Public Finance Act

Promulgated, SG No. 15/15.02.2013, effective 1.01.2014, amended, SG No. 95/8.12.2015, effective 1.01.2016, amended and supplemented, SG No. 43/7.06.2016

Text in Bulgarian: Закон за публичните финанси

Chapter One
GENERAL PROVISIONS

Article 1. (1) This Act regulates the budgetary framework, the general scheme and the structure of public finances, including:

1. the public finance scope;

2. the scope, structure and main variables of the consolidated fiscal programme;

3. the fiscal rules and constraints;

4. the drawing up, adoption, implementation and reporting of the state budget, the municipal budgets, and any other budgets which fall within the scope of the consolidated fiscal programme;

5. the arrangements of the accounts for European Union funds;

6. the arrangements of the accounts for external funds;

7. the financial relations with the general budget of the European Union and with other international programmes and agreements;

8. the banking services for budget organisations and the single account system;

9. the centralised payment of insurance contributions and taxes;

10. the accountability of budgetary organisations.

(2) The elements of the budgetary framework shall also be regulated by other laws.

Article 2. No other law may introduce regulations of the subject matter addressed in this Act that deviate from the principles and rules laid down herein.

Article 3. Public finance is a system for the provision and financing of public goods and services, reallocation and transfer of income and accumulation of resources by budgetary organisations by means of revenue, aid and donations, realisation of financial assets and debt assumption.

Article 4. The consolidated fiscal programme is a system of aggregate variables concerning the central budget and the budgets of budgetary organisations, including their accounts for European Union funds and accounts for external funds.

Article 5. The budget of a budgetary organisation is an annual financial plan which shall be drawn up, adopted, modified, implemented and reported in accordance with this Act.

Article 6. (1) The budgets of budgetary organisations shall incorporate all proceeds and payments concerning their activity for the relevant budget year, excluding the proceeds and payments concerned with accounts for European Union funds and the operations with external funds for which accounts for external funds have been designated according to the requirements set out in this Act.

(2) The central budget shall incorporate proceeds and payments which are not included in the other budgets of the consolidated fiscal programme.

Article 7. (1) Through the Minister of Finance and the budget authorisers by delegation, the Council of Ministers shall organise and manage the process of drawing up the state budget

and putting it forward to the National Assembly, as well as its implementation.

(2) The Supreme Judicial Council shall organise and manage the process of drawing up and implementing the budget of the judiciary.

(3) The President of the National Assembly shall organise and manage the process of drawing up and implementing the budget of the National Assembly.

(4) The management bodies of the national Social Security Institute and the National Health Insurance Fund shall organise and manage the process of drawing up and implementing the budgets of the social security funds.

(5) Mayors shall organise and manage the process of drawing up the municipal budgets and putting them forward to the Municipal Council, as well as their implementation.

(6) The heads of budgetary organisations other than those referred to in Paragraphs 1-5 shall organise and manage the process of drawing up and implementing their budgets.

(7) Budget authorisers by delegation shall develop and lay down internal rules on the organisation of the budgetary process.

Article 8. (1) European Union funds and the related national co-financing shall be administered and managed by the budgetary organisations while using accounts for European Union funds.

(2) The accounts for European Union funds shall be a financial and legal form for budgetary organisations to receive, allocate and spend European Union funds and the related national co-financing.

(3) European Union funds and the related national co-financing may be allocated to and spent through the budgets of the budgetary organisations concerned when this arrangement is provided by law or by an instrument of the Council of Ministers.

(4) The Minister of Finance may instruct that the arrangements concerning the accounts for European Union funds shall also apply to funds under other international programmes and agreements, unless otherwise provided by law.

Article 9. (1) External funds shall be administered and managed by the budgetary organisations while using accounts for external funds.

(2) The accounts for external funds shall be a financial and legal form for budgetary organisations to receive, allocate and spend external funds.

(3) The accounts for external funds shall be applied to the extent that operations with external funds are not carried out through the relevant budgets and accounts for European Union funds.

Article 10. (1) The budgets and accounts for European Union funds shall be drawn up and implemented for one budget year.

(2) The budget year shall begin on 1 January and end on 31 December of the relevant year.

(3) The budgets and accounts for European Union funds shall be drawn up in Bulgarian levs.

Article 11. (1) Budget authorisers shall be the heads of budgetary organisations or, in the case of collective bodies, their chairperson, unless otherwise provided by law.

(2) Authorisers of accounts for European Union funds shall be the heads of budgetary organisations or other officials in their capacity of bodies entrusted with the financial management and control of European Union funds and/or beneficiaries of the resources concerned.

(3) Budget authorisers by delegation shall be the authorisers who draw up, implement and report budgets and are appointed as such by law. The authoriser by delegation of the budget of the National Assembly shall be its President; the authoriser by delegation of the budget of the

judiciary shall be the Supreme Judicial Council; and the authoriser by delegation of a municipal budget shall be the mayor of the municipality concerned. Ministers shall be authorisers by delegation.

(4) The powers of a budget authoriser by delegation under this Act may be delegated by budget authorisers by delegation to their deputies or secretary general/permanent secretary. In the case of budgetary organisations with collective management bodies, the delegation may be conferred to a member of the collective body appointed by its chairperson. The Minister of Interior my also delegate his powers of a budget authoriser by delegation to the head of the specialised directorate in the Ministry which is entrusted with the budget planning and management. The specific rights and obligations to be delegated shall be set out by an order. The delegation shall not release budget authorisers by delegation from responsibility for discharging the powers they have delegated to another person.

