provide the municipal administration by electronic means with information regarding the commercial outlets with registered fiscal devices within fourteen days after receipt of a request.

**Article 19.** (1) (Supplemented, SG No. 105/2014, effective 1.01.2015) The tax shall be assessed on the basis of the assessed value of the corporeal immovables covered under Article 10 (1) herein at the 1st day of January in the year wherefor the tax is due and shall be communicated to the persons not later than the 1st day of March in the same year.

(2) (Repealed, SG No. 153/1998).

(3) (New, SG No. 119/2002, supplemented, SG No. 112/2003, amended, SG No. 100/2005) Upon any modification of the assessed value of a property during the year, the tax shall be assessed on the basis of the new assessed value as from the month next succeeding the month of the modification. In the case of change by the Municipal Councils of the boundaries of the zones within the nucleated settlements and the categories of the country-house zones or of the nucleated settlements, the tax shall be assessed on the basis of the new assessed value as from the 1st day of January in the next succeeding year.

(4) (New, SG No. 95/2009, effective 1.01.2010) Sentence one of Paragraph (3) shall not apply to any non-residential property which is owned by enterprises or whereto enterprises enjoy an established limited right in rem of use.

**Article 20.** (Amended, SG No. 109/2001) The assessed value of any corporeal immovables appertaining to individuals shall be determined by a municipal administration officer at rates according to Annex 2 hereto depending on the type of property, the location, space, structure and depreciation, and shall be communicated to the taxable persons.

**Article 21.** (1) (Supplemented, SG No. 153/1998, amended, SG No. 102/2000, SG No. 109/2001, SG No. 95/2009, effective 10.01.2011) The assessed value of any corporeal immovable appertaining to enterprises shall be the higher of the book value of the said property and the assessed value arrived at according to Annex 2 hereto, and the assessed value of any residential property shall be the assessed value arrived at according to Annex 2 hereto.

(2) (New, SG No. 102/2000, amended, SG No. 109/2001) The assessed value of any corporeal immovable in respect whereof a right to use has been created in favour of an enterprise shall be the book value of the said immovable as shown in the balance sheet of the owner or the assessed value arrived at according to Annex 2 hereto and, in respect of residential property, the assessed value arrived at according to Annex 2 hereto.

(3) (New, SG No. 109/2001) The assessed value of any immovable referred to in Article 11 (2) herein, whereon any buildings of enterprises have been constructed, shall be arrived at rates according to Annex 2 hereto.

(4) (Renumbered from Paragraph (2), SG No. 102/2000, renumbered from Paragraph (3), SG No. 109/2001) Should accounting data be unavailable, the assessed value shall be determined by a municipal administration officer for the account of the taxable person. In such cases, the municipal administration officer may resort to the services of experts.

**Article 22.** (Amended, SG No. 110/2007, SG No. 105/2008, effective 1.01.2009, SG No. 95/2009, effective 1.01.2010, SG No. 98/2010, effective 1.01.2011) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall

determine the amount of the tax within a range of 0.1 to 4.5 per mille of the assessed value of the corporeal immovable.

**Article 23.** (Amended, SG No. 103/1999, SG No. 109/2001, SG No. 98/2010, effective 1.07.2011) The amount of tax referred to in Article 14 (1) and (4) herein shall be determined by the municipal administration officer exercising competence over the situs of the corporeal immovable and shall be communicated to the taxable person or to a legal representative thereof.

**Article 24.** (1) The following shall be exempt from (immovable property) tax:

1. (supplemented, SG No. 153/1998) the municipalities, in respect of any immovables constituting public municipal property;
2. (supplemented, SG No. 153/1998) the State, in respect of any immovables constituting public state property, except where the immovable has been allocated for use to another person and said person is not exempt from tax;
3. (repealed, SG No. 153/1998);
4. the chitalishte community centres;
5. the buildings owned by foreign states which house diplomatic missions and consular posts, on a basis of reciprocity;
6. (repealed, SG No. 153/1998);
7. (amended, SG No. 105/2008, effective 1.01.2009) the buildings appertaining to the Bulgarian Red Cross and to the Red Cross organizations registered in another Member State of the European Union or in another State which is a Contracting Party to the Agreement on the European Economic Area;
8. (amended, SG No. 153/1998, SG No. 119/2002) the buildings of the higher schools and the academies, used for teaching and scientific research;
9. (amended, SG No. 101/2013, effective 1.01.2014) the places of worship and the monasteries intended for religious practice, together with the lots whereon they have been constructed, where owned by the lawfully registered religious denominations in Bulgaria, as well as the prayer houses together with the lots whereon they have been constructed, where owned by the lawfully registered religious denominations in Bulgaria;
10. the parks, the sports grounds, the playgrounds and other such immovables for public use;
11. (repealed, SG No. 153/1998);
- 11a. (new, SG No. 109/2001, amended, SG No. 19/2009, effective 10.04.2009) the buildings designated as cultural values, where not used for a for-profit purpose;
12. the museums, the galleries, and the libraries;
13. (amended, SG No. 119/2002) the immovables which are directly used for the operation of public transport;
14. (repealed, SG No. 95/2009, effective 1.01.2010);
15. the temporary buildings servicing the construction of a new building or facility, until completion and commissioning of the said new building or facility;
16. (supplemented, SG No. 153/1998, repealed, SG No. 110/2007);
17. (new, SG No. 153/1998) the corporeal immovables whereof the ownership has been restituted by law and which are unusable, for a period of five years. The tax on any such immovables, which are used by the State, the municipalities, the public organizations or by commercial corporations wherein they hold a participating interest, including privatized commercial corporations, shall be due from the users;
18. (new, SG No. 18/2004, amended, SG No. 55/2007, SG No. 24/2013, effective 12.03.2013, SG No. 35/2015, effective 15.05.2015) the buildings which have been commissioned prior to the 1st day of January 2005 and which have received a Category B energy consumption class certificate and the buildings which have been commissioned prior to the 1st day of January 1990 and which have received a Category C energy consumption class certificate issued according to the procedure



established by the Energy Efficiency Act and by the ordinance referred to in Article 48 of the Energy Efficiency Act, as follows:

- (a) for a period of seven years reckoned from the year next succeeding the year of issue of the certificate;
- (b) for a period of ten years reckoned from the year next succeeding the year of issue of the certificate, if they also apply measures for utilization of renewable sources for production of energy to satisfy the needs of the building;

19. (new, SG No. 18/2004, amended, SG No. 55/2007, SG No. 24/2013, effective 12.03.2013, SG No. 35/2015, effective 15.05.2015) the buildings which have been commissioned after the 1st day of January 1990 and prior to the 1st day of January 2005 and which have received a Category C energy consumption class certificate and the buildings which have been commissioned prior to the 1st day of January 1990 and which have received a Category D energy consumption class certificate, issued according to the procedure established by the Energy Efficiency Act and by the ordinance referred to in Article 48 of the Energy Efficiency Act, as follows:

- (a) for a period of three years reckoned from the year next succeeding the year of issue of the certificate;
- (b) for a period of five years reckoned from the year next succeeding the year of issue of the certificate, if they also apply measures for utilization of renewable sources for production of energy to satisfy the needs of the building.

(2) (Amended, SG No. 153/1998) Exemption under Items 1, 2, 4, 7, 8 and 9 of Paragraph (1) shall apply subject to the condition that the immovables are not used for a for-profit purpose unrelated to the core activity thereof.

(3) (New, SG No. 153/1998, repealed, SG No. 109/2001).

(4) (Renumbered from Paragraph (3), SG No. 153/1998, amended, SG No. 109/2001) Paragraphs (1) and (2) shall furthermore apply accordingly to any parts of properties.

(5) (New, SG No. 112/2003) In respect of any immovables referred to in Item 17 of Paragraph (17) the right of ownership whereof was restored prior to the 1st day of January 1999, the five-year period shall begin to run from the said date, and in respect of any such immovables the right of ownership whereof was restored after the said date, the said period shall begin to run from the month next succeeding the month of restoration.

(6) (New, SG No. 101/2013, effective 1.01.2014) Exemption from tax under Items 18 and 19 of Paragraph (1) shall apply to the building concerned for an aggregate period not exceeding ten years.

(7) (New, SG No. 95/2015, effective 1.01.2016) Exemption from tax under Items 18 and 19 of Paragraph (1) shall not apply in the cases where the building has received an energy consumption class certificate as a result of the taking of energy efficiency measures financed by public resources.

**Article 25.** (1) A rate rebate of 50 per cent shall apply to the tax due on any immovable used as a main residence.

(2) (Amended, SG No. 119/2002) In respect of any immovable used as a main residence by a person who has lost between 50 and 100 per cent of the working capacity thereof, a rate rebate of 75 per cent shall apply to the tax due.

**Article 26.** (Amended, SG No. 153/1998, SG No. 103/1999, repealed, SG No. 102/2000).

**Article 27.** Any eligible person shall claim the rights thereof to exemption from tax or to enjoyment of a rate rebate by means of a tax relief submitted within the time limit under Article 14 (1) herein.

**Article 28.** (1) (Supplemented, SG No. 153/1998, amended, SG No. 102/2000, SG No. 98/2010, effective 1.01.2011, SG No. 105/2014, effective 1.01.2015) Immovable property tax shall be payable in two equal instalments within the following periods: until the 30th day of June, and until the 31st day of October in the year wherefor the tax is due.

(2) (Amended, SG No. 98/2010, effective 1.01.2011, SG No. 105/2014, effective 1.01.2015) Any taxpayer, who or which prepays the amount of tax due for the whole year until the 30th day of April, shall enjoy a rate rebate of 5 per cent.

(3) (New, SG No. 100/2005) Upon transfer of a corporeal immovable or upon creation of rights in rem to a corporeal

immovable, the tax due until the said transfer or creation, including for the month of the transfer or creation, shall be paid by the transferor or creator prior to the said transfer or creation.

(4) (New, SG No. 95/2015, effective 1.01.2016) In respect of any corporeal immovables acquired during a relevant current year, the tax shall be paid within the periods referred to in Paragraph (1), and in the cases where the acquisition occurred after expiry of the periods referred to in Paragraph (1), the tax shall be paid within two months from the date of acquisition of the immovable.

(5) (Amended, SG No. 102/2000, supplemented, SG No. 109/2001, renumbered from Paragraph (3), SG No. 100/2005, renumbered from Paragraph (4), SG No. 95/2015, effective 1.01.2016) Immovable property tax shall be credited to revenue of the budget of the municipality exercising jurisdiction over the immovable. The tax due from the concessionaire for an immovable located within the territory of more than one municipality shall be credited to revenue of the municipality whereof the territory shall contain the larger part of the said immovable.

## **Section II**

### **Inheritance Tax**

**Article 29.** (1) Inheritance tax shall be levied on the estate of any decedent Bulgarian citizen located within Bulgaria or abroad when devolved by legal or testamentary succession, as well as on the estate located within Bulgaria where so devolved by any decedent foreign citizen.

(2) The estate of any decedent stateless person shall be taxed as an estate of a Bulgarian citizen, should the said person have been permanently resident within the territory of Bulgaria.

**Article 30.** (1) A decedent's estate shall incorporate the movable and immovable things owned by the ancestor and the rights to any such things, as well as the ancestor's other property rights, receivables and liabilities at the time of the opening of the succession, save as otherwise provided by statute.

(2) Inheritance tax shall furthermore be levied on any property devolving directly on a third party in the event of death of the ancestor pursuant to a contract concluded by the ancestor.

(3) Paragraph (2) shall not apply if the contract was concluded to fulfill an obligation imposed by statute.

**Article 31.** (1) (Redesignated from Article 31, SG No. 106/2004) Liability for inheritance tax shall apply to the legal or testamentary heirs as well as to the legatees.

(2) (New, SG No. 106/2004) Inheritance tax shall not be paid by the surviving spouse and by the lineal heirs without restraint.

**Article 32.** (1) (Amended, SG No. 103/1999) Within six months after the opening of a succession, any taxable person covered under Article 31 herein or the legal representative thereof shall be obligated to submit a declaration to the municipality exercising competence over the last fixed abode of the ancestor or, should the ancestor have been domiciled abroad, to the municipality exercising competence over the situs of the larger part of the estate of the ancestor within Bulgaria.

(2) For any heir or legatee other than a spouse, descendant, parent, or sibling, the six-month time limit for submission of the declaration shall begin to run from the day of learning that the succession has opened.

(3) In respect of the estates of persons declared absent by the court, the declaration shall be submitted by the heirs apparent to the person declared absent at the time when the said person was last heard from. In such a case, the six-month time limit for submission of the declaration shall begin to run from the entry into possession.

(4) Where the heir is a person who has been conceived at the time of opening of the succession and was born living, the time limit under Paragraph (1) in respect of the legal representatives of any such person shall begin to run from the date of birth of

the said person.

(5) Any declaration submitted in due course by one heir shall benefit the other heirs as well.

(6) In the declaration, the heirs shall itemize the decedent's estate as inherited by type, location and value.

(7) Any decedent's estate of which the taxable persons learn the time limit under the foregoing paragraphs has expired, shall be declared within one month after the day of learning about the estate. In such cases, the tax due shall be recalculated.

**Article 33.** (1) Any decedent's estate, with the exception of such exempt from tax, shall be identified and valued in lev terms at the date of the opening of the succession, as follows:

1. (supplemented, SG No. 54/2012, effective 17.07.2012) the corporeal immovables within the territory of the country: at the assessed value arrived at according to Annex 2 hereto;

2. the foreign currency and precious metals: at the central exchange rate of the Bulgarian National Bank;

3. the securities: at fair market value or, where the fair market value cannot be established without considerable cost or difficulty, at face value;

4. (amended, SG No. 109/2001, SG No. 45/2002) the transport vehicles: at the insured value;

4a. (new, SG No. 109/2001, repealed, SG No. 45/2002);

5. any other movable things and rights: at fair market value;

6. the enterprises or participating interests in commercial corporations or cooperatives: at fair market value or, where determination of the said value requires considerable expense or causes difficulties, according to accounting data;

7. (new, SG No. 54/2012, effective 17.07.2012) the corporeal immovables within the territory of another Member State of the European Union or of another State which is a Contracting Party to the Agreement on the European Economic Area or of any other third country: at a tax value stated in a document issued for taxation purposes by a competent authority of the respective State, accompanied by an accurate translation into Bulgarian language performed by a sworn translator.

(2) The liabilities of the ancestor shall likewise be valued according to the procedure established by Paragraph (1).

(3) Any rights and liabilities of the ancestor, which have not been established in terms of either legal grounds or amount, shall be declared but shall be valued and taken into consideration upon determination of the taxable estate being established in terms of legal grounds and amount. In such case, the tax due shall be recalculated.

(4) Upon request by a municipal administration officer or an interested party, the insurers shall issue a certificate of the insured value of the thing within seven days.

**Article 34.** The assets of the taxable estate as determined according to the procedure established by Article 33 herein shall be debited with the following items:

1. the liabilities of the ancestor at the time of opening of the succession, established in terms of legal grounds and amount, unless property exempt from inheritance tax is acquired against such liabilities; any payables to creditors, whereof the claims to the ancestors are extinguished by prescription and are unrealized within the six-month time limit under Article 32 herein, shall not be set off;

2. the rights and receivables transferred by the heirs in favour of the State or the municipalities according to the procedure established by the law within the six month time limit under Article 32 herein;

3. (amended, SG No. 153/1998) the funeral expenses up to the amount of BGN 1,000;

4. any reliefs provided for by the law.

**Article 35.** (1) The taxable estate shall be divided into portions, and each heir shall be allocated a portion according to the procedure established by the Succession Act.

(2) The value of the legacies, valued according to the procedure established by Article 33 herein, shall be added or subtracted from the portions, as the case may be.

**Article 36.** (Amended, SG No. 106/2004, SG No. 110/2007) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of the tax separately in respect of each heir or legatee, as follows:

1. (amended, SG No. 105/2008, effective 1.01.2009) applicable to siblings and the children of siblings: from 0.4 to 0.8 per cent per portion in excess of BGN 250,000;
2. (amended, SG No. 105/2008, effective 1.01.2009) applicable to any persons other than such referred to in Item 1: from 3.3 to 6.6 per cent per portion in excess of BGN 250,000.

**Article 37.** (Amended, SG No. 103/1999, SG No. 105/2005) The tax shall be assessed and shall be communicated to each heir or legatee according to the procedure established by the Tax and Social-Insurance Procedure Code.

**Article 38.** (1) The following shall be exempt from tax:

1. the estate of those who fell for the Republic of Bulgaria or in the line of duty, or who died in industrial accidents or natural disasters;
2. (supplemented, SG No. 109/2001, SG No. 119/2002, amended, SG No. 105/2008, effective 1.01.2009) the estate settled on the State and the municipalities;
- 2a. (new, SG No. 105/2008, effective 1.01.2009) the estate settled on the Bulgarian Red Cross, the lawfully registered religious denominations in Bulgaria, the community centres (chitalishte) and other legal persons which are not merchants, with the exception of the non-profit organizations designated for pursuit of private-benefit activities;
3. any ordinary household furnishings;
4. any small farm implements;
5. libraries and musical instruments;
6. any works of art whereof the author is the ancestor, any of the heirs or a lineal relative thereof up to any degree of consanguinity, or a collateral relative up to the fourth degree of consanguinity;
7. the ancestor's pensions payable;
8. the estates of Bulgarian citizens located abroad, in respect of which inheritance tax has been paid in the respective State.

(2) Should any two persons, of whom one is heir to the other, have died simultaneously or in immediate succession, no tax shall be due on the portion acquired by the deceased heir.

(3) Exemption under Items 3, 4 and 5 of Paragraph (1) shall apply only to lineal heirs, spouses, and siblings.

(4) (New, SG No. 105/2008, effective 1.01.2009) Item 2a of Paragraph (1) shall furthermore apply where the estate is settled on identical or similar persons established in another Member State of the European Union or in a State which is a Contracting Party to the Agreement on the European Economic Area. In such case, exemption shall be contingent upon the presentation by the person of an official document, attesting the status or capacity thereof, which is issued or certified by the competent authority of the relevant State, as well as the legalized translation of the said document into the Bulgarian language.

**Article 39.** Should any immovable property have devolved to the ancestor by succession, the decedent's estate shall include 40 per cent of the assessed value of the said property if acquired within one year prior to the death of the ancestor; 50 per cent, if acquired within two years prior to the death thereof, and 60 per cent, if acquired within three years prior to the death thereof.

**Article 40.** (1) (Amended, SG No. 103/1999) Inheritance tax shall fall due for payment within two months after service of the notice.

(2) Should the decedent's estate comprise the enterprise of a sole trader, participating interest in a general partnership, interests and shares representing more than 50 per cent of the capital of commercial corporations, the tax due may be paid within one year after the opening of the succession together with the legal interest, which shall begin to accrue upon the lapse of the two-month time limit referred to in Paragraph (1).

**Article 41.** (1) (Amended, SG No. 103/1999, supplemented, SG No. 102/2000) Sums held on accounts of decedents shall be paid to the heirs of holders upon presentation of a certificate issued by the municipality, certifying that the said sums have been declared in the inheritance tax return and the tax has been paid. Should the tax be not paid, the said tax shall be withheld and credited to the account of the competent municipality within one month after presentation of a document on the amount of the tax due, and the heirs shall be paid sums up to the amount of the balance on the account of ancestor.

(2) Paragraph (1) shall furthermore apply to payment of indemnities on a contract for life insurance, concluded by the ancestor in favour of third-party beneficiaries.

(3) (Amended, SG No. 103/1999) The transfer of any registered shares and other securities which appertained to decedent persons or to persons who have been declared absent shall be executed proceeding from a certificate issued by the municipality exercising competence over the place of opening of the succession, certifying that the said securities have been declared in the inheritance tax return and the inheritance tax due has been paid.

**Article 42.** (Amended, SG No. 103/1999, repealed, SG No. 100/2005).

**Article 43.** (Amended, SG No. 103/1999) Any banks, insurance companies and other commercial corporations, as well as any other entities which are deposit keepers or obligors for securities, money or other property incorporated into a succession of which they know that it has opened, shall be obligated to transmit an inventory of the property to the municipality exercising competence over the place of opening of the succession prior to the payment, delivery or transfer of any such property.

## **Section III**

### **Gift Tax and Tax on Onerous Acquisition of Property**

**Article 44.** (1) Tax shall be levied on any properties acquired by donation, as well as on any onerously acquired corporeal immovables, limited rights in rem thereto, and motor vehicles.

(2) Any properties acquired gratuitously in any manner other than by donation, as well as any liabilities extinguished by remission, shall likewise attract a tax to the same amount as gift tax.

(3) (New, SG No. 95/2009, effective 1.01.2010) A tax upon gratuitous acquisition of properties shall furthermore be due upon acquisition of corporeal immovables and limited rights in rem thereto by prescription.

(4) (New, SG No. 112/2003, amended, SG No. 106/2004, SG No. 105/2008, effective 1.01.2009, renumbered from Paragraph (3), SG No. 95/2009, effective 1.01.2010) Paragraph (1) shall not apply to any motor vehicles which are not registered for operation in Bulgaria.

(5) (Renumbered from Paragraph (3) and supplemented, SG No. 112/2003, renumbered from Paragraph (4), SG No. 95/2009, effective 1.01.2010) Paragraph (2) shall not apply should the transfer be effected to fulfil an obligation imposed by a law or in pursuance of an act of the Council of Ministers on gratuitous allocation of properties to investors under priority investment projects.

(6) (New, SG No. 106/2004, renumbered from Paragraph (5), SG No. 95/2009, effective 1.01.2010) No tax shall be levied

on any properties acquired by donation between lineal relatives and between spouses.

**Article 45.** (1) The tax shall be paid by the transferee of the property covered under Article 44 herein, and in the case of exchange, by the person acquiring the more valuable property, unless otherwise agreed. Should it be agreed that the tax is due by both parties, they shall incur solidary liability. Should the parties have agreed that the tax is due by the transferor, the other party shall stand surety.

(2) Where the transferee of the property is abroad, the transferor shall be liable for the tax.

**Article 46.** (1) (Supplemented, SG No. 95/2009, effective 1.01.2010) The base for assessment of the tax shall be the assessed value of the property in lev terms at the time of the transfer, and upon acquisition by prescription, the said base shall be the assessed value of the property in lev terms at the time of issue of the recordable act attesting the right of ownership.

(2) The property shall be valued as follows:

1. (amended, SG No. 153/1998) corporeal immovables and limited rights in rem thereto: at the price agreed or at a price as set by a state or municipal authority or, should the said price be lower than the assessed value, at the assessed value arrived at according to Annex 2 hereto;

2. (amended, SG No. 109/2001, SG No. 110/2007) any other properties: according to the procedure established by Items 2, 3, 4 and 5 of Article 33 (1) herein.

(3) (New, SG No. 102/2000) The assessed value under Annex 2 in respect of any properties referred to in Item 1 of Paragraph (2) shall be arrived at proceeding from the particulars and characteristics contained in the declaration referred to in Article 14 (1) herein.

**Article 47.** (1) (Amended, SG No. 110/2007) Upon donation of property, as well as in the cases covered under Article 44 (2) herein, tax shall be charged on the assessed value of the transferred property in an amount determined by the Municipal Council by the ordinance referred to in Article 1 (2) herein as follows:

1. (amended, SG No. 106/2004, redesignated from Littera (b) and amended, SG No. 110/2007, SG No. 105/2008, effective 1.01.2009) from 0.4 to 0.8 per cent: applicable to donations between siblings and the children of siblings;

2. (amended, SG No. 106/2004, redesignated from Littera (c) and amended, SG No. 110/2007, SG No. 105/2008, effective 1.01.2009, SG No. 95/2009, effective 1.01.2010) from 3.3 to 6.6 per cent: applicable to donations between any persons other than the persons referred to in Item 1.

(2) (Amended, SG No. 110/2007, SG No. 105/2008, effective 1.01.2009, SG No. 95/2009, effective 1.01.2010) Where property is onerously acquired, the tax shall be determined by the Municipal Council at a rate of 0.1 to 3 per cent of the assessed value of the transferred property, and in the case of exchange, of the assessed value of the more valuable property.

(3) Upon partition of property resulting in an increase of the portion held before the partition, tax shall be charged on the increment.

**Article 48.** (1) The following shall be exempt from tax:

1. any properties acquired by:

(a) the State and the municipalities;

(b) (supplemented, SG No. 153/1998, amended, SG No. 105/2008, effective 1.01.2009) any public-financed educational, cultural and scientific research organizations, as well as any specialized institutions for provision of social services and any medical and social child care homes;

(c) the Bulgarian Red Cross;

(d) (amended, SG No. 106/2004) the nationally representative organizations of people with disabilities and for people with

disabilities;

(e) any funds providing relief to victims of natural disasters and financing the conservation and restoration of historical and cultural landmarks;

(f) (new, SG No. 105/2008, effective 1.01.2009) the medical-treatment facilities covered under Article 5 (1) of the Medical-Treatment Facilities Act;

(g) (new, SG No. 101/2013, effective 1.01.2014) the lawfully registered religious denominations in Bulgaria in respect of the immovables referred to in Item 9 of Article 24 (1) herein;

2. (amended, SG No. 106/2004, SG No. 105/2008, effective 1.01.2009) any donations for medical treatment of citizens of a Member State of the European Union or of another State which is a Contracting Party to the Agreement on the European Economic Area, as well as of technical aids for people with disabilities;

3. (amended, SG No. 119/2002) any humanitarian donations to persons who have lost between 50 and 100 per cent of the working capacity thereof and to socially disadvantaged individuals;

4. (amended, SG No. 109/2001, supplemented, SG No. 105/2006) any donations for not-for-profit legal entities which receive subsidies from the central-government budget, and any not-for-profit legal entities, registered in the Central Register of Not-for-Profit Legal Entities designated for pursuit of public-benefit activities, in respect of any donations received and provided;

5. any customary gifts;

6. any property transferred gratuitously in fulfillment of an obligation arising under statute;

7. any donations in favour of community centres (chitalishte);

8. (amended, SG No. 28/2002) any properties acquired according to the procedure established by the Privatization and Post-privatization Control Act;

9. any non-cash assets contributed towards an allotment in the capital of a commercial corporation, a cooperative or a non-profit corporation;

10. (new, SG No. 112/2003) the foreign States in respect of acquisition of corporeal immovables: on a basis of reciprocity;

11. (new, SG No. 103/2005) any assistance provided gratuitously under the terms and according to the procedure established by the Financial Support for Culture Act.

(2) (Amended, SG No. 105/2014, effective 1.01.2015) Any property received under Paragraph (1), as well as any subsequent transfer to third parties, shall be exempt from tax subject to the condition that the transfer is connected to the attainment of the immediate objectives wherefor the respective organization covered under Paragraph (1) has been established, or where the said objectives have been cited as grounds for exemption from tax. Upon non-fulfilment of the conditions for exemption, the uncollected tax shall become due.

(3) (New, SG No. 105/2008, effective 1.01.2009) Item 1 (b), (c), (d) and (f) and Items 4 and 7 of Paragraph (1) shall furthermore apply where the property is acquired by identical or similar persons established in another Member State of the European Union or in a State which is a Contracting Party to the Agreement on the European Economic Area. In such cases, exemption shall be contingent upon the presentation by the person of an official document, attesting the status or the capacity in which the said person acquires the property, which is issued or certified by the competent authority of the relevant State, as well as the legalized translation of the said document into the Bulgarian language.

(4) (New, SG No. 105/2008, effective 1.01.2009) Exemption under Item 2 of Paragraph (1) shall be contingent upon the presentation by the person of a contract of donation showing that the donation was made for medical treatment or for technical aids for people with disabilities, as well as medical documents attesting the relevant disease.

**Article 49.** (Amended, SG No. 103/1999, supplemented, SG No. 102/2000, amended and supplemented, SG No. 109/2001, SG No. 119/2002, amended, SG No. 112/2003) (1) The tax shall be paid at the municipality exercising

competence over the situs of the corporeal immovable, and in the remaining cases, (at the municipality exercising competence over) the permanent address or the registered office of the taxable person, as the case may be. Any person who does not have a permanent address shall pay the tax according to the current address thereof.

(2) (Supplemented, SG No. 95/2009, effective 1.01.2010) The tax shall be paid upon the transfer of the corporeal immovable, the limited rights in rem to a corporeal immovable and the motor vehicles, and in the cases referred to in Article 44 (3) herein, at the time of issue of the recordable act attesting the right of ownership.

(3) Upon gratuitous acquisition of property in cases other than such under Paragraph (2), the acquirers of property shall submit a return for taxation of the said property and shall pay the tax within two months after receipt.

(4) (New, SG No. 105/2014, effective 1.01.2015) A return under Paragraph (3) shall not be submitted in the cases referred to in Article 44 (5) and (6) and Items 5, 6, 8 and 9 of Article 48 (1) herein, as well as on donations received and provided by not-for-profit legal entities registered in the Central Register of Not-for-Profit Legal Entities for pursuit of public-benefit activities.

**Article 50.** Judges, notaries, regional governors, municipality mayors and other public officials shall execute the transaction or the act whereby rights in rem are acquired, created, modified or terminated after ascertaining that the tax due under this Chapter has been paid.

**Article 51.** (1) (Amended, SG No. 103/1999, SG No. 36/2004, supplemented, SG No. 101/2013, effective 1.01.2014, amended, SG No. 105/2014, effective 1.01.2015) The registry offices shall notify the municipality concerned within seven days of any transferred, created, modified or terminated rights in rem to corporeal immovables.

(2) (New, SG No. 105/2014, effective 1.01.2015, amended, SG No. 14/2015) The authorities of the Ministry of Interior shall provide the Ministry of Finance by electronic means with data from the register of road transport vehicles. The order, scope and frequency of the provision of data shall be settled by a joint act of the Minister of Interior and the Minister of Finance.

(3) (Renumbered from Paragraph (2), amended, SG No. 105/2014, effective 1.01.2015) The time limit referred to in Paragraph (1) shall begin to run as from the day next succeeding the [day of] the recording.

## **Section IV**

### **Transport Vehicle Tax**

**Article 52.** Transport vehicle tax shall be levied on:

1. (amended, SG No. 112/2003) any motor vehicles registered for operation on the road network in the Republic of Bulgaria;
2. any ships recorded in the registers of the Bulgarian ports;
3. (amended, SG No. 109/2001) any aircraft recorded in the state register of civil aircraft of the Republic of Bulgaria.

**Article 53.** The tax shall be paid by the owners of the transport vehicles.

**Article 54.** (Amended, SG No. 103/1999) (1) (New, SG No. 105/2014, effective 1.01.2015) The amount of the tax shall be determined by a municipal administration official on the basis of data from the register of road transport vehicles maintained by the Ministry of Interior and shall be communicated to the taxable person.

(2) (New, SG No. 105/2014, effective 1.01.2015) The data referred to in Paragraph (1) shall be provided by the Ministry of Finance to the municipalities:

1. on a daily basis: by means of an established and functioning automated link between the Ministry of Finance and the software product for the administration of local taxes and fees of the municipality concerned for exchange of the data from the register of



road transport vehicles maintained by the Ministry of Interior, or

2. on a monthly basis: on an electronic data medium.

(3) (New, SG No. 105/2014, effective 1.01.2015) Paragraph (1) shall not apply where:

1. the road transport vehicle has been acquired by succession;

2. the road transport vehicle is owned by more than one person;

3. the owner/owners of the road transport vehicle does not/do not have a permanent address or a registered office, as the case may be, within the territory of Bulgaria;

4. there are grounds to claim a right to exemption from tax;

5. there are grounds to enjoy tax reliefs, with the exception of the tax relief referred to in Article 59 (2) and (3) herein, where the register contains data about the emission category of the transport vehicle.

(4) (Redesignated from Article 54 and amended, SG No. 109/2001, amended and supplemented, SG No. 112/2003, SG No. 106/2004, renumbered from Paragraph (1), amended, SG No. 105/2014, effective 1.01.2015) The owners of transport vehicles, with the exception of the cases referred to in Paragraph (1), shall declare the transport vehicles owned thereby to the municipality exercising competence over the permanent address or the registered office thereof, as the case may be, within two months after acquisition of any such vehicles. In respect of any transport vehicles, which have not been registered for operation within Bulgaria, the two-month time limit shall begin to run as from the date of registration of any such vehicles for operation. Upon acquisition of a transport vehicle by succession, the declaration shall be submitted within the time limit established by Article 32 herein.

(5) (New, SG No. 109/2001, renumbered from Paragraph (2), SG No. 105/2014, effective 1.01.2015) Where the owners of transport vehicles have no permanent address or registered office, as the case may be, within the territory of Bulgaria, declarations shall be submitted to the municipality exercising competence over the (place of) registration of the transport vehicle.

(6) (New, SG No. 119/2002, amended, SG No. 105/2006, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph (3), amended, SG No. 105/2014, effective 1.01.2015) The owners of transport vehicles shall claim the right thereof to exemption from tax or to enjoyment of a rate rebate by the tax return under Paragraph (4) or by submitting a new tax return.

(7) (New, SG No. 119/2002, amended, SG No. 105/2006, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph (4), SG No. 105/2014, effective 1.01.2015) The municipal administration officer may require presentation of documents certifying facts and circumstances relevant to taxation. Upon deregistration of a transport vehicle, the taxable person shall present a document issued by a competent authority.

(8) (New, SG No. 119/2002, renumbered from Paragraph (5), SG No. 105/2014, effective 1.01.2015) The tax return submitted by one of the co-owners shall benefit the rest of the co-owners.

(9) (New, SG No. 109/2001, renumbered from Paragraph (3), SG No. 119/2002, renumbered from Paragraph (6), SG No. 105/2014, effective 1.01.2015) Where data on the year of manufacture of the road transport vehicle shall be unavailable, the year of the first registration thereof shall be treated as the year of manufacture.

(10) (New, SG No. 106/2004, supplemented, SG No. 105/2006, renumbered from Paragraph (7), amended, SG No. 105/2014, effective 1.01.2015) Where information on the tax paid under Article 44 herein is not available in the municipality, the owner shall present documentary proof of the tax paid upon acquisition of the transport vehicle declared, and in the cases referred to in Article 168 of the Value Added Tax Act, a document certifying remittance of the value added tax.

(11) (New, SG No. 100/2005, amended, SG No. 110/2007, renumbered from Paragraph (8), amended, SG No. 105/2014, effective 1.01.2015) Where the certificate of registration of the transport vehicles covered under Article 55 (7) herein does not state any data on the permissible maximum weight of the combination of transport vehicles, the permissible maximum weight of the combination of transport vehicles as designated by the manufacturer shall be stated in the declaration referred to in Paragraph (4).

(12) (New, SG No. 105/2014, effective 1.01.2015) Upon the establishment of any additional circumstances which are

relevant to the determination of the amount of tax, the tax due shall be determined by a municipal administration official and shall be communicated to the person.

**Article 55.** (Amended and supplemented, SG No. 153/1998, amended, SG No. 109/2001, SG No. 45/2002, SG No. 112/2003, supplemented, SG No. 106/2004, amended, SG No. 100/2005, SG No. 105/2006, SG No. 110/2007) (1) In respect of passenger cars, by the ordinance referred to in Article 1 (2) the Municipal Council shall determine the amount of tax in conformity with the engine power, adjusted by a coefficient depending on the year of manufacture, as follows:

1. up to 37 kW inclusive: from BGN 0.34 to BGN 1.02 per kW;
2. from 37 kW to 55 kW inclusive: from BGN 0.40 to BGN 1.20 per kW;
3. from 55 kW to 74 kW inclusive: from BGN 0.54 to BGN 1.62 per kW;
4. from 74 kW to 110 kW inclusive: from BGN 1.10 to BGN 3.30 per kW;
5. over 110 kW: from BGN 1.23 to BGN 3.69 per kW.

Depending on the year of manufacture, the tax shall be multiplied by the following coefficients:

Number of years since year of manufacture, incl. year of manufacture	Coefficient
More than fourteen years	1
Less than five and more than fourteen years inclusive	1.5
yfti-lastrow:yes'> adding:0cm 0cm 0cm 0cm' vAlign=top width=528> Up to five years inclusive	2.8

(2) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of the tax in respect of passenger car trailers as follows:

1. cargo trailer: from BGN 5.00 to BGN 15.00;
2. camping trailer: from BGN 10.00 to BGN 30.00.

(3) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of the tax in respect of mopeds at BGN 10.00 to BGN 30.00, and the amount in respect of motorcycles as follows:

1. up to 125 ccm inclusive: from BGN 12.00 to BGN 36.00;
2. over 125 and up to 250 ccm inclusive: from BGN 25.00 to BGN 75.00;
3. over 250 and up to 350 ccm inclusive: from BGN 35.00 to BGN 105.00;
4. over 350 and up to 490 ccm inclusive: from BGN 50.00 to BGN 150.00;
5. over 490 and up to 750 ccm inclusive: from BGN 75.00 to BGN 225.00;
6. over 750 ccm: from BGN 100.00 to BGN 300.00.

(4) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of the tax in respect of tricars on the basis of the total weight as follows:

1. up to 400 kg inclusive: from BGN 4.00 to BGN 12.00;
2. over 400 kg: from BGN 6.00 to BGN 18.00.

(5) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of the tax in respect of buses depending on the number of seats as follows:

1. up to 22 seats, including the driver's seat: from BGN 50.00 to BGN 150.00;

2. over 22 seats, including the driver's seat: from BGN 100.00 to BGN 300.00.

(6) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of tax in respect of cargo trucks of up to 12 tonnes of legally permissible maximum weight at BGN 10.00 to BGN 30.00 per tonne of load-carrying capacity or fraction.

(7) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the tax in respect of truck tractors and trailer tractors depending on the permissible maximum weight of the combination of transport vehicles, of the number of axles and the type of suspension of the tractor, indicated in the certificate of registration of the tractor as follows:

Number of axles of the truck tractor/ trailer tractor	Permissible maximum weight of the combination of transport vehicles, indicated in the certificate of registration of the tractor		Tax (BGN)	
	equal or greater than	less than	driving axle/axles with pneumatic or pneumatic-equivalent suspension	other suspension systems of the driving axle or axles
(A) two axles	-	18	from 8 to 24	from 28 to 84
	18	20	from 28 to 84	from 64 to 192
	20	22	from 64 to 192	from 147 to 441
	22	25	from 190 to 570	from 342 to 1,026
	25	26	from 342 to 1,026	from 600 to 1,800
	26	28	from 342 to 1,026	from 600 to 1,800
	28	29	from 331 to 993	from 399 to 1,197
	29	31	from 399 to 1,197	from 655 to 1,965
	31	33	from 655 to 1,965	from 909 to 2,727
	33	38	from 909 to 2,727	from 1,381 to 4,143
	38	-	from 1,007 to 3,021	from 1,369 to 4,107
(B) three and more axles	36	38	from 640 to 1,920	from 888 to 2,664
	38	40	from 888 to 2,664	from 1,228 to 3,684
	40	-	from 1,228 to 3,684	from 1,817 to 5,451

(8) (Amended, SG No. 98/2010, effective 1.01.2011) By the ordinance referred to in Article 1 (2), the Municipal Council shall determine the amount of tax in respect of special-purpose construction vehicles (concrete delivery trucks, concrete pumps etc.), crane trucks, special-purpose trailers for transportation of heavyweight or oversize loads and other special-purpose automobiles, excluding electric buses, at BGN 50.00 to BGN 250.00.

(9) By the ordinance referred to in Article 1 (2), the Municipal Council shall determine the amount of tax in respect of crane trucks of load-carrying capacity exceeding 40 tonnes, special-purpose trailers of load-carrying capacity exceeding 40 tonnes for transportation of heavyweight or oversize loads, at BGN 100.00 to BGN 300.00.

(10) By the ordinance referred to in Article 1 (2), the Municipal Council shall determine the amount of tax in respect of tractors as follows:

1. from 11 kW to 18 kW inclusive: from BGN 5.00 to BGN 15.00;

2. over 18 kW and up to 37 kW inclusive: BGN 7.00 to BGN 21.00;

3. over 37 kW: from BGN 10.00 to BGN 30.00.

(11) By the ordinance referred to in Article 1 (2), the Municipal Council shall determine the amount of tax in respect of any other self-propelled vehicles at BGN 25.00 to BGN 75.00.

(12) (Amended, SG No. 98/2010, effective 1.01.2011) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of tax in respect of motor sleds and transport vehicles of the L7e category under the Road Traffic Act at BGN 30.00 to BGN 150.00.

(13) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the tax in respect of cargo trucks of permissible maximum weight exceeding 12 tonnes depending on the permissible maximum weight, the number of axles and the type of suspension as follows:

Number of motor vehicle axles	Permissible maximum weight		Tax (BGN)	
	equal or greater than	less than	driving axle or axles with pneumatic or pneumatic-equivalent suspension	other suspension systems of the driving axle or axles
(A) two axles	12	13	from 30 to 90	from 61 to 183
	13	14	from 61 to 183	from 168 to 504
	14	15	from 168 to 504	from 237 to 711
	15	-	from 237 to 711	from 536 to 1,608
(B) three axles	15	17	from 61 to 183	from 106 to 318
	17	19	from 106 to 318	from 217 to 651
	19	21	from 217 to 651	from 282 to 846
	21	23	from 282 to 846	from 434 to 1,302
	23	-	from 434 to 1,302	from 675 to 2,025
(C) four axles	23	25	from 282 to 846	from 286 to 858
	25	27	from 286 to 858	from 446 to 1,338
	27	29	from 446 to 1,338	from 708 to 2,124
	29	-	from 708 to 2,124	from 1,050 to 3,150

**Article 56.** (Amended and supplemented, SG No. 153/1998, SG No. 109/2001, amended, SG No. 100/2005, SG No. 110/2007) (1) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of tax in respect of:

1. ships recorded in the registers of small ships at Bulgarian ports and such recorded in the municipal registers for ships operated on the internal waters without contact with the Black Sea and the River Danube, excluding yachts and scooters: at BGN 1.00 to BGN 3.00 per gross ton or fraction;

2. ships excluding yachts, scooters, tug boats and push boats, recorded in the register of large ships at Bulgarian ports: at BGN 1.00 to BGN 3.000 per gross ton or fraction up to 40 gross tons inclusive, and at BGN 0.10 to BGN 0.30 per gross ton or fraction in excess of 40 gross tons;

3. jetski: at BGN 100.00 to BGN 300.00 per item;

4. yachts and motor cruisers: at BGN 20.00 to BGN 60.00 per gross ton or fraction;

5. scooters: at BGN 2.70 to BGN 8.10 per kilowatt;

6. tug boats and push boats: at BGN 0.14 to BGN 0.42 per kilowatt;
7. river-going non-self propelled navigation vessels: at BGN 0.50 to BGN 1.50 per ton deadweight.