(5) Lower-level budget authorisers shall be those whose budgets are incorporated in the budget of the relevant higher-level budget authoriser.

(6) Lower-level budget authorisers in relation to the budget of the National Assembly shall be appointed by the National Assembly.

(7) Lower-level budget authorisers in relation to the budget of the judiciary shall be appointed by the Supreme Judicial Council.

(8) Budget authorisers by sub-delegation in relation to the state budget, other than those referred to in Paragraphs 6 and 7, shall be appointed by a decision of the Council of Ministers, upon the proposal of the relevant budget authoriser by delegation and subject to the approval of the Minister of Finance, unless otherwise provided by law, while lower-level budget authorisers in relation to the state budget shall be appointed by an order of the relevant budget authoriser by delegation, and the Minister of Finance shall be accordingly informed.

(9) Budget authorisers in relation to the budgets of the Bulgarian Academy of Sciences and the state higher education institutions, whose budgets do not form part of the state budget but whose fiscal relations-as established by the state budget act for the relevant year are incorporated in the budget of the relevant budget authoriser by delegation, shall have the status of a budget authoriser by sub-delegation.

(10) Lower-level budget authorisers in relation to the municipal budgets shall be appointed by the Municipal Council, upon the proposal of the mayor.

(11) The head of a budgetary organisation's structural unit that is not a legal person may also be appointed a lower-level budget authoriser.

(12) The budget authorisers by sub-delegation and those of a lower level shall apply a delegated budget in the cases laid down by law and when instructed to do so, on the basis of a law, by the relevant budget authoriser by delegation.

(13) The budget authorisers by delegation shall exercise control over the processes related to planning, drawing up, implementing and reporting the budgets of the lower-level budget authorisers.

Article 12. (1) The central budget shall be administered by the Minister of Finance as per the requirements set out in this Act and the state budget act for the relevant year, and in compliance with the instruments of the Council of Ministers.

(2) On the basis of a law or statutory act of the Council of Ministers, specific proceeds and payments of the central budget may also be administered by other budgetary organisations.

Article 13. (1) The state budget, the public social insurance budget and the budget of the National Health Insurance Fund shall be adopted by the National Assembly by means of separate legislative acts for the relevant budget year, while ensuring consistency between them.

(2) Municipal budgets shall be adopted by the municipal councils as per the procedure set out in this Act.

(3) The budgets of the Bulgarian Academy of Sciences, the public institutions of higher education, the Bulgarian News Agency, the Bulgarian National Television and the Bulgarian National Radio shall be adopted by their managing bodies in accordance with the laws regulating their status, while ensuring consistency of their fiscal relations and the state budget.

(4) The budget parameters of the other economically separated persons and business units included in the consolidated fiscal programme shall be adopted by their managing bodies in accordance with the laws regulating their status, while ensuring consistency of their fiscal relations and the state budget.

Article 14. (1) The main variables of the budgets and accounts for European Union funds shall include the revenue, aid and donations, expenditure, fiscal relations, budget balance, and budget balance financing.

(2) The Minister of Finance shall lay out a single budget classification of unified codes for the main variables and their constituent elements grouped by specific characteristics.

(3) The consolidated fiscal programme variables shall be planned, implemented and reported on a cash basis.

Article 15. (1) Any difference between the revenue, expenditure, fiscal relations and net financing operations concerning the constituent budgets of the state budget, excluding the budget of the judiciary, shall be charged to the fiscal relation with the central budget.

(2) For the purpose of drawing up and implementing the budget, the amount referred to in Paragraph 1 shall be derived as a residual and indicative value.

Article 16. (1) Tax and insurance revenue and non-tax revenue shall be collected from natural and legal persons on the basis of a law or another statutory act, administrative act, or a contract.

(2) The tax and insurance revenue shall be determined by virtue of the applicable tax and insurance laws as at the date of entry into force of the annual state budget act.

(3) No changes in taxes or compulsory insurance contributions, in terms of all their elements, shall be stipulated to enter into force before the date of entry into force of the state budget act and/or the laws regulating the budget of the National Health Insurance Fund and the public social insurance budget for the relevant year, or before the date of entry into force of the act amending and supplementing them.

(4) The Ministry of Finance shall prepare information concerning the impact of tax expenditure on budget revenue and shall disclose it on its website.

Article 17. (1) Proceeds shall not be assigned and shall be used to cover payments.

(2) Any resources from aid and donations under international programmes and agreements shall be spent in accordance with the requirements and provisions of the programme or agreement concerned.

(3) Any resources originating from state investment loans shall be spent in accordance with the provisions set out in the contracts.

(4) The resources and available payment limits under the budgets and accounts for European Union funds, as well as the admissible and applicable forms of financing pursuant to this Act, may be used to finance payments under the programmes and projects concerned, including when the due financing from the European Union or the relevant donor or creditor under other international programmes and agreements has not been received or is not available for payments.

(5) Paragraph 4 shall apply provided that it does not run counter to the corresponding

European Union legislation, the contracts, and the conditions and requirements of the programmes and projects.

Article 18. (1) Budget expenditure of budget authorisers shall be classified by variables on economic and functional grounds.

(2) Budget authorisers by delegation in relation to the budgets of the Council of Ministers, the ministries and state agencies shall also apply a programme budget format.

(3) Budget expenditure of budget authorisers by delegation that apply a programme budget format shall also be classified by policy/functional areas and budget programmes falling within the competence and sphere of responsibility of the budget authoriser by delegation concerned.

(4) (New, SG No. 43/2016) The Council of Ministers shall endorse a classification of the areas of policies/functional areas and budget programmes under Paragraph 3. Other variables which are elements of the budget structure in programmes format can also be stipulated by the classification.