**Article 57.** (Amended, SG No. 109/2001, SG No. 110/2007) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of tax in respect of civil aircraft as follows:

1. in respect of airplanes in service with a valid airworthiness certificate and in respect of helicopters: at BGN 20.00 to BGN 40.00 per ton of maximum take-off weight or fraction;
2. in respect of para gliders: at BGN 12.00 to BGN 24.00;
3. in respect of hang gliders: at BGN 12.00 to BGN 24.00;
4. in respect of powered gliders: at BGN 20.00 to BGN 40.00;
5. in respect of free balloons: at BGN 30.00 to BGN 60.00;
6. in respect of gliders: at BGN 30.00 to BGN 60.00.

**Article 58.** (1) The following transport vehicles shall be exempt from (transport vehicle) tax:

1. (amended, SG No. 153/1998, SG No. 95/2015, effective 1.01.2016) any transport vehicles owned by state and municipal bodies and by public-financed organisations which enjoy special traffic privileges, ambulances and fire trucks appertaining to other persons, as well as to the State Agency for Technical Operations for performance of the activities as determined by statute.

2. any vehicles owned by diplomatic missions and consulates, on a basis of reciprocity;

3. any vehicles owned by the Bulgarian Red Cross, where used for the purposes of the said organisation;

4. (amended, SG No. 153/1998, SG No. 112/2003, SG No. 100/2005, SG No. 105/2008, effective 1.01.2009) any passenger cars owned by persons who have lost between 50 and 100 per cent of the working capacity thereof, of engine capacity not exceeding 2,000 ccm and of engine power not exceeding 117.64 kW.

(2) (Repealed, SG No. 109/2001, new, SG No. 102/2012, effective 1.01.2013, supplemented, SG No. 105/2014, effective 1.01.2015) Electric cars, motorcycles and mopeds shall be exempt from tax.

(3) Upon transfer of ownership of a transport vehicle, the new owner shall not pay the tax should the previous owner have paid the said tax for the time remaining until the end of the calendar year (wherein the transfer was effected).

(4) (New, SG No. 45/2002, amended, SG No. 105/2006, SG No. 95/2009, effective 1.01.2010) In respect of any deregistered transport vehicle, no tax shall be due as from the month next succeeding the month of deregistration for operation. In respect of any end-of-life transport vehicle which is subject to mandatory delivery for dismantling as provided for in a statutory instrument, no tax shall be due after deregistration for operation of the said vehicle and presentation of a certificate of delivery for dismantling.

**Article 59.** (1) (Amended, SG No. 100/2005, SG No. 101/2013, effective 1.01.2014) A rate rebate within a range of 20 to 40 per cent, the specific amount being determined by resolution of the Municipal Council, shall apply to the tax arrived at under Article 55 herein for the respective year on vehicles of engine power not exceeding 74 kW, equipped with operative catalytic converters and not conforming to environmental categories Euro 3, Euro 4, Euro 5, Euro 6 and EEV.

(2) (New, SG No. 101/2013, effective 1.01.2014) A rate rebate of 50 per cent shall apply to the tax arrived at under Article 55 (1) and (3) herein on vehicles of engine power not exceeding 74 kW and conforming to environmental categories Euro 3 and Euro 4, and a rate rebate of 60 per cent shall apply to the tax so arrived at on such vehicles conforming to environmental categories Euro 5 and Euro 6.

(3) (Amended, SG No. 109/2001, SG No. 45/2002, SG No. 45/2002, SG No. 100/2005, SG No. 105/2006, SG No.

110/2007, renumbered from Paragraph (2), amended, SG No. 101/2013, effective 1.01.2014) A rate rebate of 40 per cent shall apply to the tax arrived at under Article 55 (5), (6), (7) and (13) herein on buses, cargo trucks, trailer tractors and truck tractors equipped with engines conforming to environmental categories Euro III and Euro IV, and a rate rebate of 50 per cent shall apply to the tax so arrived at on such vehicles conforming to environmental categories Euro V, Euro VI and EEV.

(4) (Amended and supplemented, SG No. 109/2001, amended, SG No. 45/2002, renumbered from Paragraph (3), SG No. 101/2013, effective 1.01.2014) A rate rebate of 10 per cent shall apply to the amount of tax arrived at according to the procedure established by Article 55 (5) herein on buses operated in public carriage of passengers on scheduled bus services in urban settlements and in sparsely populated mountain and border areas, which lines are subsidized by the municipalities, subject to the condition that the said buses are not used for other purposes.

(5) (New, SG No. 101/2013, effective 1.01.2014) The environmental categories Euro 3, Euro 4, Euro 5, Euro 6 and EEV shall be certified by means of presentation of a document showing the conformity of the vehicle to the environmental category assigned by the manufacturer.

**Article 60.** (1) (Amended, SG No. 98/2010, effective 1.01.2011, SG No. 105/2014, effective 1.01.2015) Transport vehicle tax shall be payable in two equal instalments within the following periods: until the 30th day of June, and until the 31st day of October in the year wherefor the tax is due. Any taxpayer, who or which prepays the amount of tax due for the whole year until the 30th day of April, shall enjoy a rate rebate of 5 per cent.

(2) (Amended, SG No. 112/2003, SG No. 106/2004) In respect of any transport vehicle acquired or registered for operation during a relevant current year, the tax shall be paid within two months after the day of acquisition or after the date of registration, as the case may be, in an amount equivalent to one-twelfth of the annual tax for each month remaining until the end of the year, including the month of acquisition or of the registration for operation, as the case may be.

(3) (Repealed, SG No. 109/2001).

(4) (Repealed, SG No. 109/2001).

(5) (Amended, SG No. 102/2000, SG No. 112/2003, repealed, SG No. 95/2009, effective 1.01.2010).

(6) (Amended, SG No. 105/2006, supplemented, SG No. 98/2010, effective 1.01.2011) Payment of the tax shall be condition for compliance at the annual inspection of the transport vehicle. Payment of the tax shall be attested by presentation of a document issued or certified by the municipality.

(7) (New, SG No. 45/2002, repealed, SG No. 105/2006).

(8) (New, SG No. 45/2002, amended, SG No. 105/2006) In respect of any transport vehicle acquired in inoperable condition, the tax shall be paid according to the procedure and within the time limits established under Paragraph (2).

(9) (New, SG No. 112/2003) In any cases other than such provided for, upon change of any circumstance relevant to assessment of the tax, the tax liability shall be modified as from the beginning of the month next succeeding the month of occurrence of the change.

**Article 61.** (Amended, SG No. 109/2001, SG No. 112/2003, SG No. 105/2014, effective 1.01.2015) [Transport vehicle] tax shall be credited to revenue of the municipality where the owner of the transport vehicle, who has submitted the declaration, has his, her or its permanent address or registered office, as the case may be, and where no such declaration has been submitted and in the cases under Article 54 (5) herein, to revenue of the municipality where the transport vehicle has been registered.

## **Section V**

**(New, SG No. 109/2001, repealed, SG No. 106/2004)**

### **Road Tax**

**Article 61a.** (New, SG No. 109/2001, amended, SG No. 6/2004, repealed, SG No. 106/2004).

**Article 61b.** (New, SG No. 109/2001, repealed, SG No. 106/2004).

**Article 61c.** (New, SG No. 109/2001, repealed, SG No. 106/2004).

**Article 61d.** (New, SG No. 109/2001, amended, SG No. 6/2004, repealed, SG No. 106/2004).

**Article 61e.** (New, SG No. 109/2001, amended, SG No. 112/2003, repealed, SG No. 106/2004).

**Article 61f.** (New, SG No. 109/2001, supplemented, SG No. 112/2003, repealed, SG No. 106/2004).

**Article 61g.** (New, SG No. 109/2001, supplemented, SG No. 112/2003, repealed, SG No. 106/2004).

## **Section VI**

**(New, SG No. 110/2007, effective 1.01.2008)**

### **Licence Tax**

**Article 61h.** (New, SG No. 110/2007, effective 1.01.2008) (1) An annual licence tax shall be levied on any natural person, including a sole trader, who carries out any activity specified in Annex 4 hereto (licence activity), in respect of the income accruing from any such activity, provided that:

1. the turnover of the person for the last preceding year does not exceed BGN 50,000, and
2. the person is not registered under the Value Added Tax Act, with the exception of registration for intra-Community acquisition under Article 99 and Article 100 (2) of the said Act.

(2) In respect of the licence activity carried out, the persons referred to in Paragraph (1) shall not be taxed according to the procedure established by the Income Taxes on Natural Persons Act.

(3) The persons referred to in Paragraph (1) shall apply the provisions on taxes withheld at source and on taxation of expenses under Item 2 of Article 204 of the Corporate Income Tax Act.

**Article 61i.** (New, SG No. 110/2007, effective 1.01.2008) (1) Where, within twelve successive months, any one natural person has ceased to carry out a licence activity and/or has formed a new enterprise which carries out a licence activity, and the aggregate turnover of the said two enterprises exceeds BGN 50,000 for twelve successive months, Article 61k herein shall not apply to any such newly formed enterprise. In such a case, the newly formed enterprise shall be subject to taxation according to the standard procedure established by the Income Taxes on Natural Persons Act for the current tax year.

(2) Where, within the current tax year, the turnover of the person exceeds BGN 50,000 or the person registers under the Value Added Tax Act, the said person shall be taxed according to the standard procedure established by the Income Taxes on Natural Persons Act.

(3) In the cases under Paragraphs (1) and (2), the licence tax for the current year shall be payable until the end of the quarter preceding the quarter during which the circumstances referred to in Paragraphs (1) and (2) have occurred.

(4) In the cases under Paragraphs (1) and (2), the tax payable or remitted, as the case may be, shall be deducted from the annual tax liability according to the procedure established by the Income Taxes on Natural Persons Act.

(5) At the request of the person, the municipality shall issue a certificate of the amount of licence tax due, for which no fee shall be charged.

(6) Where, within the current tax year the person deregisters under the Value Added Tax Act, the said person shall be taxed according to the standard procedure established by the Income Taxes on Natural Persons Act for the entire tax year.

**Article 61j.** (New, SG No. 110/2007, effective 1.01.2008) (1) The Municipal Council shall determine the amount of the licence tax within the ranges according to Annex 4 hereto depending on the location of the establishment within the territory of the relevant municipality.

(2) The Municipal Council may determine a different amount of licence tax for one and the same activity in different nucleated settlements within the territory of the municipality, as well as in different zones within the territory of one and the same nucleated settlement. The nucleated settlements in the municipalities shall be zoned for the purposes of the licence tax by the ordinance referred to in Article 1 (2) herein.

(3) The Municipal Council shall determine the amount of the tax reckoning with the following criteria: location of the nucleated settlement/zone, type of nucleated settlement, considering whether the said settlement is of local or national importance, number of residents and size of the nucleated settlement/zone, economic importance of the nucleated settlement/zone, seasonal or permanent nature of the activity, state of economic affairs of the nucleated settlement.

(4) Where the licence activity is not carried out at an establishment or is not carried out from a fixed location, the permanent address of the person shall be treated as a location of the establishment for the purposes of determination of the amount of the licence tax.

**Article 61k.** (New, SG No. 110/2007, effective 1.01.2008) (1) A licence tax shall be due separately for each of the activities practised according to Annex 4 hereto.

(2) The persons who carry out a licence activity at more than one establishment shall be liable to tax for each establishment separately.

(3) Where the licence activity commences or ceases in the course of the year, with the exception of the activity specified in Items 1 and 2 of Annex 4 hereto, the tax shall be assessed in proportion to the number of quarters during which the said activity is carried out, including the quarter of commencement or cessation of the said activity.

(4) Where within any single licence activity, with the exception of the activities specified in Items 1 and 2 of Annex 4 hereto, any circumstance related to the determination of the tax changes in the course of the year, the amount of the tax until the end of the year, including for the quarter of the change, shall be determined on the basis of the amount of the tax determined conforming to the changes in the circumstances.

(5) Where within any single licence activity of those specified in Items 1 and 2 of Annex 4 hereto any circumstance changes in the course of the year and this leads to determination of the licence tax in a larger amount, the larger amount of the tax, as determined conforming to the changes in the circumstances, shall be due for the tax year.

(6) (New, SG No. 105/2008, effective 1.01.2009) Any persons, who simultaneously carry out the licence activities specified in Items 3 and 31 of Annex 4 hereto at a single establishment, shall be liable to tax solely for the activity specified in Item 3 of Annex 4 hereto.

(7) (New, SG No. 95/2009, effective 1.01.2010) Upon transfer of the enterprise of a sole trader and continuation of the activity, the transferee shall be liable for tax as from the quarter next succeeding the quarter of the transfer, and the transferor shall be liable for tax for the quarter of the transfer inclusive, and for the activities specified in Items 1 and 2 of Annex 4 hereto.

(8) (Renumbered from Paragraph (6), SG No. 105/2008, effective 1.01.2009, renumbered from Paragraph (7), SG No. 95/2009, effective 1.01.2010) Any income accruing from any activity which is not specified in Annex 4 hereto shall be taxed according to the standard procedure established by the Income Taxes on Natural Persons Act.

**Article 61l.** (New, SG No. 110/2007, effective 1.01.2008) (1) The taxable persons who are subject to levy of a licence tax



may enjoy tax relief in the following sequence:

1. any natural persons, including any sole traders, who have lost 50 per cent and more than 50 per cent of the working capacity thereof, which loss has been determined by an effective decision of a competent authority, shall enjoy a rate rebate of 50 per cent of the licence tax as determined if they carry out the activity in person and do not hire workers for the said activity throughout the tax year;
2. (amended, SG No. 98/2010, effective 1.01.2011) any natural persons, including any sole traders, who carry out two or three types of any licence activity of those specified in Items 1 to 36 of Annex 4 hereto through work done in person throughout the tax year, shall pay the licence tax solely for the activity for which the tax determined is of the largest amount; this relief shall not apply to carrying out more than three activities;
3. any natural persons, including any sole traders, who are pensioners and carry out a licence activity specified in Items 5, 6, 8 to 15, 18 to 20, 25, 27 to 29 and 31 of Annex 4 hereto, shall pay 50 per cent of the licence tax as determined if they carry out the activity in person and do not hire workers for the said activity throughout the tax year;
4. (amended, SG No. 28/2011) any persons who use the workplace for training of apprentices within the meaning given by the Skilled Crafts Act and who carry out a licence activity of the ones specified in Item 10 of Annex 4 hereto, shall pay 50 per cent of the licence tax as determined for the relevant workplace; this rebate shall be enjoyable subject to the condition that a copy of the certificate on entry in the register of apprentices, issued by the competent regional chamber of skilled crafts, is attached to the return referred to in Article 61m herein.

(2) Notwithstanding Article 61k (4) herein, the tax relief referred to in Item 1 of Paragraph (1) shall be enjoyed for the entire tax year during which the loss of working capacity occurs or the validity of the decision expires.

**Article 61m.** (New, SG No. 110/2007, effective 1.01.2008) (1) Not later than the 31st day of January of the current year, the persons subject to levy of a licence tax shall submit a tax return completed in a standard form, declaring thereby, the circumstances pertaining to the assessment of the tax. In the cases of commencement of activity after the said date, the tax return shall be submitted immediately before commencement of activity.

(2) Any person, who submits the tax return referred to in Paragraph (1) on or before the 31st day of January of the current year and pays the full amount of the licence tax, as determined according to the circumstances as declared, on or before the same date, shall enjoy a rate rebate of 5 per cent.

(3) (Supplemented, SG No. 95/2009, effective 1.01.2010) By a return referred to in Paragraph (1), the persons shall furthermore declare all changes in the circumstances pertaining to the assessment of the tax within seven days after occurrence of the relevant circumstance. Upon transfer of the enterprise of a sole trader, a tax return shall be submitted by both the transferor and the transferee within seven days after the date of the transfer.

(4) The persons shall furthermore submit a tax return under Paragraph (1) on the occurrence of any circumstances referred to in Article 61i (1) and (2) herein during the relevant period. The tax return shall be submitted not later than at the end of the month next succeeding the month during which the circumstances referred to in Article 61i (1) and (2) herein have occurred.

**Article 61n.** (New, SG No. 110/2007, effective 1.01.2008) (1) The tax returns referred to in Article 61m herein shall be submitted in the municipality within the territory whereof the establishment whereat the licence activity is carried out is located, and where the licence activity is not carried out at an establishment or is not carried out from a fixed location, the said returns shall be submitted in the municipality where the natural person, including the sole trader, has his or her permanent address.

(2) Where the tax return of a non-resident natural person is submitted through an attorney-in-fact who has a permanent address in the country, the said submission shall be effected in the municipality where the said attorney-in-fact has his or her permanent address.

(3) Outside the cases referred to in Paragraphs (1) and (2), the tax return shall be submitted in Sofia Municipality.

(4) (New, SG No. 95/2009, effective 1.01.2010) It shall be presumed that the activity is not carried out from a fixed location where a change during the year of the location of the establishment from which the activity is carried out leads to a change in the amount of the tax.

**Article 61o.** (New, SG No. 110/2007, effective 1.01.2008) (1) The licence tax shall be remitted in four equal payments, as follows:

1. for the first quarter: on or before the 31st day of January;
2. for the second quarter: on or before the 30th day of April;
3. for the third quarter: on or before the 31st day of July;
4. for the fourth quarter: on or before the 31st day of October.

(2) Where an obligation to remit the licence tax arises during the tax year, the portion of the tax due for the current quarter shall be remitted within seven days after the date of submission of the return referred to in Article 61m herein, and where a return has not been submitted, the said portion shall be remitted within seven days after expiry of the time limit for submission of the said return.

(3) The licence tax shall be credited to revenue of the municipality exercising jurisdiction over the establishment whereat the licence activity is carried out, and where the licence activity is not carried out at an establishment or is not carried out from a fixed location, the licence tax shall be credited to revenue of the municipality where the natural person, including the sole trader, has his or her permanent address. In the cases referred to in Article 61n (2) and (3) herein, the tax shall be credited to revenue of the municipality where the said attorney-in-fact has his or her permanent address or of Sofia Municipality, as the case may be.

## **Section VII**

**(New, SG No. 98/2010, effective 1.01.2011)**

### **Visitor Tax**

**Article 61p.** (New, SG No. 98/2010, effective 1.01.2011) (1) Visitor tax shall be levied on overnight stays.

(2) The taxable persons shall be the persons offering overnight stays.

(3) (Amended, SG No. 30/2013, effective 26.03.2013) The persons referred to in Paragraph (2) shall credit the tax to revenue of the budget of the municipality exercising competence over the situs of the supplementary tourist accommodations within the meaning given by the Tourism Act.

(4) The tax shall mandatorily be stated separately in the document issued by the taxable person to the overnight stay user.

(5) Annually, not later than the 30th day of January, the persons referred to in Paragraph (2) shall submit a tax return for visitor taxation for the last preceding calendar year.

**Article 61q.** (New, SG No. 98/2010, effective 1.01.2011) (1) (Amended, SG No. 30/2013, effective 26.03.2013) By the ordinance referred to in Article 1 (2) herein, the Municipal Council shall determine the amount of the tax within a range of BGN 0.20 to BGN 3.00 for each overnight stay depending on the nucleated settlements in the municipality and the category of the supplementary tourist accommodations.

(2) The amount of the tax due for the calendar month shall be arrived at by multiplying the number of overnight stays provided by the amount of the tax referred to in Paragraph (1).

(3) The tax due under Paragraph (2) shall be remitted by the taxable persons until the 15th day of the month next succeeding the month during which the overnight stays were provided.

(4) (Declared unconstitutional by Judgment No. 5 of the Constitutional Court of the Republic of Bulgaria - SG No. 30/2012)

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Where the sum total of the tax under Paragraph (2) for the calendar year is less than 30 per cent of the tax determined for the collective tourist accommodation establishment or supplementary tourist accommodation at full occupancy, the difference shall be credited to revenue of the budget of the municipality exercising competence over the situs of the collective tourist accommodation establishment or supplementary tourist accommodation on or before the 1st day of March of the next succeeding calendar year, irrespective of whether the establishment is used.

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(5) (Declared unconstitutional by Judgment No. 5 of the Constitutional Court of the Republic of Bulgaria - SG No. 30/2012)

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The difference referred to in Paragraph (4) shall be arrived at using the following formula:

$$DR = (AT \times FO \times D \times 30/100) - TD,$$

where:

DR is the difference to be remitted;

AT is the amount of the tax referred to in Paragraph (1);

FO is the full occupancy of the number of beds in the collective tourist accommodation establishment or the supplementary tourist accommodation for the calendar year;

D is the number of days in the years;

TD is the sum total of the tax due referred to in Paragraph (2) for the calendar year.

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**Article 61r.** (New, SG No. 98/2010, effective 1.01.2011, amended, SG No. 30/2013, effective 26.03.2013) Revenues from the visitor tax shall be expended on actions covered under Article 11 (2) of the Tourism Act.

## **Section VIII**

**(New, SG No. 32/2016, effective 1.01.2017)**

### **Tax on passenger taxi transport**

**Article 61s.** (New, SG No. 32/2016, effective 1.01.2017) (1) The taxable persons, indicated in this section, shall be subject to tax on passenger taxi transport in regard to any passenger taxi transport activity performed by them or on their behalf.

(2) As regards any other activities the taxable persons shall be subject to taxation under the procedure of the Corporate Income Tax Act, respectively under the Income Taxes on Natural Persons Act, except for the taxes under Title Two, Section VI of this Act.

(3) Taxable persons under this Section shall be the carriers, holding certificate of registration issued by the Executive Director of the Executive Agency Automobile Administration and permit for performance of passenger taxi transport, issued by the mayor of the respective municipality under the procedure of the Carriage by Road Act.

- Article 61t.** (New, SG No. 32/2016, effective 1.01.2017) (1) The Municipal Council shall determine by the ordinance under Article 1, Paragraph (2) the annual amount of the tax on passenger taxi transport for the respective year, in the range of BGN 300-1,000, not later than 31 October of the preceding year.
- (2) The tax on passenger taxi transport under Paragraph (1) shall be owed by the taxable persons for each individual automobile, for which permit for performance of passenger taxi transport was issued.
- (3) Where the Municipal Council has omitted to specify the amount of the tax on passenger taxi transport for the respective year in the term under Paragraph (1) the tax shall be collected based on the amount in effect for the preceding year.

- Article 61u.** (New, SG No. 32/2016, effective 1.01.2017) (1) Prior to receipt of the permit issued under Article 24a, Paragraph (1) of the Carriage by Road Act the taxable persons shall submit a tax return in standard form in regard to any tax due to the municipality, for the territory of which the permit for performance of passenger taxi transport was issued.
- (2) The persons shall indicate in the declaration under Paragraph (1) the circumstances, relevant to assessment of the tax.
- (3) The taxable persons shall submit a tax return in regard to each change in circumstances, relevant to assessment of the tax, within 7 days of the occurrence of the respective circumstance.
- (4) Upon transfer of the enterprise of a sole trader, a tax return shall be submitted by both the transferor and the transferee within 7 days of the date of the entry of the transfer into the commercial register of the respective municipality.

**Article 61v.** (New, SG No. 32/2016, effective 1.01.2017) The tax due on passenger taxi transport shall be remitted as revenue of the respective municipality, for the territory of which the permit for performance of passenger taxi transport was issued.

**Article 61w.** (New, SG No. 32/2016, effective 1.01.2017) (1) If the permit for performance of passenger taxi transport was issued in the course of the year the tax due for the current year shall be assessed using the following formula:

$$\frac{\text{TDRY}}{12} = \frac{\text{AATPTT} \times \text{NM}}{12}, \text{ where}$$

TDRY shall be the tax due on passenger taxi transport for the respective year;

AATPTT shall be the amount of the annual tax on passenger taxi transport under Article 61t;

NM shall be the number of months of the current year following the month of issuance of the permit for performance of passenger taxi transport.

(2) If the validity of the permit for performance of passenger taxi transport would be terminated in the course of the year any portion of the annual tax unduly paid shall be reimbursed, as determined using the following formula;

$$\frac{\text{UPPTPTT}}{12} = \frac{\text{PTPTT} \times \text{NM}}{12}, \text{ where}$$

UPPTPTT shall be the unduly paid portion of the tax on passenger taxi transport for the current year;

PTPTT shall be the annually paid tax on passenger taxi transport for the current year;

NM shall be the number of months of the current year following the month of termination of the permit for performance of passenger taxi transport.

**Article 61x.** (New, SG No. 32/2016, effective 1.01.2017) The tax under Article 61t shall be remitted prior to receipt of the permit issued under Article 24a, Paragraph (1) of the Carriage by Road Act.

**Article 61y.** (New, SG No. 32/2016, effective 1.01.2017) Reimbursement of tax paid in excess under Article 61w, Paragraph (2) shall be made based on written request from the taxable person according to the procedure established by the Tax and Social-Insurance Procedure Code.

## **Chapter Three**

### **LOCAL FEES**

#### **Section I**

#### **Household Waste Fee**

**Article 62.** (Supplemented, SG No. 153/1998) A fee shall be paid for the services of collection, removal and safe disposal of household waste at sanitary landfills or similar waste disposal facilities, as well as for sanitation of the spatial development areas for public use in the nucleated settlements. The amount of the fee shall be determined according to the procedure established by Article 66 herein for each service separately: waste collection and waste removal; safe disposal of household waste at sanitary landfills or other facilities; sanitation of spatial-development areas for public use.

**Article 63.** (1) (Supplemented, SG No. 153/1998) A tipping fee for use of household waste disposal sites and/or for sanitation of spatial-development areas for public use shall be charged in respect of any corporeal immovables located outside the areas where the municipality has organized a collection and removal of household waste.

(2) (Amended, SG No. 153/1998, SG No. 105/2014, effective 1.01.2015) The boundaries of the areas and the type of the services provided under Article 62 herein in the relevant area, as well as the frequency of waste removal, shall be determined by an order of the [competent] municipality mayor and shall be made public on or before the 31st day of October in the year last preceding the year for which the fee is due.

**Article 64.** (1) (Amended, SG No. 119/2002, effective 1.01.2004, SG No. 95/2009, effective 1.01.2010) The fee shall be paid by the persons covered under Article 11 herein.

(2) (Amended, SG No. 109/2001, repealed, SG No. 119/2002, effective 1.01.2004).

(3) (New, SG No. 109/2001, repealed, SG No. 119/2002, effective 1.01.2004).

**Article 65.** (Amended, SG No. 153/1998, SG No. 103/1999, repealed, SG No. 119/2002, effective 1.01.2004).

**Article 66.** (1) (Supplemented, SG No. 119/2002, effective 1.01.2004) The fee shall be determined by resolution of the Municipal Council as an annual amount in each nucleated settlement, based on an approved cost estimate for each activity, inclusive of the necessary expenses for:

1. provision of receptacles for storage of household waste: containers, dust bins etc.
  2. (amended and supplemented, SG No. 53/2012, effective 13.07.2012) collection, including separate collection, of household waste and transportation of the said waste to sanitary landfills or other facilities and installations for the treatment thereof;
  3. (amended, SG No. 109/2001, SG No. 98/2010, effective 1.01.2011, SG No. 53/2012, effective 13.07.2012) research, design, construction, maintenance, operation, closure and monitoring of sanitary landfills for household waste or other facilities and installations for safe disposal, recycling and recovery of household waste, including the deductions referred to in Article 60 and Article 64 of the Waste Management Act;
  4. cleaning of street roadways, squares, driveways, parks and other spatial-development areas of settlements assigned for public use.
- (2) (Repealed, SG No. 119/2002, effective 1.01.2005).
- (3) (New, SG No. 153/1998) Should the Municipal Council fail to determine an amount of the household waste fee for a relevant current year before the end of the last preceding year, the said fee shall be charged on the basis of the amount effective at the 31st day of December in the last preceding year.
- (4) (New, SG No. 106/2004, repealed, SG No. 100/2005).
- (5) (New, SG No. 109/2001, renumbered from Paragraph (4), SG No. 106/2004) Any approved cost estimate for determination of the expenses of municipalities referred to in Paragraph (1) shall be subject to examination by the National Audit Office.

- Article 67.** (1) (Redesignated from Article 67, SG No. 153/1998, amended, SG No. 109/2001, SG No. 119/2002, effective 1.01.2004) The amount of the (household waste) fee shall be determined in lev terms according to the quantity of household waste.
- (2) (Redesignated from sentence two of Item 2, SG No. 153/1998, amended, SG No. 119/2002, effective 1.01.2004, supplemented, SG No. 101/2013, SG No. 101/2013, effective 1.01.2017 - amended, SG No. 105/2014, effective 1.01.2015, SG No. 95/2015, effective 1.01.2016) Where the quantity of household waste, referred to in Paragraph (1), is unascertainable, the amount of the fee shall be determined in lev terms per user or as a proportion of a base as shall be determined by the Municipal Council, which may not be the assessed value of the corporeal immovables, the balance-sheet value thereof or the market price thereof.
- (3) (New, SG No. 109/2001, amended, SG No. 119/2002, effective 1.01.2004) The amount of the fee determined depending on the quantity of household waste receptacles shall include the costs referred to in Items 1, 2 and 3 of Article 66 (1) herein.
- (4) (New, SG No. 109/2001, amended, SG No. 119/2002, effective 1.01.2004) The fee for sanitation of the spatial-development areas for public use in the nucleated settlements shall be determined in lev terms or as a proportion of a base as shall be determined by the Municipal Council.

**Article 68.** (Amended, SG No. 119/2002, effective 1.01.2004) During the course of the year, it shall be inadmissible to revise the manner of determination and the amount of the household waste fee as adopted by the Municipal Council.

- Article 69.** (Amended, SG No. 119/2002, effective 1.01.2004) (1) [Household waste] fee shall be payable according to a procedure established by the Municipal Council
- (2) The municipality shall notify the persons covered under Article 64 herein of the fees due therefrom for the relevant period and of the time limits for payment.

**Article 70.** (Repealed, SG No. 119/2002, effective 1.01.2004).

**Article 71.** (Amended, SG No. 153/1998) No fee shall be charged for:

1. (amended, SG No. 103/1999, SG No. 119/2002, effective 1.01.2004, supplemented, SG No. 101/2013, effective 1.01.2014) household waste collection and household waste removal, where the service is not provided by the municipality or if the immovable is not used throughout the year and the owner or user has submitted a declaration, completed in a standard form, to the municipality exercising competence over the situs of the immovable before the end of the last preceding year;
2. sanitation of the spatial-development areas for public use: where the service is not provided by the municipality;
3. safe disposal of household waste and maintenance of sanitary landfills for household waste and other facilities for safe disposal of household waste: where no such are available.

**Article 71a.** (New, SG No. 101/2013, effective 1.01.2014) (1) (Previous text of Article 71a, amended, SG No. 95/2015, effective 1.01.2016) Household waste fee shall not be charged on the services provided to prayer houses, places of worship and monasteries whereat religious practice is performed by the lawfully registered religious denominations in Bulgaria, together with the lots whereon they have been constructed.

(2) (New, SG No. 95/2015, effective 1.01.2016) Exemption under Paragraph (1) shall apply subject to the condition that the immovables are not used for a for-profit purpose unrelated to the core religious practice thereof.

## **Section II**

### **Fees for Use of Retail and Wholesale Markets, Sidewalks, Squares, Street Roadways, Fairs and Grounds Assigned to Other Uses**

**Article 72.** A fee shall be paid for use of sidewalks, squares, street roadways, retail market places (whether open-air or roofed), wholesale markets, fairs, as well as ground assigned to other uses which constitute municipal property.

**Article 73.** (1) The fee shall be payable by natural and legal persons and shall vary by the zone wherein the grounds covered under Article 72 herein are located.

(2) The zones referred to in Paragraph (1) shall be designated by the Municipal Council.

**Article 74.** (Amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 75.** (Amended and supplemented, SG No. 153/1998, amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 76.** (Amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 77.** (Amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 78.** (Amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 79.** (1) The fees shall be paid upon the issuance of a licence for the period specified in the said licence.

(2) Where the space is used for a period exceeding one month, the fees shall be paid on a monthly basis.

(3) (Repealed, SG No. 119/2002).

**Article 80.** The municipal authority, which has issued a licence for use of space, may revoke the said licence where the space

is not used for the assigned purpose, where the space is not used by the licensed user, or where public needs so require.

### **Section III**

## **Fees for Creches, Kindergartens, Specialized Institutions for Provision of Social Services, Camps and Other Municipal Social Services (Heading amended, SG No. 119/2002, SG No. 105/2008, effective 1.01.2009)**

**Article 81.** (Amended, SG No. 153/1998, SG No. 119/2002) Monthly fees shall be charged from the parents or tutors of the attendees for attendance of creches and kindergartens.

**Article 82.** (Amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 83.** (Amended, SG No. 109/2001, repealed, SG No. 119/2002).

**Article 84.** (1) (Amended, SG No. 153/1998, SG No. 119/2002) For attendance of schoolchildren's camps, a fee shall be paid per day in an amount as determined by the [competent] Municipal Council according to Articles 7, 8 and 9 herein.

(2) (Repealed, SG No. 119/2002).

(3) (Repealed, SG No. 119/2002).

**Article 85.** (1) (Amended, SG No. 153/1998, SG No. 119/2002) Any schoolchildren who use dormitories shall pay a monthly fee in an amount as determined by the [competent] Municipal Council according to Articles 7, 8 and 9 herein.

(2) (Repealed, SG No. 119/2002).

**Article 86.** (1) (Amended, SG No. 119/2002) Any user of municipal social services shall pay a monthly fee to an amount equivalent to the relevant actual upkeep per person.

(2) (Amended, SG No. 119/2002) The actual upkeep per person shall include the monthly costs of food, bedding and clothing, detergents and sanitary materials, food transportation costs, as well as the proportionate part of the common costs of electric current and heat power, water supply, sewerage and household waste disposal, but excluding the donations, legacies and devices of any resident and non-resident natural and legal persons.

**Article 87.** (1) The fee due shall be deducted from the personal income of the resident or beneficiary.

(2) (Repealed, SG No. 119/2002).

(3) (Repealed, SG No. 119/2002).

(4) (Repealed, SG No. 119/2002).

(5) (Repealed, SG No. 119/2002).

**Article 88.** (Repealed, SG No. 119/2002).

**Article 89.** (Repealed, SG No. 119/2002).



**Article 90.** Any persons accommodated at private boarding homes or serviced by private schemes providing meals and domestic help at home, shall pay sums as contracted.

**Article 91.** (Amended, SG No. 153/1998, SG No. 109/2001, SG No. 119/2002) For accommodation at an alcohol detoxification establishment or premises, a fee shall be charged per day.

**Article 92.** (Supplemented, SG No. 153/1998) The fees under this Section shall be charged and collected by the office holders at the relevant establishments and shall be credited to revenue of the municipal budget not later than the 10th day of the month next succeeding the month wherefor such fees are due, and the fees under Article 86 herein, not later than the 25th day of the month next succeeding the month wherefor such fees are due.

## **Section IV**

**(Amended and supplemented, SG No. 71/1998, amended, SG No. 153/1998, supplemented, SG No. 102/2000, amended, SG No. 109/2001, SG No. 56/2002, repealed, SG No. 98/2010, effective 1.01.2011)**

### **Visitor Fee**

**Article 93.** (Amended, SG No. 119/2002, supplemented, SG No. 112/2003, amended, SG No. 94/2005, SG No. 19/2009, effective 10.04.2009, repealed, SG No. 98/2010, effective 1.01.2011).

**Article 93a.** (Supplemented, SG No. 112/2003, repealed, SG No. 98/2010, effective 1.01.2011).

**Article 94.** (Amended, SG No. 94/2005, repealed, SG No. 98/2010, effective 1.01.2011).

**Article 95.** (Repealed, SG No. 119/2002).

**Article 96.** (Repealed, SG No. 119/2002).

**Article 97.** (Amended, SG No. 119/2002, SG No. 94/2005, repealed, SG No. 98/2010, effective 1.01.2011).

## **Section V**

**(Repealed, SG No. 70/2008)**

### **Quarrying Fees**

**Article 98.** (Repealed, SG No. 70/2008).

**Article 99.** (Repealed, SG No. 70/2008).

**Article 100.** (Repealed, SG No. 70/2008).

**Article 101.** (Amended, SG No. 109/2001, SG No. 119/2002, repealed, SG No. 70/2008).

**Article 102.** (Repealed, SG No. 70/2008).

**Article 103.** (Supplemented, SG No. 102/2000, repealed, SG No. 70/2008).

## **Section VI**

### **Technical Service Fees**

**Article 104.** Fees shall be charged for technical services provided by the municipalities and covering activities in connection with regional and urban planning, architecture, construction, urban development, cadastre in settlement and extra settlement spatial-development areas.

**Article 105.** Technical service fees shall be charged from the natural and legal persons who and which benefit from the services, upon submission of the request.

**Article 106.** The central-government and municipal bodies, the public-financed organizations and the Bulgarian Red Cross shall be exempt from technical service fees.

**Article 107.** (Amended, SG No. 119/2002) The amount of technical service fees is hereby set as follows;

1. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a design plat for a corporeal immovable;
2. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a design plat for a corporeal immovable specifying the building development manner;
3. (amended, SG No. 109/2001, SG No. 119/2002) for re certification of design plats after the lapse of six months since the issuance thereof;
4. for marking of a building line and elevation:
  - (a) (amended, SG No. 109/2001, repealed, SG No. 119/2002);
  - (b) (amended, SG No. 109/2001, repealed, SG No. 119/2002);
5. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a certificate of facts and circumstances regarding regional and urban planning;
6. (amended, SG No. 109/2001, SG No. 119/2002) for certification of transcripts of documents and of copies of plans and the documentation appertaining thereto;
7. (new, SG No. 119/2002) for issuance of a permit for placement of movable amenities for retail trade: stalls, kiosks, booths and other such;
8. (new, SG No. 119/2002) for issuance of a building permit, an overhaul permit and a remodelling permit for existing buildings and premises therein.

**Article 108.** No technical service fees shall be charged for:

1. supplementation (correction) of an approved cadastral plan;
2. a letter to the court, petitioning the issuing of a writ of execution on claims under an effective appraisal;

3. certification of a construction work as unusable, a risk of spontaneous collapse, or harmful in terms of sanitation and hygiene, when the specialized commission ascertains the existence of such conditions;
4. condemnation of corporeal immovables for construction purposes and indemnification of the title holders;
5. modification and revocation of an effective order of condemnation and indemnification and reappraisal of a condemned immovable;
6. determination of indemnities for corporeal immovables adjoinable to a parcel of land regulated under a yard regulation plan and for physical infrastructure work;
7. provision of oral information on the cadastral, regulation and urban-planning status of corporeal immovables;
8. provision of advance information on matters concerning technical services.

**Article 109.** (1) The time limit for provision of technical services, which is not established by a statutory instrument, shall be set by resolution of the competent Municipal Council but may not be longer than one month.

(2) Upon delay beyond the time limit referred to in Paragraph (1), the amount of the fee due for the respective service shall be reduced by 1 per cent daily, reckoned from the first day of delay, but by not more than 30 per cent in aggregate of the full amount of the said fee.

## **Section VII**

### **Administrative Service Fees**

**Article 110.** (1) The following fees shall be charged for provision of registrar services:

1. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a certificate of heirship;
2. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a certificate of identity of names;
3. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a certificate of non-entry of a birth record or a death record;
4. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a replacement of a birth certificate, a civil marriage certificate, as well as for re-issuance of an abstract of a death record;
5. (amended, SG No. 109/2001, repealed, SG No. 119/2002);
6. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a certificate of marital status;
7. (amended, SG No. 109/2001, SG No. 119/2002) for issuance of a certificate of kinship;
8. (amended, SG No. 109/2001, SG No. 119/2002) for address registration and/or issuance of certificates of permanent or current address;
9. (amended, SG No. 109/2001, SG No. 119/2002) for authentication of an affidavit of invitation to a visit the Republic of Bulgaria of a foreigner;
10. (amended, SG No. 109/2001, SG No. 119/2002) for authentication of an affidavit of invitation to a private visit to the Republic of Bulgaria to a non-resident person whereof one or both parents are of Bulgarian descent;
11. (amended, SG No. 109/2001, SG No. 119/2002) for legalization of civil registration certificates intended for submission abroad;
12. (amended, SG No. 109/2001, SG No. 119/2002) for any other types of certificates issued as requested;

13. (amended, SG No. 109/2001, SG No. 119/2002) for transcripts of documents.

(2) No fee shall be chargeable for any of the following services:

1. entry of a birth record and issuance of an original birth certificate;
2. entry of a civil marriage record and issuance of an original civil marriage certificate;
3. entry of a death record and issuance of an abstract thereof;
4. any entries, supplementary entries and corrections in the civil registration records;
5. creation of tutorship and appointment of a curator;
6. keeping of the population register;
7. recording a change of name in the civil status register;
8. issuance of a survivor benefit certificate.

**Article 111.** (Amended, SG No. 109/2001, SG No. 119/2002) A fee shall be charged in respect of proceedings for accommodation of tenants, sale, exchange or creation of rights in rem to municipal corporeal immovables.

**Article 112.** (Amended, SG No. 119/2002) A fee shall be charged for issuance of a certificate of ownership as required for sale of cattle.

**Article 113.** (Amended, SG No. 109/2001, amended and supplemented, SG No. 119/2002, amended, SG No. 106/2004, SG No. 105/2008, effective 1.01.2009, repealed, SG No. 95/2009, effective 1.12.2009).

**Article 114.** (Supplemented, SG No. 109/2001, amended, SG No. 106/2004, SG No. 105/2008, effective 1.01.2009, repealed, SG No. 95/2009, effective 1.12.2009).

**Article 115.** (Repealed, SG No. 119/2002, new, SG No. 105/2006, effective 1.01.2007) A fee shall be paid for the issuance of certificates, where this is provided for in a law, and for certification of documents.

## **Section VIII**

**(Amended, SG No. 109/2001, repealed, SG No. 119/2002, new, SG No. 87/2005)**

### **Dog Ownership**

**Article 116.** (Repealed, SG No. 119/2002, new, SG No. 87/2005) (1) For ownership of a dog, the owner shall pay an annual fee in the municipality within the territory whereof the said owner has his, her or its permanent address or registered office, as the case may be.