(5) (New, SG No. 43/2016) In the event of organisational or statutory changes which impact the activity of the budgetary organisations, the Council of Ministers may make changes in the classification under Paragraph 4.

(6) (New, SG No. 43/2016) The drafts of instruments for endorsing the classification under Paragraph 4, as well as for changing it, shall be drawn and put forwards to the Council of Ministers by the Minister of Finance on a proposal by the respective budget authoriser by delegation.

Article 19. No statutory acts that entail an expenditure increase, a revenue reduction and/or expenditure/payment pledges after the adoption of the state budget act or the laws regulating the public social insurance budget and the budget of the National Health Insurance Fund for the relevant year shall be stipulated to enter into force before the date of their amendment or entry into force for the following budget year.

Article 20. Public finances shall be managed in compliance with the following principles:

1. universality: the public finance management shall be based on budgets and accounts of budgetary organisations incorporated in the consolidated fiscal programme and on monitoring the other persons operating within the general government sector;

2. accountability and responsibility: public finances shall be managed so as to guarantee the accountability and responsibility of budget authorisers;

3. adequacy: ensuring that the fiscal policy complies with macroeconomic and socioeconomic objectives.

4. economy: obtaining the resources necessary to carry out the activities of budgetary organisations at the best price, while observing the resources quality requirements;

5. efficiency: achieving maximum results from the resources employed by budgetary organisations in the pursuit of their activities;

6. effectiveness: the level of attainment of objectives of budgetary organisations when comparing actual and intended results of their activities;

7. transparency: enabling public awareness by providing public access to information on macroeconomic and budgetary forecasts, data on the current implementation of the consolidated fiscal programme, and information about the methodology/assumptions underlying the preparation of the aforementioned;

8. sustainability: maintaining current levels of revenue and expenditure, with no risk to the solvency of the state or the ability to cover financial obligations in the long term;

9. legality: complying with the applicable laws, internal regulations and contracts.

Article 21. (1) The heads of budgetary organisations shall be responsible for putting in

place, operating, and reporting on financial management and control systems in compliance with the applicable legislation.

(2) The persons referred to in Paragraph 1 shall also be responsible for conducting compliance assessments as to the conformity with state aid law in cases in which funds are granted to non-budgetary entities at the expense of the relevant budgets, including funds for:

1. expenditure, subsidies and reimbursable financing (including under preferential conditions);

2. guarantees, capital transfers, profit and income foregone, as well as funds for other forms of assistance.

(3) Assessments referred to in Paragraph 2 shall also be conducted prior to granting funds in cases in which the non-budgetary entities:

1. are partially exempt from payments to the budget, in any form;

2. receive or grant rights, assets or services under conditions other than the market ones;

3. receive selective preferences and reliefs.

(4) The Minister of Finance shall give instructions as to conducting the assessments referred to in Paragraphs 2 and 3 in connection with applying the state aid arrangements.

Chapter Two
FISCAL RULES

Article 22. (1) When establishing, adopting and implementing the consolidated fiscal programme variables, the Council of Ministers shall observe the fiscal rules laid down in this Act.

(2) Budget authorisers by delegation in relation to the budgets of the National Assembly and the judiciary shall observe the fiscal rules laid down in this Act when drawing up and implementing their budgets.

(3) The municipal councils and mayors shall observe the relevant fiscal rules laid down in this Act when drawing up, adopting, and implementing their budgets.

(4) The managing bodies of the social security funds shall observe the fiscal rules laid down in this Act when drawing up and implementing their budgets.

(5) The managing bodies of budgetary organisations whose budgets do not form part of the state budget but are incorporated in the consolidated fiscal programme shall observe the fiscal rules laid down in this Act when drawing up, adopting, and implementing their budgets.

Article 23. (1) The medium-term budgetary objective for the structural deficit of the general government sector on an annual basis shall not exceed 0.5 per cent of the gross domestic product. The medium-term budgetary objective shall be calculated net of one-off and temporary measures.

(2) The medium-term budgetary objective for the structural deficit on an annual basis may exceed 0.5 per cent of the gross domestic product, but may not exceed 1 per cent thereof, provided that the amount of the consolidated debt of the general government sector is below 40% of the gross domestic product and the risks in terms of the long-term sustainability of public finances are low.

(3) (Amended, SG No. 43/2016) In the event of significant deviation from the medium-term budgetary objective for the structural deficit pursuant to Article 10 of Council Regulation (EC) No. 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies or from the measures for its achievement, automatic corrective mechanisms shall be applied according to the Fiscal Council and Automatic Corrective Mechanisms Act.

(4) (New, SG No. 43/2016) Any deviation from the fiscal rule under Paragraph 2, which is equal or exceeds 0.5 percent of the gross domestic product for one specific year or for a 2-year period on average shall be assumed to be significant.

(5) (Renumbered from Paragraph 4, SG No. 43/2016) The medium-term budgetary objective for the structural deficit on an annual basis shall be updated every three years. It may be further updated in the event of the implementation of a structural reform with a major impact on the sustainability of public finances pursuant to Article 2a of Council Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies.

Article 24. (1) Failing to reach the medium-term budgetary objective for the structural deficit on an annual basis shall be allowed in exceptional circumstances pursuant to Article 9 of Council Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies, provided that this does not endanger fiscal sustainability in the medium term.

(2) A temporary departure from the medium-term budgetary objective for the structural deficit on an annual basis shall be allowed in the event of implementing major structural reforms with a major impact on the fiscal sustainability, provided that the maximum amount of the general government deficit referred to in Article 25(2) is not exceeded.

(3) An exceptional circumstance means an unusual event outside the control of the Council of Ministers which has a major impact on the financial position of the general government sector pursuant to Article 9 of Council Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies, or in case of economic downturn of more than 3 per cent in real terms.

Article 25. (1) The general government balance objective shall be to reach and/or maintain a nil or positive balance.

(2) The general government deficit on an annual basis, calculated as per the methodology of the European system of national and regional accounts in the Community, may not exceed 3 per cent of the gross domestic product.

(3) In the event of a general government deficit on an annual basis, the Council of Ministers shall determine-in the medium-term budgetary forecast-the time limit and the steps towards reaching a nil or positive balance.

Article 26. (1) The annual expenditure growth shall not exceed the reference growth of the potential gross domestic product. The scope of expenditure and the methodology for calculating the reference growth of the potential gross domestic product shall be determined according to the requirements set out in Council Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies.

(2) An expenditure growth rate higher than that referred to in Paragraph 1 shall be allowed only if the excess is matched by additional measures increasing budgetary revenue. Those additional measures shall lead to a sustainable revenue increase and shall not be one-off.

(3) Measures that bring forth a permanent decrease in budgetary revenue shall be matched by measures seeking a permanent decrease in expenditure.

(4) Over-registering in revenue for the current budget year may not serve as a source of additional expenditure, except in the cases referred to in Paragraphs 5-8.

(5) Paragraph 4 shall not apply to any over-registering in revenue from insurance payments or aid and donations.

(6) Paragraph 4 shall not apply to the budgets of the National Assembly, the judiciary and

the municipalities, as well as the budgets of budgetary organisations referred to in Article 22(5).

(7) Paragraph 4 shall not apply to delegated budgets when it is required by law that any over-registered revenue be spent.

(8) On account of over-registering in tax revenue under the state budget, the National Assembly may approve additional expenditure and transfers under the state budget upon the proposal of the Council of Ministers and subject to the fiscal rules set out in this Act.

Article 27. (1) The budgetary balance objective concerning the consolidated fiscal programme calculated on a cash basis shall be to reach and/or maintain a nil or positive balance.

(2) When expecting a negative departure from the annual objective for the budgetary balance of the consolidated fiscal programme, the Minister of Finance shall propose to the Council of Ministers to approve compensatory measures.

(3) If the measures referred to in Paragraph 2 necessitate changes to the main variables of the state budget and/or the budgets of the social security funds, the Council of Ministers shall put forward a proposal to the National Assembly to amend the State Budget Act and/or the laws regulating the public social insurance budget and the budget of the National Health Insurance Fund.

(4) The annual budget deficit under the consolidated fiscal programme calculated on a cash basis may not exceed 2 per cent of the gross domestic product.

(5) An annual budget deficit exceeding in amount that referred to in Paragraph 4 shall be allowed in exceptional circumstances and provided that it does not exceed the maximum amount of the general government deficit referred to in Article 25(2).

(6) In the event of deficit under the consolidated fiscal programme calculated on a cash basis, the medium-term budgetary forecast and the State Budget Act shall set out measures aimed at annually decreasing that deficit, until reaching a nil or positive budgetary balance.

Article 28. The maximum amount of expenditure under the consolidated fiscal programme may not exceed 40 per cent of the gross domestic product.

Article 29. (1) The nominal amount of the consolidated general government debt at the end of every year may not exceed 60 per cent of the gross domestic product.

(2) If the debt referred to in Paragraph 1 exceeds 60 per cent of the gross domestic product, the medium-term budgetary forecast and the State Budget Act shall set out measures aimed at annually decreasing that debt by at least 5 per cent of the excess ascertained, until reaching the ratio referred to in Paragraph 1.

(3) The consolidated general government debt at the end of every year, as a propotion of the gross domestic product, may not exceed the ratio of the preceding year for as long as that ratio is higher than 60 per cent.

(4) (Supplemented, SG No. 43/2016) In the cases referred to in Paragraph 2, the state budget act for the relevant year may set out additional constraints on assuming debt by the municipalities and social security funds, including constraints applicable to a specific municipality or social security fund, as well as by other entities within the State Government sector.

Article 30. The medium-term balance objective concerning municipal budgets calculated on a cash basis shall be to maintain a balanced budgetary balance.

Article 31. (1) The average growth rate of expenditure for local activities under municipal budgets for the forecasted medium-term period shall not exceed the average growth rate of the reported expenditure for local activities for the past four years.

(2) An expenditure growth rate higher than that referred to in Paragraph 1 shall be allowed only if the excess is matched by additional measures increasing budgetary revenue. Those

additional measures shall lead to a sustainable increase in own revenue of municipalities and shall not be one-off.

(3) Measures that bring forth a permanent decrease in budgetary revenue of municipal budgets shall be matched by measures seeking a permanent decrease in expenditure.

Article 32. (1) The annual amount of municipal debt payments for each municipality may not exceed 15 per cent of the annual average amount of own revenue and the total balancing subsidy for the past three years calculated on the basis of information from the annual reports on the municipal budget implementation.

(2) The nominal value of the municipal guarantees issued during the current budget year may not exceed 15 per cent of the total revenue amount and the total balancing subsidy specified in the latest annual report on the municipal budget implementation.

(3) The annual amount of debt payments shall include the principal, interest, charges and commission fees due, as well as other payables related to the debt assumed by the municipality.

(4) When an upcoming payment related to an existing debt which is to be re-financed becomes payable on a date preceding the re-financing debt assumption date, the municipality shall be required to set aside a cash buffer for the upcoming payment related to the existing debt in the amount determined in Paragraph 1.