(2) The owners of dogs covered under Article 175 (2) of the Veterinary Practices Act shall be exempt from fee.

**Article 117.** (Repealed, SG No. 119/2002, new, SG No. 87/2005) Within three months after acquisition of a dog, the owner thereof shall submit a declaration to the municipality exercising jurisdiction over the permanent address or the registered office of the said owner, as the case may be.

**Article 118.** (Repealed, SG No. 119/2002, new, SG No. 87/2005) (1) The fee shall be paid annually, not later than the 31st day of March in the year wherefor the fee is due, or within one month after the date of acquisition of the dog, should the dog have been acquired after the 31st day of March. In respect of any dogs acquired during any current year, the fee shall be due in an amount equivalent to one-twelfth of the annual amount of the said fee for each month remaining until the end of the year, including the month of acquisition.

(2) The proceeds from the fees collected under Paragraph (1) shall be used for measures related to a reduction of the number of stray dogs.

**Article 119.** (Repealed, SG No. 119/2002).

## **Section IX**

### **Grave Plots Lease**

**Article 120.** (1) (Supplemented, SG No. 119/2002) A lump-sum fee for the lease of grave plots for a period exceeding eight years shall be charged as follows:

1. (amended, SG No. 119/2002) for a period of up to 15 years;

2. (amended, SG No. 119/2002) in perpetuity;

3. (amended, SG No. 119/2002) for use of family grave plots:

(a) (Repealed, SG No. 119/2002);

(b) (Repealed, SG No. 119/2002);

4. for undersize grave plots adjoined in accordance with the cemetery regulation plan: the proportionate part of the lease as set for the grave plot.

(2) A rate rebate of 50 per cent of the fees covered under Items 1 and 2 of Paragraph (1) shall apply to urn sites.

**Article 121.** The fees shall be collected by the competent offices of the municipality operating the landscaped cemetery.

## **Section X**

### **Fees for Physical Protection and Field Keeping of Agricultural Properties**

**Article 122.** (Repealed, SG No. 109/2001).

## **Chapter Four**

### **ADMINISTRATIVE PENALTY PROVISIONS**

**Article 123.** (1) (Amended, SG No. 102/2000, SG No. 98/2010, effective 1.01.2011, supplemented, SG No. 101/2013, effective 1.01.2014) Any person, who or which fails to submit a tax return under Article 14 herein in due time, or who fails to state or misstates any particulars or circumstances leading to underassessment of the tax or to exemption from tax, shall be liable to a fine of BGN 10 or exceeding this amount but not exceeding BGN 400 (if a natural person) or, if a legal person or a

sole trader, to a pecuniary penalty of BGN 500 or exceeding this amount but not exceeding BGN 3,000, unless subject to a severer sanction.

(2) (Amended, SG No. 102/2000, repealed, SG No. 98/2010, effective 1.07.2011).

(3) (New, SG No. 109/2001, amended, SG No. 119/2002, supplemented, SG No. 98/2010, effective 1.01.2011) Any person, who or which declares any untrue particulars and circumstances leading to reduction of or exemption from fee, shall be liable to a fine of BGN 50 or exceeding this amount but not exceeding BGN 200 (if a natural person) or, if a legal person, to a pecuniary penalty of BGN 100 or exceeding this amount but not exceeding BGN 500.

**Article 124.** (1) (Amended, SG No. 153/1998) Any heir or legatee or a legal representative thereof, who fails to submit a declaration under Article 32 herein in due time, or who fails to declare or shall misdeclare any property acquired by succession, shall be liable to a fine of BGN 10 or exceeding this amount but not exceeding BGN 500.

(2) (Repealed, SG No. 153/1998).

(3) For any violation under Article 41 herein, the offenders shall be liable to a fine of BGN 20 or exceeding this amount but not exceeding BGN 20.

**Article 125.** Any party to an acquisition of property by gift or for a consideration, who conceals part of the price, shall be liable to a fine equivalent to double the amount of the tax due on the concealed part.

**Article 126.** (Repealed, SG No. 119/2002).

**Article 126a.** (New, SG No. 110/2007) (1) Any person, who fails to submit a tax return under Article 61m or who submits any such return past the due date, shall be liable to a fine not exceeding BGN 500, unless subject to a severer sanction.

(2) Any person, who fails to state or who misstates any particulars or circumstances under Article 61m a return leading to underassessment of a licence tax or to exemption from a licence tax, shall be liable to a fine not exceeding BGN 1,000, unless subject to a severer sanction.

**Article 127.** (1) (Redesignated from Article 127, SG No. 109/2001, amended, SG No. 119/2002) For any failure to comply with the provisions of this Act other than in the cases covered under Articles 123, 124 and 125 herein, the offenders shall be liable to a fine of BGN 20 or exceeding this amount but not exceeding BGN 200 (if natural persons) or, if legal persons and sole traders, to a pecuniary penalty of BGN 100 or exceeding this amount but not exceeding BGN 500.

(2) (New, SG No. 109/2001) Default on payment of any taxes and fees under this Act shall not be treated as an administrative infraction.

**Article 128.** (Amended, SG No. 103/1999) (1) (Amended, SG No. 109/2001, SG No. 119/2002, SG No. 112/2003, SG No. 100/2005) The written statements ascertaining any violations shall be drawn up by the municipal administration officers, and the penalty decrees shall be issued by the municipality mayor or by officials thereby authorized. authorized.

(2) (New, SG No. 119/2002, supplemented, SG No. 112/2003, repealed, SG No. 100/2005).

(3) (Amended, SG No. 109/2001, renumbered from Paragraph (2), SG No. 119/2002) The ascertainment of violations, the issuance, appeal against and execution of the penalty decrees shall follow the procedure established by the Administrative Violations and Sanctions Act.

(4) (New, SG No. 112/2003, amended, SG No. 100/2005) The proceeds from fines and pecuniary penalties under penalty decrees issued by a municipality mayors shall be credited in revenue to the municipal budget.

(5) (New, SG No. 98/2010, effective 1.01.2011) In minor cases of administrative violations under this Act, ascertained upon the commission thereof, fines of BGN 10 or exceeding this amount but not exceeding BGN 50 may be imposed on the scene of the violation. A ticket evidencing the fine imposed shall be issued, stating particulars identifying the control authority and the

offender, the place and time of the violation, the provisions violated, and the amount of the fee. The ticket shall be signed by the control authority and by the offender, certifying his or her consent to pay the fine. A duplicate copy of the ticket shall be delivered to the offender, to enable him or her to pay the fine voluntarily. If the offender contests the violation or refuses to pay the fine, a written statement ascertaining the administrative violation shall be drawn up on the administrative violation.

(6) (New, SG No. 19/2011, effective 8.03.2011) Where the fine under a ticket is not paid voluntarily within 7 days of the issue date thereof, such ticket shall be treated as an effective penalty decree and be consigned to enforcement.

**Article 129.** (New, SG No. 43/2016) (1) In the case of failure to comply with the obligations under Article 5a, Paragraph (1) and (2) the guilty official shall be liable to a fine of BGN 500 to BGN 2500.

(2) In the case of a repeated offence under Paragraph (1) the fine shall be of BGN 1000 to BGN 5000. An offence shall be considered repeated if it is committed within a year after the penalty decree, under which the person has been punished for the same offence, has become effective.

(3) The written statements ascertaining any violations shall be drawn up by officials authorised by the Minister of Finance, and the penalty decrees shall be issued by the Minister of Finance.

(4) The ascertainment of violations, the issuance, appeal against and execution of the penalty decrees shall follow the procedure established by the Administrative Violations and Sanctions Act.

## **SUPPLEMENTARY PROVISIONS**

### **(Heading amended, SG No. 101/2013, effective 1.01.2014)**

§ 1. Within the meaning given by this Act:

1. (Amended, SG No. 109/2001) "Enterprises" shall be the persons within the meaning given by the Accountancy Act.

2. "Main residence" shall be the corporeal immovable serving to satisfy the housing needs of the individual and the members of the family thereof during the predominant part of the year.

3. "Family" shall be the spouses, as well as the children thereof who have not attained the age of 18 years and who are not married.

4. (Repealed, SG No. 95/2009, effective 1.01.2010).

5. "Fair market value" shall be the price, net of taxes and fees, which would have been paid under the same terms for a similar corporeal immovable or another thing between persons who or which are not connected. The amount of rebate or reduction shall be excluded from the market value.

6. (Amended, SG No. 153/1998, SG No. 105/2005) "Connected persons" shall be the persons within the meaning given by Item 3 of § 1 of the Supplementary Provisions of the Tax and Social-Insurance Procedure Code.

7. (Amended, SG No. 153/1998, supplemented, SG No. 109/2001) "Household waste" shall be waste resulting from the life activities of people at home, yards, and at office, social and public buildings. Waste from distributive-trade establishments and accessory handicraft activities, enterprises, recreational and entertainment establishments shall be subsumed under household waste where not having the nature of hazardous waste and where, concurrently, the amount or composition thereof will not impede their treatment with household waste.

8. "Bulky household waste" shall be the household waste which, on account of the size or weight thereof, cannot be deposited

in the receptacles provided for deposition of household waste, or presents difficulty upon loading.

9. "Household waste receptacles" shall be garbage containers, dust bins and litter bins provided in public places wherein household waste is deposited, as well as polyethylene bags for separated collection.

10. "Scheduled bus lines" shall be the transport services performed along a fixed route and according to a fixed schedule.

11. "Personal income" shall be all income of individuals with the exception of:

(a) (amended, SG No. 119/2002, SG No. 112/2003, supplemented, SG No. 41/2009, effective 1.07.2009) the assisted living supplement paid to persons who have lost more than 90 per cent of the working capacity thereof or with a type and degree of disability exceeding 90 per cent with an identified need of attendance;

(b) (amended, SG No. 105/2008, effective 1.01.2009) the sums which the residents of specialized institutions for provision of social services receive as remuneration in occupational therapy;

(c) the target assistance granted by an act of the Council of Ministers;

(d) (amended, SG No. 105/2008, effective 1.01.2009) the humanitarian donations made to beneficiaries of social services within the meaning given by Item 6 of § 1 of the Supplementary Provision of the Social Assistance Act;

(e) (new, SG No. 119/2002) the lump-sum supplements paid to pensions by decision of the Council of Ministers.

12. (New, SG No. 109/2001, amended, SG No. 106/2004) "Adjoining ground", within the meaning given by Article 10 (3) herein, shall be the developed yard (the permissible building development as determined) excluding the developed surface area. In cases where no such ground has been determined according to the procedure required by the law, the developed surface area and the adjoining ground shall be presumed to equal 10 per cent of the surface space of the immovable.

13. (New, SG No. 109/2001, repealed, SG No. 45/2002).

14. (New, SG No. 109/2001, repealed, SG No. 106/2004).

15. (New, SG No. 119/2002) "Full amount of expenses" shall comprehend all expenses incurred by the municipality on provision of the services, including the relevant costs of: wages, salaries and social and health insurance contributions of the staff; cost of supplies, overhead costs, consulting; costs of management and control; costs of collection of the fee and other costs relevant to the formation of the amount of the fee, determined specifically by the Municipal Council.

16. (New, SG No. 119/2002) "Base" for assessment of the household waste fee shall be an objective parameter in value expression, on the basis of which the proportional fee is determined in per cent or per mille terms, or a physical parameter, on the basis of which the fee is determined per unit (e. g. BGN/person, BGN/cubic metre consumed water etc.).

17. (New, SG No. 119/2002) "Book value" shall be the value of the asset upon accounting recognition or the devalued/revalued value of the asset, where a valuation has been made after the initial accounting recognition.

18. (New, SG No. 112/2003, repealed, SG No. 95/2009, effective 1.01.2010).

19. (New, SG No. 112/2003, amended, SG No. 103/2005) "Insured value" of a motor vehicle shall be the market price at which another property of the same type and quality can be purchased in lieu of the insured property at the time of issuance of the certificate of the insured value of the thing.

20. (New, SG No. 112/2003) "Value assessed according to accounting data" under Item 6 of Article 33 (1) herein shall be the balance-sheet value of the assets net of the balance-sheet value of the liabilities of the enterprise.

21. (New, SG No. 106/2004) "Lots" shall be the lots as defined within the meaning given by Item 2 of § 5 of the Supplementary Provisions of the Spatial Development Act.

22. (New, SG No. 106/2004, repealed, SG No. 105/2008, effective 1.01.2009).

23. (New, SG No. 110/2007) "Turnover", for the purposes of levy of a licence tax, shall be the sum total of all sales (of output, goods, services and other sales) from economic activity effected during the year, less the value added tax and/or the excise duties, in the cases where the persons are registered under the Value Added Tax Act and/or are obligated to charge excise



duty under the Excise Duties and Tax Warehouses Act.

24. (New, SG No. 110/2007) "Establishment", for the purposes of levy of a licence tax, shall be any place, premise and/or facility, including such in the open air, where an activity covered under Annex 4 hereto is carried out, including:

(a) (amended, SG No. 30/2013, effective 26.03.2013) supplementary tourist accommodations;

(b) mass-catering and entertainment establishments;

(c) retail shops, open-air stalls, tables at markets, on pavements and in street roadways;

(d) studios, workshops and other premises, regardless of whether serving for other purposes as well or being part of an immovable property.

25. (New, SG No. 110/2007) "Workplace" shall be an adapted part of an establishment equipped for the performance of a specified type of activity or service by a single person.

26. (New, SG No. 110/2007) "Amusement arcade machines" shall be gambling slot-machines without prizes, intended for amusement and recreation, which allow a specified time for use or play on the machine for the price of a game.

27. (New, SG No. 110/2007, amended, SG No. 30/2013, effective 26.03.2013) "Supplementary tourist accommodations" shall be the respective tourism establishments referred to in Items 1 and 2 of Article 3 (3) of the Tourism Act.

28. (New, SG No. 110/2007) "Net selling space" shall be the space in the relevant distributive trade establishment, including the stands, which is accessible to customers.

29. (New, SG No. 110/2007, amended, SG No. 30/2013, effective 26.03.2013) "Mass-catering and entertainment establishments" shall be the respective tourism establishments referred to in Item 2 of Article 3 (2) of the Tourism Act.

30. (New, SG No. 110/2007) "Refreshment bars, kiosks and caravans" shall be drinking establishments serving a limited range of mostly prepackaged goods, cold and hot snacks, bakery products and sugar confectionery, beer, hot and soft drinks, and a limited range of alcoholic drinks.

31. (New, SG No. 110/2007) "Piece of equipment", in connection with the application of Item 35 of Annex 4 hereto, shall be each particular device (machine) which is used directly in the activity (a washing machine, an ironing press, a drying machine and other such).

32. (New, SG No. 105/2008, effective 1.01.2009) "Specialized institutions for provision of social services" shall be those within the meaning given by the Social Assistance Act.

33. (New, SG No. 105/2008, effective 1.01.2009) "Medical and social child care homes" shall be those within the meaning given by the Medical-Treatment Facilities Act.

34. (New, SG No. 98/2010, effective 1.01.2011, amended, SG No. 30/2013, effective 26.03.2013) "Overnight stays" shall be the overnight stays at the supplementary tourist accommodations within the meaning given by the Tourism Act.

35. (New, SG No. 102/2012, effective 1.01.2013) "Electric cars" shall be passenger cars within the meaning given by Item 12 (a) of § 6 of the Supplementary Provisions of the Road Traffic Act which use an engine entirely powered by electricity and do not have an internal combustion engine.

36. (New, SG No. 101/2013, effective 1.01.2014) "Place of worship or prayer house" shall be a building intended for performance of religious practice and religious rites, which conforms to the requirements of the religious denomination concerned and the provisions of the Spatial Development Act and the statutory instruments of secondary legislation.

37. (New, SG No. 101/2013, effective 1.01.2014) "Monastery" shall be a sacred site with a place of worship and other buildings, intended as living quarters for monks or nuns who, by taking vows of chastity, asceticism and obedience, have devoted themselves to a life of pious seclusion and practice of asceticism (temperance, prayer and labour), mercy and spiritual support.

38. (New, SG No. 32/2016, effective 1.01.2017) "Passenger taxi transport" shall be a term within the meaning of the Automobile Transportation Act.

**§ 1a.** (New, SG No. 101/2013, effective 1.01.2014) Student dormitories, within the meaning given by the Higher Education Act, shall be subsumed under residential properties for the purposes of this Act.

## **TRANSITIONAL AND FINAL PROVISIONS**

**§ 2.** (1) (Amended, SG No. 103/1999) Any taxable person referred to in Article 11 herein shall submit a tax return on each corporeal immovable to the municipality exercising competence over the situs of the said property care of the municipality exercising competence over the place of residence of the said person not later than the 31st day of May 1998.

(2) (Amended, SG No. 103/1999) Any individuals, who have no place of residence within the territory of the Republic of Bulgaria, shall submit a tax return to the Sofia Regional Tax Directorate.

(3) Any individuals, who submit a tax return on or before the 31st of March 1998, shall enjoy an additional rate rebate of 5 per cent of the amount of the immovable property tax due for 1998.

**§ 3.** (1) (Amended, SG No. 83/1998, SG No. 105/1998) Individuals shall pay the immovable property tax and the household waste fee for 1998 as follows: 50 per cent not later than the 30th day of September, 25 per cent not later than the 31st day of October, and 25 per cent not later than the 30th day of November.

(2) (Amended, SG No. 83/1998, amended and supplemented, SG No. 105/1998) Any individuals who have paid the entire amount of the immovable property tax and household waste fee due for 1998 not later than the 30th day of September shall enjoy a rate rebate of 5 per cent. The same rate rebate shall apply to any individuals who have received a notice after the said date if they pay the entire amount of the immovable property tax and household waste fee within 30 days after receipt of the said notice. No penalty interest shall be chargeable within the same time period.

(3) The additional tax for 1998 shall be paid not later than the 30th day of November.

**§ 3a.** (1) (New, SG No. 12/2009, effective 13.02.2009) (1) Any merchants, who or which have submitted an application under § 4a of the Value Added Tax Act, shall be subject to levy of a licence tax as from the 1st day of January 2009, and the tax return referred to in Article 61m herein shall be submitted not later than the 1st day of April 2009.

(2) The first installment of the licence tax shall be payable on or before the 1st day of April 2009.

(3) Any merchants, who or which pays the entire amount of the annual licence tax within the time limit referred to in Paragraph (2), shall enjoy a rate rebate of 5 per cent.

**§ 4.** This Act shall furthermore apply, if extending a more favourable treatment, in respect of any succession which has opened prior to the entry thereof into force, should a declaration have been submitted within the time limit established under Article 32 herein but no inheritance tax has been charged on the succession.

**§ 4a.** (New, SG No. 41/2009, effective 1.07.2009) The provisions of this Act regarding any persons who have lost between 50 and 100 per cent of the working capacity thereof shall furthermore apply to any persons with a type and degree of disability between 50 and 100 per cent as determined by a valid decision of a competent body.

**§ 4b.** (New, SG No. 19/2011, effective 8.03.2011) Any proceedings which have been launched and are still pending as at 31 December 2010, including proceedings related to establishing, securing and collecting local fees or to appealing against the written statements appertaining thereto shall be treated in accordance with the hitherto effective procedure,

**§ 5.** In the Succession Act (promulgated in the State Gazette No. 22 of 1949; corrected in No. 41 of 1949; amended in No. 275 of 1950, No. 41 of 1985, No. 60 of 1992; [modified by] Constitutional Court Judgment No. 4 of 1996, [promulgated in] No. 21 of 1996; amended in No. 104 of 1996), there shall be inserted the following new Article 10a:

"Article 10a. Where there are several decedents and the sequence of the occurrence of death of each one of them is unascertainable, the older of any two such decedents shall be presumed to have predeceased the younger."

**§ 6.** In the Housing Associations Act (promulgated in the State Gazette No. 55 of 1978; amended in No. 102 of 1981, No. 45 of 1984, No. 75 of 1988, No. 46 of 1989, No. 21 of 1990, No. 60 of 1992 and No. 104 of 1996), § 4 of the Supplementary Provisions is hereby repealed.

**§ 7.** The Monuments of Culture and Museums Act (promulgated in the State Gazette No. 29 of 1969; amended and supplemented in No. 29 of 1973, No. 36 of 1979, No. 87 of 1980, No. 102 of 1981, No. 45 of 1984, No. 45 of 1989, Nos. 10 and 14 of 1990, No. 112 of 1995; [modified by] Constitutional Court Judgment No. 5 of 1996, [promulgated in] No. 31 of 1996; amended in No. 44 of 1996) shall be amended as follows:

1. In Article 25, the last sentence shall be deleted.

2. In Paragraph (1) of Article 29, the words "and local" in sentence one shall be deleted.

**§ 8.** In the State Property Act (promulgated in the State Gazette No. 44 of 1996; amended in No. 104 of 1996, Nos. 55 and 61 of 1997), Articles 10 and 11 are hereby repealed.

**§ 9.** In the Notaries Act (promulgated in the State Gazette No. 104 of 1996), Paragraph (3) of Article 96 is hereby repealed.

**§ 10.** In Article 15 of the Tax Procedures Act (promulgated in the State Gazette No. 61 of 1993; amended in No. 20 of 1996 and No. 51 of 1997), a Paragraph (5) shall be inserted to read as follows:

"(5) In assessment of the tax liabilities, the tax base shall be rounded down to BGL 100 if the last two figures are smaller than "50" and rounded up if the last two figures are "50" or greater than "50". The amount of tax shall be rounded down to BGL 10 if the last figure is smaller than "5" and rounded up if the last figure is "5" or greater than "5"."

**§ 11.** Upon issuance of a registration card of any motor vehicle, the Ministry of the Interior shall record the engine power in kilowatts (horse powers) in the said card.

**§ 12.** This Act shall enter into force on the 1st day of January 1998 and shall supersede the Local Taxes and Fees Act (promulgated in Transactions of the Presidium of the National Assembly No. 104 of 1951, corrected in No. 10 of 1952, amended and supplemented in Nos. 12 and 104 of 1954, No. 91 of 1957, No. 13 of 1958, Nos. 57 and 89 of 1959, Nos. 21 and 91 of 1960, State Gazette No. 85 of 1963, Nos. 1 and 52 of 1965, No. 63 of 1973, No. 87 of 1974, No. 21 of 1975, No. 102 of 1977, No. 88 of 1978, No. 36 of 1979, No. 99 of 1981, No. 55 of 1984, No. 73 of 1987, Nos. 33 and 97 of 1988, Nos. 21 and 30 of 1990, No. 82 of 1991, No. 59 of 1993, Nos. 40 and 87 of 1995; [modified by] Constitutional Court Judgment No. 3 of 1996, [promulgated in] No. 14 of 1996; amended in Nos. 20 and 37 of 1996; [modified by] Constitutional Court Judgment No. 9 of 1996, [promulgated in] No. 58 of 1996; amended in Nos. 89 and 93 of 1996, and No. 55 of 1997).

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## FINAL PROVISION

to the Act to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 105/1998, effective 8.09.1998)

§ 2. This Act shall enter into force on the date of promulgation thereof in the State Gazette and shall apply to all payments of the immovable property tax and the household waste fee effective after the 1st day of September 1998.

## TRANSITIONAL AND FINAL PROVISIONS

to the Lev Re-denomination Act

(SG No. 20/1999, supplemented, SG No. 65/1999, effective 5.07.1999)

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§ 4. (1) (Supplemented, SG No. 65/1999) Upon the entry of this Act into force, all figures expressed in old lev terms as indicated in the laws which will have entered into force prior to the 5th day of July 1999 shall be replaced by figures expressed in new lev terms, reduced by a factor of 1,000. The replacement of all figures expressed in old lev terms, reduced by a factor of 1,000, shall furthermore apply to all laws passed prior to the 5th day of July 1999 which have entered or will enter into force after the 5th day of July 1999.

(2) The authorities, which have adopted or issued any acts of subordinate legislation which will have entered into force prior to the 5th day of July 1999 and which contain figures expressed in lev terms, shall amend the said acts to bring them in conformity with this Act so that the amendments apply as from the date of entry of this Act into force.

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§ 7. This Act shall enter into force on the 5th day of July 1999.

## TRANSITIONAL AND FINAL PROVISIONS

to the Tax Procedure Code

(SG No. 103/1999, effective 1.01.2000)

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§ 20. (1) Any judicial proceeding in the matter of a tax case, which has been instituted before the court and which is pending, shall be tried according to the procedure effective prior to the entry of this Code into force.

(2) Any pending cases under Article 83 (2) of the State Receivables Collection Act, which is hereby repealed, shall be tried according to the procedure established by Chapter 12a of the Code of Civil Procedure.

(3) Until adoption of rules of organization of the tax administration, the number and territorial competence of the tax directorates shall be determined by an order of the Minister of Finance which shall be promulgated in the State Gazette.

§ 21. The provisions of the Code of Civil Procedure shall apply, mutatis mutandis, to any cases unregulated by this Code.

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## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(SG No. 109/2001, effective 1.01.2002, amended, SG No. 45/2002, effective 1.01.2002)

§ 51. The particulars of the certificate of registration of any road transport vehicle shall be used for assessment of the road tax due by the owner of any transport vehicle referred to in Article 61c herein, which is registered for operation at the date of entry of this Act into force.

§ 52. (Amended, SG No. 45/2002) The transport vehicle tax and the road tax for 2002 shall be paid in two equal installments within the following periods: the first installment, from the 1st day of June to the 31st day of August, and the second installment, not later than the 31st day of October. Any taxpayer, who or which prepays the amount of tax due for the whole year by the time limit for payment of the first installment, shall enjoy a rate rebate of 10 per cent.

§ 54. Upon acquisition or descent of a road transport vehicle prior to the 1st day of May 2002, the tax base shall be the insured value.

ACT to Amend and Supplement the Tax Procedure Code  
(Promulgated, SG No. 45/2002, effective 30.04.2002)

§ 93. (1) Any fines imposed under Article 186 of the Road Traffic Act shall be collected according to the procedure established by the Tax Procedure Code.  
(2) Any delinquent fines under tickets issued prior to the entry of this Act into force according to the procedure established by Article 186 of the Road Traffic Act shall be paid within six months after the entry of this Act into force at the tax subdivision exercising competence over the place of residence, without dispatch of a notice of voluntary compliance. After the lapse of the six-month time limit, the ticket issued shall be considered an effective penalty decree and the fine imposed shall be collected according to the procedure established by the Tax Procedure Code.

TRANSITIONAL AND FINAL PROVISIONS  
to the Tourism Act  
(SG No. 56/2002, effective 1.10.2002)

§ 11. § 6 herein, in respect of the provisions amending and supplementing the Local Taxes and Fees Act, shall enter into force on the 1st day of January 2003.

TRANSITIONAL AND FINAL PROVISIONS  
to the Act to Amend and Supplement the Local Taxes and Fees Act  
(Promulgated, SG No. 119/2002, effective 1.01.2003)

§ 47. The household waste fee shall be collected by the tax administration authorities for a period of two years after the entry of this Act into force.

§ 48. (1) Not later than the 30th day of November 2003, the [competent] Municipal Council shall provide the competent tax administration authorities with information regarding the persons liable to pay a household waste fee and the sums due therefrom. The said information shall be provided in the form of an electronic document and in compliance with the requirements of the Electronic Document and Electronic Signature Act or in a standardized format on an electronic and paper-based data medium, endorsed by the Minister of Finance.

(2) In the event of failure to provide the information within the time limit established by Paragraph (1), the tax administration shall collect the fee from the taxable persons referred to in Article 11 [of the Local Taxes and Fees Act] in the amounts as determined by the [competent] Municipal Council and applying a base as effective at the 31st day of December in the last preceding year.

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§ 51. Within three months after the entry of this Act into force but not later than the adoption of the municipal budget, the [competent] Municipal Council shall adopt the ordinance referred to in Article 9 [of the Local Taxes and Fees Act]. Until adoption of the said ordinance, the determination and administration of the fees shall follow the hitherto effective procedure.

§ 52. This Act shall enter into force on the 1st day of January 2003, with the exception of § 11, § 12, Item 1 of § 13, § 14, § 15, § 16, § 17 and § 18 herein, which shall enter into force on the 1st day of January 2004, and of Item 2 of § 13 herein, which shall enter into force on the 1st day of January 2005.

## FINAL PROVISIONS

to the Act to Amend and Supplement the Code of Civil Procedure

(Promulgated, SG No. 84/2003)

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§ 18. This Act shall enter into force as from the day of promulgation in the State Gazette of the European Convention on Recognition and Enforcement of Decisions concerning Custody of Children and on Restoration of Custody of Children of 1980 and of the Hague Convention on the Civil Aspects of International Child Abduction, respectively, with the exception of § 2, 3, 4, 5, § 8 (in the part regarding Article 423a (1), § 12, 15, 16 and 17 herein, whereas § 10 herein shall enter into force on the day of entry into force of the Act to Amend and Supplement the Code of Civil Procedure (State Gazette No. 105 of 2002).

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(SG No. 112/2003, effective 1.01.2004, supplemented, SG No. 6/2004, effective 1.04.2004)

§ 20. The persons with disabilities, whereof the durably reduced working capacity has been established after attainment of the age required for acquisition of entitlement to contributory service and retirement-age pension or who have attained this age within the period fixed by the decision of the Territorial Medical Expert Board for Working Ability Certification (National Medical Expert Board for Working Ability Certification), shall enjoy the rights thereof under this Act for life regardless of the period fixed in the expert decision.

§ 21. (1) The tax administration authorities shall calculate, update and notify the persons referred to in Article 64 [of the Local Taxes and Fees Act] of the household waste fees owed thereby for 2004 and of the time limits for payment, together with the

notices of the immovable property tax, in the cases where the methods for assessment of the said fees have not been changed.

(2) The notices referred to in Paragraph (1) shall have the status of a statement ascertaining the receivable under Article 9b (2) [of the Local Taxes and Fees Act] and shall be appealable according to the procedure established by the Administrative Procedure Code.

(3) In 2004, the receivables under any effective statements referred to in Paragraph (2) shall be collected by the tax administration according to the procedure established by the Tax Procedure Code.

§ 22. The household waste fee for 2004 shall be paid under the terms and within the time limits established by Article 28 (1) and (2) [of the Local Taxes and Fees Act].

§ 22a. (New, SG No. 6/2004) Any sums overremitted by taxable persons for transport vehicles under the hitherto effective version of Items 2, 3 and 4 of Article 61a [of the Local Taxes and Fees Act] for the period after the 1st day of April 2004 shall be subject to offset or refund by the tax administration according to the procedure established by Article 112 of the Tax Procedure Code.

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## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Cadastre and Property Register Act

(Promulgated, SG No. 36/2004)

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§ 62. Within three months time after the promulgation of this Act in the State Gazette, the entries under the name system shall be performed by the registry offices with the Registry Agency.

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## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 106/2004, effective 1.01.2005)

§ 21. Within three months after the entry of this Act into force, the owners of cargo trucks of legally permissible maximum weight exceeding 20 tonnes shall submit a declaration under Article 54 (1) [of the Local Taxes and Fees Act], stating therein the legally permissible maximum weight, the number of axles and the type of suspension of the transport vehicle.

§ 22. Any enterprises, which are obligated or which have elected to apply the International Financial Reporting Standards as from the 1st day of January 2005, shall submit declarations for the said year under Article 17 (1) [of the Local Taxes and Fees Act] on a change in particulars not later than the 30th day of June 2005.

§ 23. This Act shall enter into force on the 1st day of January 2005, with the exception of § 2 and 3 herein [amending Article 2 and Article 4 (1)], which shall enter into force on the 1st day of January 2006.

## TRANSITIONAL AND FINAL PROVISIONS

to the Veterinary Practices Act

(Promulgated, SG No. 87/2005, effective 1.05.2006)

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§ 23. Within three months after the entry of this Act into force, the Council of Ministers shall lay before the National Assembly a Protection of Animals Bill.

§ 24. Within six months after the entry of this Act into force, the Council of Ministers shall lay before the National Assembly a Bill on a National Professional Organization of Veterinary Practitioners and the Procedure for Practising Veterinary Medicine.

§ 25. Any statutory instruments of secondary legislation issued until the entry of this Act into force shall be applied, insofar as the said instruments do not conflict with the said Act, and until the express repeal of the said instruments.

§ 26. (1) Within one year after the entry of this Act into force, the Minister of Agriculture and Forestry shall issue the ordinances on the application thereof.

(2) Within six months after the promulgation of this Act in the State Gazette, the Council of Ministers shall adopt the ordinance referred to in Article 109 herein and shall approve the rate schedule referred to in Article 14 (2) herein.

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## ACT to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 100/2005, effective 1.01.2006)

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## Supplementary Provision

§ 17. Throughout the Act, the words "tax authority", "the tax authority" and "the tax authorities" shall be replaced, respectively, by "municipal administration officer", "the municipal administration officer" and "municipal administration officers", and the words "territorial tax directorate" and "the territorial tax directorate" shall be replaced, respectively, by "municipality" and "the municipality".

## Transitional and Final Provisions

§ 18. Not later than the 15th day of February 2006, the owners of trailer tractors and truck tractors shall submit the declaration referred to in Article 54 (1) [of the Local Taxes and Fees Act], stating therein the indicators which are relevant to the assessment of the tax: permissible maximum weight of the combination of transport vehicles, number of axles and type of suspension of the tractor.

§ 19. For 2006, the Municipal Council shall determine the household waste fee not later than the 31st day of January 2006. Where no new amount has been determined, the fee shall be collected on the basis of the amount effective at the 31st day of December 2005.

§ 20. (1) For 2006, the first installment referred to in Article 28 (1) and Article 60 (1) [of the Local Taxes and Fees Act] shall be payable from the 1st day of March to the 30th day of April.

(2) Any taxpayer, who or which prepays the amount due for the whole year by the time limit referred to in Paragraph (1), shall enjoy a rate rebate of 5 per cent.



§ 21. For 2006, the authorities of the National Revenue Agency shall calculate the liabilities, shall print and send notices to the persons regarding the immovable property tax and household waste fee due therefrom. The costs of this process shall be for the account of the budget of the Agency.

§ 22. Any tax and enforcement proceedings pending upon the entry of this Act into force shall be completed according to the hitherto effective procedure.

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## TRANSITIONAL AND FINAL PROVISIONS

to the Administrative Procedure Code

(Promulgated, SG No. 30/2006, effective 12.07.2006)

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§ 77. In the Local Taxes and Fees Act (promulgated in the State Gazette No. 117 of 1997; amended in Nos. 71, 83, 105 and 153 of 1998, No. 103 of 1999, Nos. 34 and 102 of 2000, No. 109 of 2001, Nos. 28, 45, 56 and 119 of 2002, Nos. 84 and 112 of 2003, Nos. 6, 18, 36, 70 and 106 of 2004, Nos. 87, 94, 100, 103 and 105 of 2005), the words "the Administrative Procedure Act" shall be replaced passim by "the Code of Administrative Procedure".

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## TRANSITIONAL AND FINAL PROVISIONS

Act to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 105/2006, effective 1.01.2007)

§ 13. For 2007, the [competent] Municipal Council shall determine a household waste fee not later than the 31st day of January 2007. Where the Municipal Council has failed to pass a resolution whereby the amount of the household waste fee is determined, a fee to the amount of the absolute value applicable to the last preceding year shall be collected from each liable person.

§ 14. (1) For 2007, the first installment referred to in Article 28 (1) and in Article 60 (1) [of the Local Taxes and Fees Act] shall be payable from the 1st day of March to the 30th day of April.

(2) Any taxpayer, who or which prepays the amount of tax due for the whole year by the time limit referred to in Paragraph (1), shall enjoy a rate rebate of 5 per cent.

§ 15. (1) The authorities of the National Revenue Agency shall calculate the liabilities, shall print and shall send notices to the persons regarding the immovable property tax and household waste fee due for 2007. The costs of this process shall be for the account of the budget of the Agency.

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## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 110/2007, effective 1.01.2008)

§ 18. The Municipal Council shall determine the amount of the local taxes not later than the 29th day of February 2008. In case the amount of local taxes has not been determined within this time limit, the minimum amounts of the taxes provided for in the law shall apply for 2008, and in respect of the licence tax, the amounts which were effective for 2007 shall apply for 2008.

§ 19. Until determination of the amount of local taxes for 2008 by the Municipal Council, the tax on acquisition of property under Article 44 (1) and (2) [of the Local Taxes and Fees Act] and the inheritance tax shall be assessed on the basis of the minimum amounts of the respective taxes as provided for in the law.

§ 20. (1) For 2008, the first and the second installment under Article 28 (1) [of the Local Taxes and Fees Act] and, respectively, the first installment of the tax under Article 60 (1) [of the Local Taxes and Fees Act], shall be payable from the 31st day of March to the 30th day of June.

(2) Any taxpayer, who or which prepays the amount of tax due for the whole year by the time limits referred to in Paragraph (1), shall enjoy a rate rebate of 5 per cent.

§ 21. The Minister of Finance shall endorse a standard form of the return referred to in Article 61m (1) [of the Local Taxes and Fees Act] not later than the 29th day of February 2008.

§ 22. For 2008, the persons subject to levy of a licence tax shall submit a return under Article 61m (1) [of the Local Taxes and Fees Act] not later than the 30th day of April 2008.

§ 23. (1) For 2008, the first and second payments under Article 61o (1) [of the Local Taxes and Fees Act] shall be remitted on or before the 30th day of April 2008.

(2) Any taxpayer, who prepays the amount of tax due for the whole year by the time limits referred to in Paragraph (1), shall enjoy a rate rebate of 5 per cent.

§ 24. This Act shall enter into force on the 1st day of January 2008.

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 105/2008, effective 1.01.2009)

§ 17. (1) The Municipal Council shall determine the amount of the immovable property tax, the inheritance tax and the tax on acquisition of property covered under Article 44 (1) and (2) [of the Local Taxes and Fees Act] not later than the 31st day of January 2009. In case new amounts are not determined within this time limit, the minimum amount of the taxes fixed in Articles 22, 36 and Article 47 (1) and (2) [of the Local Taxes and Fees Act] shall apply for 2009.

(2) Until determination of the amounts referred to in Paragraph (1), the tax on acquisition of property covered under Article 44 (1) and (2) [of the Local Taxes and Fees Act] shall be assessed on the basis of the minimum amounts of the respective taxes as provided for in the law.

§ 18. (1) For 2009, the first instalment referred to in Article 28 (1) [of the Local Taxes and Fees Act] shall be payable from the 1st day of March to the 30th day of April.

(2) Any taxpayer, who or which prepays the amount due for the whole year by the time limit referred to in Paragraph (1), shall enjoy a rate rebate of 5 per cent.

§ 19. For 2009, the Municipal Council shall determine the household waste fee not later than the 31st day of January 2009. Where the Municipal Council has failed to pass a resolution whereby the amount of the household waste fee is determined within this time limit, a fee to the amount of the absolute value applicable to the last preceding year shall be collected from each liable person.

.....

§ 21. This Act shall enter into force as from the 1st day of January 2009.

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(Promulgated, SG No. 95/2009, effective 1.01.2010)

§ 20. (1) The Municipal Council shall determine the amount of the immovable property tax and the tax on acquisition of property for 2010 not later than the 31st day of January 2010. In case new amounts are not determined within this time limit, the amounts of the taxes effective at the 31st day of December 2009 shall apply for 2010.

(2) Until determination of the amounts referred to in Paragraph (1), the tax on acquisition of property referred to in Article 44 [of the Local Taxes and Fees Act] shall be assessed on the basis of the amounts effective at the 31st day of December 2009.

(3) For 2010, the first installment referred to in Article 28 (1) [of the Local Taxes and Fees Act] shall be payable from the 1st day of March to the 30th day of April. Any taxpayer, who or which prepays the amount due for the whole year by this time limit, shall enjoy a rate rebate of 5 per cent.

§ 21. In respect of any non-residential properties and in respect of any non-residential properties whereto they enjoy an established limited right in rem of use, enterprises shall submit tax returns under Article 14 [of the Local Taxes and Fees Act] not later than the 30th day of June 2010.

§ 22. This Act shall enter into force on the 1st day of January 2010, with the exception of § 5 herein, which shall enter into force on the 1st day of January 2011.

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Excise Duties and Tax Warehouses Act

(Promulgated, SG No. 95/2009, effective 1.01.2010)

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§ 95. In the Local Taxes and Fees Act (promulgated in the State Gazette No. 117 of 1997; amended in Nos. 71, 83, 105 and 153 of 1998, No. 103 of 1999, Nos. 34 and 102 of 2000, No. 109 of 2001, Nos. 28, 45, 56 and 119 of 2002, Nos. 84 and 112 of 2003, Nos. 6, 18, 36, 70 and 106 of 2004, Nos. 87, 94, 100, 103 and 105 of 2005, Nos. 30, 36 and 105 of 2006, Nos. 55 and 110 of 2007 and Nos. 70 and 105 of 2008, Nos. 12, 19 and 41 of 2009), Articles 113 and 114 shall be repealed.

§ 96. This Act shall enter into force on the 1st day of January 2010, with the exception of § 1, Items 1, 3, 4 and 6 of § 2, § 3 and 4, Items 1 and 4 of § 5, § 6, 7, 8, 10 and 11, Item 1 (b) and (c) of § 13, § 15 and 16, Item 2 of § 20, § 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 39, 41, 42, 45, 46, 47, 50, 51, 52, 53, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 78, 81, 82, 86, 87, 88, 90, 91, 92, 93, 94 and 95 herein, which shall enter

into force on the day of promulgation of the Act in the State Gazette, and Items 2 and 5 of § 2, Item 3 of § 5, Item 1 of § 20, § 34, 43, 44, 48, 77, 79, 80, 83, 84, 85 and 89 herein, which shall enter into force on the 1st day of April 2010.

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(SG No. 98/2010, effective 1.01.2011, supplemented, SG No. 31/2011, effective 1.01.2011)

§ 25. (1) The [competent] Municipal Council shall determine the amount of the immovable property tax for 2001 not later than the 31st day of January 2011. In case new amounts are not determined within this time limit, the amount of the immovable property tax effective at the 31st day of December 2010 shall apply for 2011.

(2) The [competent] Municipal Council shall determine a household waste fee not later than the 31st day of January 2011. Where the Municipal Council has failed to pass a resolution whereby the amount of the household waste fee is determined, a fee to the amount of the absolute value applicable to the last preceding year shall be collected from each liable person.