(5) The limitation referred to in Paragraph 1 shall exclude debt assumed by municipalities under temporary interest-free loans or loans extended to them by other persons operating within the general government sector.

(6) The state budget act for the relevant year may set a maximum amount of the debt that a municipality is allowed to assume during a budget year, beyond the limitation set out in Paragraph 1 and in cases other than those referred to in Paragraph 5, for pre-financing of payments under projects financed by European Union funds.

Article 33. (1) Social security funds may not assume debt, other than:

1. temporary interest-free loans;

2. debt under international programmes and agreement ratified by the National Assembly;

3. financial leasing and other forms of debt that do not constitute cash borrowings or issues of securities.

(2) The laws regulating the budgets of the social security funds for the relevant year may set limits on assuming debt referred to in Paragraph 1(3).

(3) Social security funds may not issue guarantees.

Article 34. (1) The public institutions of higher education, the Bulgarian Academy of Sciences, the Bulgarian National Television, the Bulgarian National Radio and the Bulgarian News Agency may not assume debt, other than:

1. temporary interest-free loans;

2. debt under international programmes and agreement ratified by the National Assembly;

3. financial leasing and other forms of debt that do not constitute cash borrowings or issues of securities.

(2) The State Budget Act may set limits on assuming debt referred to in Paragraph 1(3).

(3) The persons referred to in Paragraph 1 may not issue guarantees.

(4) Paragraphs 1-3 shall also apply to all other persons from the central government sub-sector whose budgets are incorporated in the consolidated fiscal programme and do not form part of the state budget, excluding those referred to in Paragraph 5.

(5) Paragraphs 1-3 shall also apply to persons from the central government sub-sector whose funds and operations are incorporated in the consolidated fiscal programme pursuant to Article 171, unless otherwise provided by law.

Article 35. (Amended, SG No. 43/2016) The Minister of Finance shall determine the procedure, manner and time limits for the provision of information about the debt position and debt movement of municipalities, social security funds and other entities within the State Government Sector and the assets owned by them in form of debt instruments, including information about their intentions to assume debt, as well as the intention of municipalities to issue guarantees.

Article 36. (1) The official information on the consolidated general government debt shall be disclosed by the Ministry of Finance in the month following the month of publication of that data by the European Commission (Eurostat).

(2) The official information on the general government guarantees shall be disclosed by the Ministry of Finance in the month following the month of publication of that data by the European Commission (Eurostat).

(3) (New, SG No. 43/2016) The Ministry of Finance shall publish on a monthly basis official information on the debt and guarantees of the Central Government sub-sector.

Article 37. (1) The state budget act for the relevant year shall set the constraints on the maximum amount of:

1. new government debt that may be assumed during the year by specifying, on a case-by-case basis, the maximum amounts of debt to be assumed:

a) under the Government Debt Act;

b) (supplemented, SG No. 43/2016) through financial leasing and the other forms of debt laid down in Council Regulation (EC) No. 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community (OJ, L 145/1 of 10 June 2009), with the exception of the financial resources received as collateral under Article 152, Paragraphs 5, 8 and 12, as well as the financial resources under Article 156 and the external financial resources;

2. new government guarantees under the Government Debt Act that may be assumed during the year;

3. the year-end government debt;

4. other guarantees in respect of which such constraints are provided by law.

(2) The state budget act for the relevant year may also set the constraints on the maximum amount of the central government debt.

(3) The state budget act for the relevant year shall also encompass all investment projects and specific programmes approved by the Council of Ministers according to the Government Debt Act which will be financed by government loans or government guaranteed debt.

(4) The state budget act for the relevant year shall also encompass projects exceeding a value threshold, as set out in an instrument of the Council of Ministers, which will be financed by financial leasing or other forms of government debt other than those regulated by the Government Debt Act.

(5) Paragraph 5 shall not apply to the budgets of the National Assembly and the judiciary.

Article 38. Any interest and principle payables related to government debt shall constitute a priority liability for the state budget.

Article 39. By its decision adopting the municipal budget for the relevant year, the Municipal Council shall set:

1. the maximum amount of new municipal debt;

2. municipal guarantees that may be issued during the year;

3. the maximum amount of municipal debt and municipal guarantees at the end of the budget year.

Article 40. Any interest and principle payables related to municipal debt shall constitute a priority liability for the municipal budget.

Article 41. The state budget act for the relevant year shall set the minimum level of year-end fiscal reserve.

Chapter Three
BUDGET STRUCTURE

Part I
State budget structure

Article 42. (1) The state budget shall include the central budget, the independent budgets of the National Assembly and the judiciary, the budgets of the executive bodies, the budgets of the other state authorities, and the budgets of budgetary organisations other than those referred to in Paragraph 2.

(2) The state budget shall not include the independent budgets of municipalities, the budgets of social security funds, and the budgets of budgetary organisations referred to in Article 13(3) and (4).

(3) The state budget shall provide reserves for contingency and/or urgency costs of the central budget, the budget of the National Assembly and the budget of the judiciary. The amount of the reserves shall be laid down in the state budget act for the relevant year.

Article 43. (1) The main revenue and payments of the central budget shall include: the revenue from taxes, proceeds and payments stemming from the issuance and maintenance of government securities and balance-of-payments loans; expenditure related to maintaining accounts and settling payments; privatisation proceeds; payments of the contribution to the general budget of the European Union, as well as transfers concerning budgets and accounts for European Union funds.