§ 26. (1) The [competent] Municipal Council shall determine the amounts of the visitor tax for 2011 not later than the 31st day of January 2011.

(2) The amount of the visitor fee due for January 2011 for the collective tourist accommodation establishments and the supplementary tourist accommodations is determined as follows:

1. one-star establishments: BGN 0.60 per overnight stay;
2. two-star establishments: BGN 0.80 per overnight stay;
3. three-star establishments: BGN 1.00 per overnight stay;
4. four-star establishments: BGN 1.00 per overnight stay;
5. five-star establishments: BGN 1.00 per overnight stay.

(3) The tax return referred to in Article 61p (5) [of the Local Taxes and Fees Act] shall not be submitted for the overnight stays provided in 2010.

(4) (New, SG No. 31/2011, effective 1.01.2011) In case the Municipal Council has not determined the visitor tax amount within the time limit referred to in Paragraph (1), the amounts specified in Paragraph (2) shall apply.

§ 27. Within two months after the entry into force of this Act, the persons providing the service of accommodation at the collective tourist accommodation establishments and the supplementary tourist accommodations shall declare in writing information on the number of beds at the collective tourism accommodation establishment or the supplementary tourist accommodation to the rating authority under Article 52 of the Tourism Act. The Minister of Economy, Energy and Tourism shall enter the particulars into the National Tourism Register referred to in Article 58 of the Tourism Act not later than the 31st day of March 2011.

§ 30. This Act shall enter into force on the 1st day of January 2011, with the exception of § 8, § 9, § 12 and Item 2 of § 20 herein, which shall enter into force on the 1st day of July 2011.

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Skilled Crafts Act

(SG No. 28/2011)

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§ 65. The persons under Items 12 and 13 of Annex 4, Chapter Two, Section VI of the Local Taxes and Fees Act, who have submitted their tax return under Article 61m of the Local Taxes and Fees Act before the entry into force of this Act, enclosing a copy of the certificate on entry in the register of apprentices, issued by the competent regional chamber of skilled crafts, shall enjoy a tax relief under Item 4 of Article 61l(1) for the year 2011.

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## TRANSITIONAL AND FINAL PROVISIONS

to the State budget of Republic of Bulgaria 2013

(SG No. 102/2012, effective 1.01.2013)

.....

§ 77. Implementation of this Act is assigned to the Council of Ministers.

§ 78. This Act shall enter into force on 1 January 2013 with the exception of paragraphs 61, 68 and 73, which shall enter into force on the date of promulgation of the law "State Gazette".

## FINAL PROVISIONS

to the Act to Amend and Supplement the Local Taxes and Fees Act

(SG No. 101/2013, effective 1.01.2014, amended and supplemented,

SG No. 105/2014, effective 1.01.2015, amended, SG No. 95/2015, effective 1.01.2016)

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§ 11. For the purposes of applying the tax relief referred to in Article 59 (2) and (3) [of the Local Taxes and Fees Act], the authorities of the Ministry of Interior, acting ex officio, shall provide, on a single occasion not later than the 31st day of January 2014, information regarding the motor vehicles registered for operation as at the 31st day of December 2013, including information on the environmental category, where such a category applies.

.....

§ 13. (1) (Amended, SG No. 105/2014, effective 1.01.2015, SG No. 95/2015, effective 1.01.2016) This Act shall enter into force on the 1st day of January 2014, with the exception of § 6 herein, which shall enter into force on the 1st day of January 2017.

(2) (Repealed, SG No. 105/2014, effective 1.01.2015).

§ 13a. (New, SG No. 105/2014, effective 1.01.2015, amended, SG No. 95/2015, effective 1.01.2016) Not later than the 31st day of March 2016, the Council of Ministers, jointly with the National Association of Municipalities in the Republic of Bulgaria, shall elaborate a methodology for preparation of the cost estimate for the necessary expenses for the activities and for the types of bases serving for determination of the amount of the household waste fee, and shall lay a draft to amend Article 66 and Article 67 [of the Local Taxes and Fees Act] before the National Assembly.

## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Supplement the Local Taxes and Fees Act

(SG No. 32/2016, effective 1.01.2017)

§ 3. (Effective 22.04.2016 - SG No. 32/2016) (1) The Minister of Finance shall endorse a standard form of the return referred to in Article 61u, Paragraph (1) not later than the 30th day of September 2016.

(2) In regard to 2017 the Municipal Councils shall determine the amount of the tax on passenger taxi transport under Chapter Two, Section VIII not later than the 30th day of September 2016.

§ 7. (1) The permits for performance of passenger taxi transport, issued under the procedure of the Carriage by Road Act prior to the entry into force of this Act, shall remain valid until expiry of the terms, for which they were issued, but not later than 31 December 2016.

(2) The certificates of drivers of passenger taxi automobiles, issued under the procedure of the Ordinance under Article 12a, Paragraph (5) prior to the entry into force of this Act, shall remain valid until 31 December 2017.

§ 8. This Act shall enter into force on the 1st day of January 2017, with the exception of § 3 herein, which shall enter into force as from the day of promulgation of the Act in the State Gazette and of § 6 herein which shall enter into force as from 1 April 2016.

### **Annex 1**

(Amended and supplemented, SG No. 153/1998, effective 1.01.1999,  
repealed, SG No. 109/2001, effective 1.01.2002)

### **Annex 2**

(Amended, SG No. 153/1998, effective 1.01.1999,  
amended and supplemented, SG No. 109/2001, effective 1.01.2002,  
amended, SG No. 112/2003, effective 1.01.2004,  
supplemented, SG No. 106/2004, effective 1.01.2005,  
amended and supplemented, SG No. 100/2005, effective 1.01.2006,  
amended, SG No. 105/2006, effective 1.01.2007,  
SG No. 105/2008, effective 1.01.2009,  
SG No. 98/2010, effective 1.01.2011)

## Immovable Property Tax Assessment Rates

### I. General Provisions

Article 1. The assessed value of immovable property shall be determined in Bulgarian lev terms and shall represent a sum total of the assessed values of the separate items.

Article 2. The corporeal immovable or parts thereof shall be valued ignoring the influence of any restrictive covenant or encumbrance thereon.

- Article 3. (1) (Amended, SG No. 100/2005, SG No. 98/2010, effective 1.01.2011) The assessed value shall be determined by the officers of the municipal administration exercising competence over the situs of the property within two weeks after submission of a request completed in a standard form.
- (2) (New, SG No. 100/2005) A tax assessment certificate shall be issued for the purposes of levy of inheritance tax and tax on acquisition of property, for determination of the stamp duties and notarial fees in the proceedings under the Code of Civil Procedure and in other cases provided for by the law.
- (3) (Renumbered from Paragraph (2) and supplemented, SG No. 100/2005, amended, SG No. 98/2010, effective 1.01.2011) Where no declaration for the purposes of immovable property taxation of the property has been submitted or where intervening alterations have occurred in the particulars as declared, a request shall be submitted, enclosing therewith a declaration completed in a standard form. Where an issuance of a tax assessment certificate for construction in progress is requested, a memorandum of ascertainment, issued by the municipal (or borough) administration, certifying the stage of completion of the construction work, issued not earlier than three months before the date of the request, shall be attached to the request.
- (4) (Amended, SG No. 112/2003, supplemented, SG No. 106/2004, renumbered from Paragraph (3), SG No. 100/2005, amended, SG No. 105/2006) Any tax assessment certificates, issued until the 30th day of June in the relevant current year in pursuance of Article 264 (1) of the Tax and Social-Insurance Procedure Code, shall be valid until the said date, and any tax assessment certificates issued after the said date and until the end of the current year shall be valid until the end of the said current year. Where the tax liabilities in respect of the immovable have been paid for the full year and this circumstance has been entered in the certificate, the said certificate shall be valid until the end of the relevant current year regardless of the date of issue of the said certificate. Any tax assessment certificates on undeveloped agricultural and tracts shall be valid until the end of the relevant current year.

II. Tax Valuation of Buildings

Article 4. The assessed value of any building or part of buildings shall be arrived at proceeding from the base tax value per square metre, adjustment coefficients and space using the following formula:

$$AV = BV \cdot Cl \cdot Ci \cdot Cc \cdot Ch \cdot Cw \cdot S$$

- where:
- AV is the assessed value in leva;
  - BV is the base tax value per 1 square metre in leva;
  - Cl is a coefficient of location;
  - Ci is a coefficient of infrastructure;
  - Cc is a coefficient of individual characteristics;
  - Ch is a coefficient of height;
  - Cw is a coefficient of wear and tear
  - S is the space of the building or of part thereof in square metres.

Article 5. (1) The base tax value (BV) shall be determined per square metre depending on the structure and type of the item.

(2) The structures of buildings are indicated in Table 1.

Table 1  
*Structure Type Codes*

Code	Structure
1	2
BN	brick nogged timber-framed structure
SS	semi-solid structure
S1	solid structure without reinforced-concrete members or of prefabricated asbestos-cement or other panels (bungalows), solid with partial use of reinforced-concrete members
S2	solid, large-panel

S3 solid with bearing brick walls and entirely cast-in-situ or prefabricated reinforced-concrete floor structures, solid or prefabricated skeleton and framed structure, lift-slab structure, large-panel and sliding forms, skeleton-beamless structures, special structure (steel etc.)

(3) The base tax value shall be determined in Bulgarian lev terms per square metre according to Table 2.

Table 2

Structure	Residential buildings		Non-residential buildings
	flats	houses	
1	2	3	4
BN	4.40	3.70	4.80
SS	7.50	6.40	8.20
S1	11.00	9.40	12.10
S2	14.00	12.00	15.40
S3	17.00	14.50	18.70

(4) Applicable to the following items within condominium project buildings, the base tax value shall be determined as a percentage of the base tax value of flats, as follows:

1. maisonettes and studios: 100 per cent;
2. garages: 80 per cent.

(5) Applicable to the following items located on housing construction grounds, the base tax value shall be determined as a percentage of the base tax value of houses, as follows:

1. garages: 85 per cent;
2. stables, barns, sheds with surrounding walls and other such: 60 per cent;
3. sheds without surrounding walls: 40 per cent.

(6) Applicable to the following non-residential items, the base tax value shall be determined as a percentage of the base tax value of non-residential buildings, as follows:

1. garages and warehouses: 80 per cent;
2. sheds with surrounding walls: 60 per cent;
3. sheds without surrounding walls: 40 per cent.

(7) Any self-contained items within the common parts of the building shall be valued separately.

(8) The value of the indivisible interests in the common parts of the building shall be included into the base tax value.

Article 6. (1) The coefficient of location (Cl) shall be determined according to Table 3 or 4 and the situs of the building:

1. the coefficient of location shall be determined according to Table 3 in respect of all buildings with the exception of manufacturing and farm buildings; where the zones within the nucleated settlement and/or the grades of the country-house zones have not been established, the coefficients under columns 7 and 10 shall apply;

Table 3

(Amended, SG No. 100/2005, SG No. 105/2006, effective 1.01.2007, SG No. 105/2008, effective 1.01.2009)



Grade	Zone					Within develop-ment limits	Outside develop-ment limits	Country-house zone	
	II	III	IV	V				Grade 2	
Sofia	93.6	74.9	63.2	42.1	28.1	25.7	23.4	65.5	37.4
Varna	88.9	70.2	56.2	42.1	28.1	25.7	23.4	60.8	32.8
Bourgas	67.9	58.5	51.5	35.1	23.4	21.1	18.7	51.5	23.4
Stara Zagora	63.2	53.8	44.5	33.9	23.4	21.1	18.7	44.5	23.4
Plovdiv	58.5	49.1	37.4	32.8	23.4	21.1	18.7	37.4	23.4
I, Group 1	49.1	37.4	30.4	23.4	21.1	18.7	16.4	28.1	21.1
I, Group 2	31.5	22.5	15.8	11.3	0.0	9.0	6.8	13.5	11.3
II	21.6	13.0	10.8	8.6	0.0	6.5	5.4	8.6	6.5
III	11.9	8.6	6.5	0.0	0.0	5.4	4.3	6.5	5.4
IV, V	6.5	4.3	0.0	0.0	0.0	4.3	3.2	5.4	4.3
VI, VII, VIII	3.2	0.0	0.0	0.0	0.0	2.4	2.2	2.8	2.6

2. applicable to distributive trade establishments, the coefficient of location under Table 3 shall be increased by 40 per cent. "Distributive- trade establishment" means a store, a drugstore, a kiosk, a booth, a wholesale warehouse, an automotive fuel filling station, a discotheque, a restaurant, a cafeteria, a patisserie, a public house, a beer hall, a tavern, a cafe, a hotel, a motel, and a gambling establishment;

3. the coefficient of location shall be determined according to Table 4 in respect of manufacturing and farm buildings and of appertaining office buildings located within the same property (parcel of land):

*Table 4*

(Amended, SG No. 100/2005, SG No. 105/2006, effective 1.01.2007, SG No. 105/2008, effective 1.01.2009)

Grade	Location			
	Unfavourable			
	Farm	Manufacturing Farm		
Sofia	23.4	16.4	17.3	10.8
Varna	22.2	15.7	16.4	10.4
Bourgas	21.1	14.7	15.6	9.7
Stara Zagora	20.5	14.4	15.1	9.4
Plovdiv	19.9	14.0	14.7	9.1
I, Group 1	16.4	11.5	12.1	7.6
I, Group 2	14.0	9.9	10.4	6.5
II	11.7	8.2	8.6	5.4
III	7.0	4.9	5.2	3.2
IV, V	4.7	3.3	3.5	2.2
VI, VII, VIII	2.3	1.6	1.7	1.1

(a) "manufacturing (industrial manufacturing) works" means works used for manufacturing purposes, including generation and distribution of steam, compressed air and gases, generation, transmission and distribution of electricity, pumping stations and water-treatment plants, hangars, garages, depots, warehouses and sheds for storage of industrial output;

(b) "farm works" means buildings for livestock breeding and poultry breeding, buildings for crop

husbandry, artificial insemination stations, incubator houses, feed preparation rooms, veterinary filters, warehouses and sheds for storage of farm produce, silos and incinerators;

(c) "buildings of favourable location" are such that satisfy the following conditions more than 50 per cent: the building is located within the settlement limits; in proximity (within 1 km) to the national road network, railway stations and maritime or river ports; self-contained production (industrial, commercial and agricultural) zones.

(2) (Amended, SG No. 109/2001, SG No. 100/2005) The coefficient of location referred to in Paragraph (1) shall be increased by 50 per cent applicable to national resorts and the country-house zones therewith, as well as applicable to country-house zones within 10 km from the coast line, with the exception of Varna, Bourgas, the Borovets resort complex, the Dyuni resort complex, the Elenite resort complex, the Sunny Beach resort complex, and the nucleated settlements listed under Paragraph (5).

(3) (Amended, SG No. 109/2001, supplemented, SG No. 100/2005) The coefficient of location referred to in Paragraph (1) shall be increased by 20 per cent applicable to resorts of local importance and to the country-house zones therewith with the exception of the nucleated settlement listed under Paragraph (5).

(4) (Amended, SG No. 100/2005) The grade of the nucleated settlement shall be determined by the Uniform Classifier of Political and Territorial Units (EKATTE), endorsed by Council of Ministers Decision No. 565 of 1999 (State Gazette No. 73 of 1999), with the exception of Varna, Bourgas, Stara Zagora, Plovdiv and the nucleated settlements listed under Paragraph (5).

(5) (New, SG No. 100/2005) The following nucleated settlements shall be grouped in Grade I (One):

1. Group 1: Blagoevgrad, Veliko Turnovo, Kurdjali, Pernik, Pleven, Rousse, Sliven, Haskovo, Shoumen, Bansko, Nessebur, Sozopol;

2. Group 2: Vidin, Vratsa, Gabrovo, Dobrich, Lovech, Montana, Pazardjik, Silistra, Smolyan, Razgrad, Turgovishte, Yambol, Aytos, Karnobat, Nova Zagora, Sevlievo, Harmanli, Troyan, Panagyurishte, Peshtera, Asenovgrad, Radomir, Samokov, Kazanluk, Radnevo, Chirpan, Popovo, Kozloduy, Kranevo, Balchik, Byala (Varna Region), Velingrad, Kyustendil, Sandanski, Kiten, Obzor, Pomorie, Primorsko, Sveti Vlas, Hissarya, Tsarevo.

(6) (Renumbered from Paragraph (5), SG No. 100/2005) "Country-house zone" means a country-house zone with approved development and regulation plans.

(7) (Renumbered from Paragraph (6), SG No. 100/2005) The boundaries of the zones within nucleated settlements and the grades of the country-house zones shall be determined by resolution of the Municipal Council. Until passage of such resolution, the zones and grades shall apply as established by an order of the Municipality Mayor.

Article 7. The coefficient of infrastructure (Ci) shall be arrived at by adding to 1 the value of the components under Table 5:

$$C_i = 1 + A + B + C + D + E + F$$

Table 5

Component	Value of components		
	available	not available	Not available in building, available in neighbourhood
1	2	3	4
A. Running water supply	0.0	-0.05	-0.03
B. Sewer system	0.0	-0.05	-0.03
C. Electric power supply	0.0	-0.07	-0.05
D. Telephone communications	0.0	-0.02	-0.02
E. Central heating and hot-water supply	+0.06	0.00	0.00
F. Street network	0.0	-0.08	-0.08

1. "street network" means streets with permanent pavement;
2. where the building is not connected to the electric power supply, water-conduit and sewer networks but the relevant infrastructure has been built in the neighbourhood, these components shall be presumed to have the value under column 4. "Neighbourhood" means part of a nucleated settlement delimited by record street lines (or streets, where there is no approved regulation plan), even where the facilities are located within the limits of the streets. The coefficient under column 4 shall furthermore apply in the valuation of a part of a building, i. e. if the item has no built infrastructure but such infrastructure is available within the building.

Article 8. (1) The coefficient of individual characteristics (Cc) shall be arrived at by adding to 1 the following adjustments:

$$Cc = 1 + cc_1 + cc_2 + cc_3$$

where:

1.  $cc_1$  is an adjustment for height location of items in residential and predominantly residential buildings:

Table 6

Item located on	Adjustment ( $cc_1$ )			
	in buildings of six and more stories without elevator		In any other buildings	
	non-residential	flats	non-residential	flats
1. First floor	+0.10	-0.05	+0.10	-0.05
2. Second to fifth floor	-0.03	+0.03	0.00	+0.03
3. Sixth and upper floor	-0.10	-0.03	-0.08	0.00

(a) where the items covered under Item 1 are located on the uppermost floor of a building of two and more stories, the adjustment  $cc_1$  shall be reduced by 0.05;

(b) applicable to studios, garages, basements and attics, the adjustment  $cc_1$  shall be nil;

2.  $cc_2$ : adjustment for physical condition of the item:

Table 7

Physical condition	Value of $cc_2$
No interior overhaul for more than 20 years	-0.05
Bad physical condition	From -0.10 to -0.60

(a) "bad physical condition" means damage caused by natural disasters, accidents and other such, as a result whereof the physical condition of the item has deteriorated materially; the value of the adjustment shall be ascertained after inspection and drafting of a memorandum describing the damage;

(b) in the rest of the cases,  $cc_2$  shall be equal to nil;

3.  $cc_3$ : adjustment for improvements of items:

$$cc_3 = A + B + C + D + E + F$$

Table 8

Type of improvement	Value of $cc_3$	
	Available	not available
A. Heating system	0.00	0.04

B. Air conditioning system	0.00	0.06
C. De luxe or aluminium joinery units	0.00	0.04
D. Sound proofing or heat insulation	0.00	0.03
E. Roofing	0.00	0.03
F. Ornaments and facings	0.00	0.02

(a) "heating system" means private heating, under floor and radiant wall heating;

(b) "air conditioning system" refers to a system which is durably affixed to the building;

(c) "roofing" means de luxe improvements: a special roof structure, sheeting and insulations;

(d) "ornaments and facings" refers to de luxe interior and exterior ornaments, mosaics, facings, panels etc.

Article 9. (1) The coefficient of height (Ch) shall be arrived at in respect of any distributive-trade establishment, manufacturing or farm work, where the floor height exceeds 4 metres, using the following formula:

$$Ch = (H - 3)^{0.05}$$

where H is the actual floor height in metres, accurate to 0.5 metre.

(2) The coefficient shall be calculated to three-place accuracy.

(3) Applicable to any other item, the coefficient shall have a value of 1.

Article 10. (1) (Amended, SG No. 153/1998) The coefficient of wear and tear (Cw) shall be arrived at using the following formula:

$$Cw = [100 - (NY - 5) \cdot PC]/100$$

where:

NY is the number of years which have lapsed between the completion of the building and the moment of valuation (integral number);

PC is the annual rate of wear and tear of buildings by type of structure in percentage terms:

Table 9

Structure code	Annual rate of wear and tear (%)
BN	1.0
SS	0.8
S1	0.7
S2	0.6
S3	0.5

(2) Until the fifth year after completion of the building, the coefficient shall have the value of 1.

(3) The coefficient of wear and tear may not be less than 0.65 applicable to any building or part thereof of brick nogged timber framed or semi-solid structure, less than 0.75 applicable to S1 and S2, and less than 0.85 applicable to S3.