(2) The central budget shall make provision for expenditure and financing of the other budgets included in the consolidated fiscal programme, as well as for expenditure and financing of other persons. The expenditure shall be incurred as per the procedure set out in this Act, the state budget act for the relevant year, and on the basis of an instrument adopted by the Council of Ministers.

(3) The reserves for contingency and/or urgency costs related of the central budget shall be spent on the basis of an instrument adopted by the Council of Ministers.

Article 44. (1) The reserves for contingency and/or urgency costs of the budget of the National Assembly shall be spent on the basis of a decision adopted by the National Assembly.

(2) The reserves for contingency and/or urgency costs of the budget of the judiciary shall be spent on the basis of a decision adopted by the Supreme Judicial Council.

Part II
Municipal budget structure

Article 45. (1) The municipal budget shall include:

1. revenue from:

(a) local taxes - as per conditions, procedures and ranges laid down by law;

(b) fees - as per conditions and procedures laid down by law;

(c) services and rights granted by the municipality;
(d) disposal of municipal property;
(e) fines and pecuniary sanctions;
(f) interest and penalties;
(g) other proceeds;
(h) aid and donations;

2. expenditure for activities delegated by the state and for local activities, as well as cross-functional expenditure according to the single budget classification for:

(a) staff;
(b) subsistence;
(c) interest;
(d) household benefits and compensations;
(e) current subsidies;
(f) capital expenditure;

3. budgetary relations with the central budget and other budgets, including accounts for European Union funds;

4. budgetary balance;

5. financing.

(2) The state shall compensate any decrease of revenue referred to in Paragraph 1(1)(a) and (b) which has been caused by implementing state policies.

Article 46. (1) No revenue other than aid and donations shall be stipulated in the budgets of budget authorisers by sub-delegation or lower-level ones related to municipal budgets.

(2) Paragraph 1 shall not apply to delegated budgets.

Article 47. Municipal budgets shall be public and shall be controlled by the local community as per the procedures laid down by the Municipal Council and the competent authorities appointed by law.

Chapter Four
FISCAL RELATIONS

Part I
Relations of the state budget with the public social insurance budget, the budget of the National Health Insurance Fund, and other budgets and accounts

Article 48. (1) The fiscal relations between the state budget and the budgets of social security funds shall be determined as per conditions and procedures set out in special laws.

(2) The annual amount of the fiscal relations referred to in Paragraph 1 shall be laid down in the state budget act for the relevant year.

(3) The variables of the public social insurance budget, the budget of the National Health Insurance Fund, and the budgets of the other social security funds shall be consistent with the relevant indicators of the state budget and the consolidated fiscal programme estimates.

(4) In the event of revenue shortfalls in the public social insurance budget and the budget of the National Health Insurance Fund, the Council of Ministers may approve additional transfers from the central budget to the public social insurance budget and the budget of the National Health Insurance Fund for the purpose of financing their eligible expenditure if that will not cause a deterioration in the budgetary balance of the consolidated fiscal programme and if it is not possible to finance the said expenditure from the cash holdings in their accounts.

(5) In the event of exceeding the estimated expenditure for pensions, benefits and compensations paid from the public social insurance budget, the Council of Ministers may approve additional transfers from the central budget to the public social insurance budget if that will not cause a deterioration in the budgetary balance of the consolidated fiscal programme and if it is not possible to finance the said expenditure on account of over-registering revenue in the public social insurance budget.

Article 49. (1) The state budget shall also encompass fiscal relations with other budgetary organisations referred to in Articles 13(3) and (4) as per conditions and procedures set out in special laws.

(2) The resources provided under Paragraph 1 shall be made available through the budget of the relevant budget authoriser by delegation, or directly from the central budget in the cases laid down by law or an instrument adopted by the Council of Ministers.

Article 50. The state budget shall make provision for transfers to accounts for European Union funds.

Part II
Relations of the municipal budget with the state budget and other budgets and accounts

Article 51. (1) The fiscal relations-including their amount specified by types-between municipal budgets and the state budget shall be determined as per conditions and procedures set out in the state budget act for the relevant year.

(2) (Amended, SG No. 43/2016) The fiscal relations referred to in Paragraph 1 may be altered as per the procedures set out in this Act, on the basis of another law or an instrument adopted by the Council of Ministers.

Article 52. (1) The fiscal relations between the municipal budget and the state budget shall encompass:

1. transfers for:

(a) global subsidy for financing activities delegated by the state;

(b) local activities, including a total balancing subsidy;

(c) targeted capital expenditure subsidy;

(d) other earmarked expenditure;

(e) financial compensation by the state.

2. temporary interest-free loans.

(2) The municipal budget shall also encompass fiscal relations with other budgets and accounts for European Union funds.

(3) The resources referred to in Paragraph 1(1) shall be made available on the basis of the state budget act for the relevant year and/or by virtue of an instrument adopted by the Council of Ministers.

(4) The resources referred to in Paragraph 1(1)(a), (b) and (c) shall be made available within time limits set in the state budget act for the relevant year.

Article 53. (1) The state shall finance the public activities delegated to the municipalities by was of a global subsidy for those activities.

(2) The global subsidy for financing activities delegated by the state shall be determined on the basis of financing standards adopted by the Council of Ministers, including in-kind indicators applicable to the activity concerned.

Article 54. (1) The total balancing subsidy for local activities shall be intended to ensure a minimum level of local services in municipalities. The mechanism for distributing the total balancing subsidy per municipality shall be set out in the state budget act for the relevant year.

(2) The amount of the total balancing subsidy shall be at least 10 per cent of the reported own revenue of all municipalities according to the latest annual report on the cash performance of their budgets.

(3) The design of the mechanism referred to in Paragraph 1 shall be agreed upon by the National Association of Municipalities in the Republic of Bulgaria.

Article 55. (1) The amount of the targeted capital expenditure subsidy and the mechanism for distributing it per municipality shall be set out in the state budget act for the relevant year.

(2) The design of the mechanism referred to in Paragraph 1 shall be agreed upon by the National Association of Municipalities in the Republic of Bulgaria.

Article 56. (1) When changes are made pursuant to this Act, the amount of fiscal relations between municipalities and the central budget shall be considered modified as of the date specified in a written notification of the Minister of Finance.

(2) No decision of the Municipal Council shall be required when changing the municipal budget variables on account of receiving resources, as a transfer or temporary interest-free loan, from the state budget or other budgets and accounts.

Chapter Five
FISCAL RELATIONS WITH THE GENERAL BUDGET OF THE EUROPEAN UNION AND OTHER INTERNATIONAL PROGRAMMES AND AGREEMENTS

Part I
Payments to the general budget of the European Union

Article 57. (1) The amount of the contribution from the central budget to the general budget of the European Union shall be approved in the state budget act for the relevant year and shall be determined in compliance with European legislation on the system of the European Communities' own resources.

(2) The contribution referred to in Paragraph 1, the default interest and any other corrections shall be transferred to an account opened with the Bulgarian National Bank in the name of the European Commission as per the conditions and within the time limits prescribed by European legislation on the system of the European Communities' own resources.

Article 58. The state budget shall provide funds for other contributions and payments to the budget of the European Union.

Part II
Financial relations in the management of European Union funds and funds under other international programmes and agreements

Article 59. Aid granted to the Republic of Bulgaria under European Union programmes and mechanisms and under other international programmes and agreements shall be received, spent and managed in compliance with the applicable European and national legislation, while observing the requirements of the programme or agreement concerned.

Article 60. The national co-financing related to European Union programmes and mechanisms and to other international programmes and agreements may be procured :

1. from the budget of the budgetary organization that is the beneficiary of the funds;

2. through a transfer from the central budget or another budget.

Article 61. In order to cover the use of European Union aid granted to the Republic of Bulgaria in amounts higher than the estimates, the Council of Ministers may approve the provision of additional financing, subject to the fiscal rules laid down in this Act.

Article 62. The authorities responsible for the financial management of European Union funds shall undertake the necessary action to collect any sums unduly paid or overpaid and any project funds unlawfully received or used, including the related national co-financing, as well as fines or other pecuniary sanctions stipulated by national legislation and European Union law or by provisions related to other programmes and agreements.

Article 63. In the event of imposed financial corrections which are not subject to recovery by beneficiaries, where the payment of ineligible expenditure has been sourced from the accounts for European Union funds, the sums shall be recovered-within the budget year-into the relevant accounts of the budget of the authoriser by delegation whose structure encompasses the financial management authority of the programme/mechanism concerned, unless otherwise provided by law or by an instrument of the Council of Ministers.

Article 64. (1) In cases in which projects are withdrawn from financing with European Union funds, the financial management authority of the programme/mechanism concerned shall suspend payments, and the ineligible expenditure paid for those projects shall remain at the expense of the budget authoriser whose structure encompasses the financial management authority.

(2) The amounts referred to in Paragraph 1 shall be recovered from the budget of the authoriser by delegation whose structure encompasses the financial management authority, into the relevant account for European Union funds or into the relevant budget which sourced them.

(3) The financial resources necessary to finalise the projects referred to in Paragraph 1 shall be procured from the budget of the authoriser by delegation whose structure encompasses the financial management authority of the programme/mechanism concerned, within the medium-term budgetary forecast. This provision shall apply to the extent that the agreement has not been terminated or no procedures to do so have been launched.

(4) Paragraphs 1-3 shall apply unless otherwise provided by law or by an instrument of the Council of Ministers.

Article 65. Articles 61-64 shall also apply accordingly to funds under other international programmes and agreements, unless otherwise provided by law or by an instrument of the Council of Ministers.

Chapter Six
DRAWING UP BUDGETS

Part I
Drawing up the medium-term budgetary forecast, the state budget, the public social insurance budget and the budget of the National Health Insurance Fund

Article 66. (1) The Council of Ministers, through the Minister of Finance, shall organize the drawing up of the medium-term budgetary forecast and the draft state budget.

(2) The medium-term budgetary forecast referred to in Paragraph 1 shall be drawn up for a period of three years.

Article 67. (1) Upon the proposal of the Minister of Finance, the Council of Ministers shall adopt the budget procedure governing the establishment of the medium-term budgetary forecast and the draft state budget for the following year no later than 31 January of every year.

(2) The budget procedure shall include the stages, time limits, allocation of responsibilities, and requirements for drawing up the medium-term budgetary forecast and the draft state budget.

(3) The budget procedure shall encompass all budget authorisers related to budgetary organisations.

(4) By way of the budget procedure, the Council of Ministers may appoint budget authorisers by delegation, other than those referred to in Article 18(2), that are to apply a programme budget format.

(5) The budget procedure shall also encompass legal persons controlled by the state and/or municipalities that do not form part of the consolidated fiscal programme but that fall within the scope of the general government sector.

(6) The Minister of Finance shall give instructions related to the budget procedure implementation.

(7) The National Statistical Institute shall provide information about the persons referred to in Paragraph 5 that fall within the general government sector, including information by sub-sectors. The scope, time limits and procedures for the submission of information shall be coordinated between the Council of Ministers and the President of the National Statistical Institute.

Article 68. (1) Within the budget procedure, the Minister of Finance shall prepare spring and autumn macroeconomic forecasts no later than 25 March and 25 September, respectively.