Article 11. (1) The space (S) (gross area, gross floor area) of any building or part thereof shall represent the entire space enclosed between: the outer surface of the exterior walls and/or imaginary vertical planes equidistant from the surfaces of the interior walls (applicable to rooms); the outer surface of the exterior wall and/or of the parapet wall (applicable to open space with side closure); the horizontal projection of the contour of the roofing structural member (applicable to roofed open space without side closure); the outer surface of the exterior walls and parapet walls (applicable to a floor of a building, a condominium project building, or a section of a building).

(2) The space of any basement or attic shall be determined as follows:

1. thirty per cent of the gross area thereof, where adjoining residential items;
  2. sixty per cent of the gross area thereof, where adjoining non-residential items.
- (3) The space as arrived at under Paragraph (2) shall be added to the space of items which the basements or attics adjoin.
- (4) Where any basement or attic must be valued as self-contained items, the space arrived at according to Paragraph (2) shall qualify as the space.

### III. Tax Valuation of Construction in Progress

Article 12. (1) Any construction in progress shall be valued according to completed construction and erection work as percentage of the assessed value of the building as designed, as follows:

1. (Amended, SG No. 100/2005) up to grade level: 37 per cent;
2. (Amended, SG No. 100/2005) up to rough construction work: 63 per cent;
3. (Repealed, SG No. 100/2005).

(2) The assessed value of any self-contained item within an unfinished building shall be part of the assessed value of the said unfinished building corresponding to the proportion between the gross floor area of the item (including indivisible interests in the common parts of the building) and the gross floor area of the building as designed.

### IV. Tax Valuation of Land within Development Limits, Developed Yards and Land outside Development Limits (Excluding Agricultural Land)

Article 13. (1) The assessed value of any land tract within development limits, country-house zones, developed yards (developed sites outside development limits) and of any land outside development limits (excluding agricultural land) shall be arrived at proceeding from the base tax value per square metre, adjustment coefficients, surface area, and the tax value of improvements using the following formula:

$$AV = BV \cdot Cl \cdot Ci \cdot Cz \cdot Cd \cdot SL + VI$$

where:

AV is the assessed value in leva;

BV is the base tax value per 1 square metre in leva;

Cl is a coefficient of location according to Table 3;

Ci is a coefficient of infrastructure;

Cz is a coefficient of spatial development zone;

Cd is a coefficient of building development;

SL is the surface area of the land, inclusive of the floor area, in square metres;

VI is the tax value of improvements.

(2) The assessed value of aquatic areas, mines, quarries, forest-stock land tracts and other such items shall be determined depending on the location and status thereof.

Article 14. (1) The base tax value of land shall be BGN 0.80 per square metre.

(2) The base tax value per 1 square metre of any undeveloped site within the development limits of nucleated settlements, as designated by a detailed urban-development plan, shall be 125 per cent of the base tax value referred to in Paragraph (1).

(3) (Amended, SG No. 100/2005) The base tax value of any land within the development limits of nucleated settlements of Grade IV, V, VI, VII and VIII shall be increased as follows:

1. by 10 per cent, where located within 20 km from a nucleated settlement of Grade Zero or One;
2. by 5 per cent, where located within 15 km from a nucleated settlement of Grade Two.

(4) (Amended, SG No. 109/2001, SG No. 100/2005) The base tax value of any land located in a country-house zone within 10 km from the coastline, a national resort or a country-house zone therewith shall be increased by 50 per cent, with the exception of Varna, Bourgas, the Borovets resort complex, the Dyuni resort complex, the Elenite resort complex, the Sunny Beach resort complex, and the nucleated settlements listed under Article 6 (5) herein.

(5) (Amended, SG No. 109/2001, SG No. 100/2005) The base tax value of any land in a resort of local importance and in a country-house zone therewith shall be increased by 20 per cent with the exception of the nucleated settlements listed under Article 6 (5) herein.

Article 15. The coefficient of infrastructure (Ci) shall be arrived at by adding to 1 the value of the components under Table 10:

$$C_i = 1 + A + B + C + D$$

Table 10

Component	Value of components		
	not available	not available in property, available in area	
A. Running water supply	0.0	-0.05	-0.03
B. Sewer system	0.0	-0.05	-0.03
C. Electric power supply	0.0	-0.07	-0.05
D. Street network	0.0	-0.08	-0.08

1. "street network" means streets with permanent pavement;

2. where the property is not connected to the electric power supply, water-conduit and sewer networks but the relevant infrastructure has been built in the area, these components shall be presumed to have the value under column 4. "Area" means part of a nucleated settlement (settlement is the entire territory delimited by the land-use area boundary) bounded by streets (roads), even where the facilities are located within the limits of the streets.

Article 16. (1) The coefficient of spatial-development zone (Cz) shall be determined depending on the assigned use of the ground according to the detailed urban-development plan, as follows:

1. central zone,  $C_z = 1.10$ ;

2. manufacturing, predominantly manufacturing and specifically manufacturing zones,  $C_z = 0.90$ , and land occupied by farmsteads,  $C_z = 0.80$ ;

3. any other zone (residential, public service, parks, green spaces, sports facilities and other such),  $C_z = 1.00$ .

(2) The coefficient under Paragraph (1) shall have the value of 1 applicable to any land outside the development limits of the nucleated settlement and applicable to any land within an unzoned nucleated settlement.

Article 17. The coefficient of building development (Cd) shall be determined in the following manner:

1. applicable to a degree of building development not exceeding 40 per cent, as well as to undeveloped land, the said coefficient shall have the value of 1. The degree of building development shall be arrived at by dividing the floor area by the area of the property (parcel of land);

2. applicable to a degree of building development exceeding 40 per cent, the following formula shall be used:

$$C_d = 2 - 1.01^{(DB-35)}$$

where DB is the degree of building development;

3. applicable to a degree of building development equal to 100 per cent,  $C_d = 0.10$ ;

4. the coefficient shall be calculated to two-place accuracy.

Article 18. (1) The tax value of improvements (VI) shall represent a sum total of the assessed values of the individual improvements.

(2) The assessed value of each improvement shall be arrived at by multiplying the quantity thereof by the following values:

1. applicable to de luxe surfacing (excluding ordinary mosaic, concrete and clay and other flagging): BGN 35.00 per square metre;

2. applicable to solid fences (brickwork, concrete, metal, mixed) and retaining walls: BGN 8.00 per square metre (length by height);

3. applicable to permanently paved sports grounds: BGN 15.00 per square metre;
4. applicable to swimming pools durably affixed to the ground: BGN 23.00 per cubic metre;
5. applicable to parking lots for public use, per square metre:
  - (a) grassland and permanently paved: BGN 8.00;
  - (b) any other: BGN 15.00.

#### V. Tax Valuation of Agricultural Land

Article 19. (1) The assessed value of agricultural land shall be arrived at proceeding from the base tax value per square metre, varying by the manner of permanent land use and the grade, the coefficient of location and the space, using the following formula:

$$AV = BV \cdot Cl \cdot SL$$

where:

AV is the assessed value in leva;

BV is the base tax value per 1 square metre in leva;

Cl is the coefficient of location;

SL is the space of the land in square metres.

(2) The assessed value of forests occupying agricultural land shall be determined according to the procedure established for agricultural land occupied by permanent crops.

(3) Where forest-stock land has to be valued, the said land shall be valued as forests occupying agricultural land.

(4) (New, SG No. 109/2001) The assessed value of the types of forest- stock land shall be arrived at by means of equalization of the site type of the forest-stock land to the grade of agricultural land according to the following table:

Grade of agricultural land	Forest site type	Prevailing characteristics	Forest zone, richness and moisture
I	2	3	4
III	3, 5, 7, 90, 92, 93, 106	Flood plain riparian, rich	and I-1, CD-23
IV	4, 8, 9, 6, 52, 53, 69	Flood plain riparian, leaner	and
V	10, 14, 16, 37, 40, 41, 42, 44, 46, 54, 62, 73, 74, 76, 77, 78, 79, 81, 82, 84, 105, 111, 112, 114, 116, 118, 136	Rich mountain	CD-23 (21*II, 6*I)
VI	1, 2, 11, 12, 13, 17, 18, 20, 22, 24, 25, 27, 29, 30, 31, 34, 35, 38, 43, 45, 47, 51, 55, 56, 58, 59, 60, 63, 64, 65, 67, 68, 70, 71, 72, 80, 83, 85, 86, 87, 94, 95, 97, 98, 99, 100, 101, 102, 104, 107, 109, 110, 113, 115, 117, 119, 121, 124, 125, 127, 133, 135, 140, 141, 142, 144, 145	Rich valley, leaner mountain	10*I I-21 CD-23 (21* I, 4*II) 17*II B-12 3*III B-2 2*III C-23
VII	21, 23, 26, 28, 32, 33, 36, 61, 66, 75, 108, 120, 122, 128, 131, 138, 139, 143, 146, 147	Leaner valley	5*AB-1, 2, BC-12, (8*I, 7*II)
VIII	15, 19, 48, 50, 57, 89, 96, 137	Dry non-lean, certain high-mountain	2*Ib-12, 2*IC-1 3*III-2 BC-3

IX	49, 88, 126, 129, 148, 149, 150	Dry and lean, certain 4* high-mountain	A-1, 1*I, II B-12, 2*III BC-23
X	130, 103, 123, 132, 134	Very dry and lean	A-01 (2* AB-1, 3* A-01)

where:

the Roman numerals indicate forest zone;

\* - forest site;

A - very lean land; B - lean; C - medium rich; D - rich;

The numerals: 0 - very dry; 1 - dry; 2 - fresh, and 3 - wet.

Article 20. The base tax value (BV) shall be determined in Bulgarian lev terms per square metre of agricultural land depending on land classification and the manner of permanent use:

1. where not under irrigation according to the following table:

Table 11

(Amended, SG No. 105/2008, effective 1.01.2009)

Manner of permanent use	Base tax value by grade (BGN per square metre)									
	II	III	IV	V	VI	VII	VIII	IX	X	
1	2	3	4	5	6	7	8	9	10	11
Permanent crops	0.3	0.306	0.270	0.234	0.180	0.147	0.090	0.063	0.039	0.014
Fields	0.1	0.168	0.147	0.129	0.098	0.054	0.081	0.050	0.035	0.009
Lawns	0.1	0.111	0.098	0.084	0.066	0.054	0.032	0.023	0.014	0.005
Pastures	0.0	0.066	0.059	0.050	0.039	0.032	0.018	0.014	0.008	0.003

2. where under irrigation: the base tax value under Item 1, multiplied by 1.20.

Article 21. The base tax value of agricultural land shall be adjusted by a coefficient of location (Cl), which shall be arrived at by adding to 1 the following adjustments ( $Cl = 1 + c_1 + c_2 + c_3$ ):

1. an adjustment for location in respect of the development limits of the nucleated settlement, in the land-use area whereof the property is located ( $c_1$ ):

Table 12

Distance from development limits of settlement (km)	$c_1$
abutting	+0.25
under 1	+0.15
from 1 to 3	0.00
from 3 to 6	-0.10



from 6 to 8	-0.15
over 8	-0.20

2. adjustment for location in respect of the permanently paved road network ( $c_2$ ):

Table 13

Distance from road network (km)	$c_2$
abutting on road network	+0.10
under 1	0.00
over 1	-0.10

3. (Amended, SG No. 100/2005) adjustment for the grade of the nucleated settlement, in the land-use area whereof the property is located ( $c_3$ ):

Table 14

(Amended, SG No. 100/2005)

Grade of settlement in land-use area whereof $c_3$ property is located	
Zero	+0.30
I	+0.20
II	+0.15
III	+0.10
IV and V	0.00
VI, VII and VIII	-0.10

## VI. Tax Valuation of Building Right

Article 22. (Amended, SG No. 153/1998) The assessed value of any building right (AVBR) shall be determined in Bulgarian lev terms, using the following formula:

$$AVBR = GFA \cdot 0.25 \cdot BV \cdot Cl \cdot Ci \cdot Cp$$

where:

GFA is the gross floor area of the building in square metres;

BV is the base tax value depending on the structure and assigned use of the building. Should the structure be unknown,  $S_2$  shall be presumed. The prevailing assigned use (over 50 per cent) shall apply;

Cl is a coefficient of location depending on assigned use;

Ci is a coefficient of infrastructure, determined according to Section IV; upon creation of a building right affecting agricultural land, Ci shall be determined in an identical manner;

Cp is a coefficient accounting for the period where for the right has been created, displayed to the third decimal place.

$Cp = (1 - 1.05^{-n})$  where "n" is the number of years where for the right has been created. Where n is greater than 100 years, Cp shall be presumed to have the value of 1.

## VII. Tax Valuation of Right of Use

Article 23. (1) The assessed value of any real right of use (AVRU) shall be determined in Bulgarian lev terms using the following formula:

$$AVRU = AV \cdot Cp$$

where:

AV is the assessed value in lev terms of the property or the part thereof affected by the right as created;

Cp is a coefficient accounting for the period where for the right has been created, displayed to the third decimal place.

$Cp = (1 - 1.05^{-n})$  where "n" is the number of years wherefor the right has been created. The coefficient may not be grater than 0.900.

(2) Where the right of use is created for an indeterminate duration, the number of years where for the said right has been created shall be arrived at by subtracting the age of the user from 70 or, where there are multiple users, the age of the youngest user. Where the user is older than 70, the number of years shall be presumed to be 5.

(3) (New, SG No. 100/2005) Where a right of use of an enterprise is created for an indeterminate duration, the coefficient accounting for the period shall be 0.900.

(4) (Renumbered from Paragraph (3), SG No. 100/2005) Where a current valuation of the right of use is required, the number of years "n" shall be determined as the residual period reckoned at the date wherefor the valuation is required.

Article 24. The assessed value of a right of ownership, where a real right of use has been created, shall be reduced by the assessed value of the right of use for the residual period, reckoned at the date wherefor the valuation is required.

### **Annex 3**

to Article 55 (1)

(New, SG No. 109/2001, effective 1.01.2002,  
repealed, SG No. 45/2002, effective 1.01.2002)

### **Annex 4**

to Section VI of Chapter Two

(New, SG No. 110/2007, effective 1.01.2008,  
supplemented, SG No. 98/2010, effective 1.01.2011,  
amended, SG No. 30/2013, effective 26.03.2013)

1. (Amended, SGNo. 30/2013, effective 26.03.2013) Supplementary tourist accommodations of not more than 20 rooms: the tax shall be assessed per room according to the location of the establishment:

one- and two-star	from BGN 25 to BGN 250
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2. Mass-catering and entertainment establishments: the tax shall be assessed per customer place, including such in the open air, or per establishment, according to the location of the establishment:

(a) restaurants:	one- and two-star	from BGN 1 to BGN 35
	from BGN 6 to BGN 60	

(b) fast-food outlets:	one- and two-star	from BGN 1 to BGN 20
	from BGN 3 to BGN 35	

(c) drinking establishments, except such listed under Littera (f):	one- and two-star	from BGN 1 to BGN 20
	from BGN 2 to BGN 35	

(d) cafes and patisseries:	one- and two-star	from BGN 1 to BGN 20
	from BGN 3 to BGN 50	

(e) bars:		
- lounge bars:	two-star	from BGN 3 to BGN 50
	from BGN 10 to BGN 84	

- night clubs:	two-star	from BGN 5 to BGN 63
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from BGN 20 to BGN 98

(f) refreshment bars, caravans and kiosks (per establishment):

from BGN 75 to BGN 500

3. Retail trade on a net selling space of the establishment not exceeding 100 square meters: the tax shall be assessed per square meter of net selling space according to the location of the establishment:

4. Paid parking facilities: the tax shall be assessed per parking space according to the location of the establishment:

BGN per parking space

from BGN 5 to BGN 200

5. Carpenter services: the tax shall be assessed according to the location of the establishment: from BGN 50 to BGN 780

6. Tailor, currier, furrier and knitting services: the tax shall be assessed according to the location of the establishment: from BGN 40 to BGN 840

7. Trade in, manufacture of, and services involving articles of precious metals: the tax shall be assessed according to the location of the establishment: from BGN 500 to BGN 2,500

8. Cobbler, hatter and milliner services: the tax shall be assessed according to the location of the establishment: from BGN 40 to BGN 120

9. Metalworker services: the tax shall be assessed according to the location of the establishment: from BGN 100 to BGN 910

10. Hairdresser and barber services, pet beauty parlour services: the tax shall be assessed per workplace according to the location of the establishment: from BGN 60 to BGN 840

11. Typing and/or photocopying services: the tax shall be assessed per device according to the location of the establishment: from BGN 180 to BGN 594

12. Cosmetic and tattooing services: the tax shall be assessed per workplace according to the location of the establishment: from BGN 130 to BGN 900

13. Manicure and chiropody: the tax shall be assessed per workplace according to the location of the establishment: from BGN 60 to BGN 420

14. Watchmaker services: the tax shall be assessed according to the location of the establishment: from BGN 60 to BGN 390

15. Upholsterer services: the tax shall be assessed according to the location of the establishment: from BGN 180 to BGN 520

16. Car washes; tyre repairs, regulating and balancing: the tax shall be assessed according to the location of the establishment: from BGN 190 to BGN 1,200

17. Car repair, panel-beating, car painting and other services for the technical maintenance and repair of motor vehicles: the tax shall be assessed according to the location of the establishment: from BGN 280 to BGN 1,900

18. Repair of wiring and plumbing systems: the tax shall be assessed according to the location of the establishment: from BGN 100 to BGN 560

19. Glazier services: the tax shall be assessed according to the location of the establishment: from BGN 100 to BGN 700

20. Maintenance and repair of household appliances, devices, audio-visual equipment, air conditioners, repair of musical instruments: the tax shall be assessed according to the location of the establishment: from BGN 47 to BGN 980

21. (Supplemented, SG No. 98/2010, effective 1.01.2011) Rental of video cassettes or of video recordings on electronic storage media : the tax shall be assessed according to the location of the establishment: from BGN 300 to BGN 3,250

22. Female and male escorts: the tax shall be assessed according to the location of the establishment: from BGN 3,000 to BGN 6,440

23. Masseuses and masseurs: the tax shall be assessed according to the location of the establishment: from BGN 500 to BGN 1,680

24. Clairvoyants, psychics and bioenergy therapists: the tax shall be assessed according to the location of the establishment: from BGN 2,000 to BGN 5,600

25. Photographic services: the tax shall be assessed according to the location of the establishment: From BGN 200 to BGN 1,040

26. Intermediation services for the purchase, sale, exchange and lease of real property: the tax shall be assessed according to the location of the establishment: from BGN 100 to BGN 3,500

27. Leased public lavatories: the tax shall be assessed according to the location of the establishment: from BGN 150 to BGN 420

28. Locksmith services, repair of locks, repair of handbags, book-binding services, repair of sewing machines: the tax shall be assessed according to the location of the establishment: from BGN 50 to BGN 198

29. Repair of umbrellas, repair and recharging of lighters, repair of bicycles, from BGN 50 to BGN 98  
chimney sweeping services: the tax shall be assessed according to the location of  
the establishment:
30. Pawn brokers: from BGN 3,000 to BGN 28,000
31. Retail of newspapers, magazines, Bulgarian and translated literature: the tax from BGN 30 to BGN 260  
shall be assessed according to the location of the establishment:
32. Repair of computers, computer and other electronic office automation from BGN 300 to BGN 1,300  
(copiers, facsimile machines, printers, etc.): the tax shall be assessed according to  
the location of the establishment:
33. Amusement or sports games: the tax shall be assessed per number of devices according to the location of the  
establishment:
- (a) amusement arcade machines and other games operated by coins or tokens: from BGN 100 to BGN 198
- (b) pinball, table tennis, darts, paintball and speedball, mini-basketball, bridge, from BGN 8 to BGN 26  
backgammon:
- (c) bowling and skittles, per alley, and billiards, per table: from BGN 40 to BGN 140
34. Fitness centres and gyms: the tax shall be assessed according to the from BGN 1.50 to BGN 4 per sq  
location of the establishment: m and from BGN 300 to BGN 840 per  
fitness apparatus
35. Dry cleaning, laundry and pressing: the tax shall be assessed per piece of from BGN 133 to BGN 440  
equipment according to the location of the establishment:
36. Grain milling services:
- (a) flour mills: from BGN 18 to BGN 36 per running centimetre of the length of the milling line;
37. Vacation services:
- (a) pleasure boats from BGN 750 to BGN 1,500 per  
piece;
- from BGN 450 to BGN 900 per piece;  
from BGN 900 to BGN 1,800 per piece;  
from BGN 900 to BGN 1,800 per piece;  
from BGN 30 to BGN 60 per seat;  
from BGN 75 to BGN 150 per seat;  
from BGN 150 to BGN 300 per piece of equipment;  
from BGN 150 to BGN 300 per piece of equipment;  
from BGN 150 to BGN 300 per seat;  
from BGN 150 to BGN 300 per piece;  
from BGN 300 to BGN 600 per shooting gallery
38. Motor vehicle driving instruction: the tax shall be assessed per motor vehicle at the following amounts:
- (a) mopeds, motorcycles from BGN 200 to BGN 475  
from BGN 400 to BGN 950
39. Roadside assistance services for road transport vehicles: from BGN 2,000 to BGN 4,000 per motor vehicle.
40. Services involving the use of agricultural and forestry machinery: the tax shall be assessed per piece of machinery  
as follows:
- (a) combine harvester: from BGN 330 to BGN 660;