(2) The macroeconomic forecasts, including their underlying assumptions, shall be published on the website of the Ministry of Finance within 10 days after having been prepared.

Article 69. (1) The budgetary forecasts and draft budgets shall be developed:

1. by budget authorisers related to budgetary organisations, including municipalities-per indicators of the single budget classification;

2. (supplemented, SG No. 43/2016) by budget authorisers by delegation that apply programme budget format - also per policy areas and budget programmes according to the

classification under Article 18 (4);

3. by the authoriser by delegation of the budget of the National Assembly-also per functional areas and budget programmes;

4. in relation to the budget of the judiciary-also per judicial authorities;

5. in relation to the state higher education institutions and the Bulgarian Academy of Sciences-through the relevant budget authoriser by delegation, on a consolidated basis and on a budget-by-budget basis by indicators of the single budget classification.

(2) Budget authorisers shall develop their budgetary forecasts and draft budgets subject to the expenditure ceilings and/or the amounts of fiscal relations approved by the Council of Ministers in the latest medium-term budgetary forecast, the budget procedure, and the instructions of the Minister of Finance.

(3) Information concerning the activities delegated by the state and financed from the state budget through municipal budgets shall be submitted-broken down by municipalities-to the Minister of Finance by the ministers responsible for implementing the policy concerned.

(4) Budget authorisers by delegation shall submit their budgetary forecasts and draft budgets to the Minister of Finance.

(5) Budget authorisers by delegation shall also submit a forecast on receiving and using European Union funds and funds under other international programmes and agreements.

(6) Budget authorisers by delegation related to the budgets of the National Assembly and the judiciary shall submit their budgetary forecasts and draft budgets to the Council of Ministers within the time limits set out in the budget procedure. The budgetary forecasts and draft budgets shall be also presented to the Minister of Finance for the purpose of drawing up the medium-term budgetary forecast and the draft state budget within the time limits set out in the budget procedure.

(7) The Minister of Finance shall notify, in writing, the National Assembly and the Supreme Judicial Council of his opinion on the draft budgets of the National Assembly and the judiciary referred to in Paragraph 6.

(8) In the event of disagreements under Paragraphs 6 and 7 concerning the draft budget of the National Assembly, the final draft budget of the National Assembly shall also be agreed upon by the President of the National Assembly and the Prime Minister, or by officials authorized by them, and it shall become part of the draft state budget.

(9) For the purposes of the medium-term budgetary forecast, legal persons that fall within the scope of the general government sector and that do not form part of the consolidated fiscal programme shall furnish the relevant budget authorisers by delegation with information and assessments of their forecasts by variables set out in the instructions referred to in Article 67(6). The aggregate forecasts and indicators in respect of those persons shall be submitted to the Minister of Finance by the budget authoriser by delegation concerned. The instructions referred to in Article 67(6) shall specify the manner of providing information by legal persons in respect of whom no budget authoriser by delegation can be identified.

Article 70. (1) The Minister of Finance shall require that the relevant draft be revised within a time limit prescribed by him when budget authorisers by delegation-excluding the budget authorisers of the National Assembly, the judiciary, and the municipalities-have submitted forecasts which do not comply with the requirements and format for the provision of information in connection with the budget procedure.

(2) When the budget authorisers referred to in Paragraph 1 have not submitted or revised their drafts as per the requirements and time limits prescribed by the Minister of Finance, the Minister of Finance shall prepare the draft medium-term budgetary forecast and the draft state

budget for the following year in line with the fiscal policy priorities on the basis of the assessments and forecasts developed by the Ministry of Finance.

Article 71. (1) Within the budget procedure, the Council of Ministers shall, upon the proposal of the Minister of Finance, adopt standards for activities delegated by the state involving in-kind and value indicators.

(2) The standards referred to in Paragraph 1 shall be used to determine the total amount of resources for financing activities delegated by the state and for their allocation per budget authorisers by delegation.

(3) The standards for activities delegated by the state shall be developed jointly by the minister concerned, the National Association of Municipalities in the Republic of Bulgaria, and the Minister of Finance.

(4) The standards referred to in Paragraph 1 may be modified for the purpose of implementing a statutory act.

Article 72. (1) (Amended, SG No. 43/2016) The Council of Ministers on a proposal of the Minister of Finance, shall approve, by the 20th of April of each year, the medium-term budget forecast for the next three years.

(2) The medium-term budgetary forecast shall be developed by the Ministry of Finance on the basis of:

1. the most probable or the more conservative macroeconomic scenario based on the spring macroeconomic forecast;

2. the fiscal objectives, policies, and expenditure ceilings and/or fiscal relations established in the latest medium-term budgetary forecast;

3. an assessment of the direct impact of the policies envisaged on the long-term sustainability of public finances;

4. the budgetary forecasts of budget authorisers by delegation for the following three years;

5. the assessments made by the Ministry of Finance concerning the forecasts of budget authorisers by delegation;

6. Other assessments and forecasts, which may also include forecasts and assessments on the debt of the central government sub-sector, the social security funds, and the local government sub-sector.

(3) If the fiscal objectives and policies change as compared with those referred to in Paragraph 2(2), the differences shall be reflected in the medium-term budgetary forecast

(4) The approved medium-term budgetary forecast shall be published on the website of the Ministry of Finance and submitted to the National Assembly for information purposes.

Article 73. The medium-term budgetary forecast shall include:

1. a description of the government's priorities and policies;

2. the main assumptions underlying the forecast;

3. the assumptions regarding the development of the national and global economy, including macroeconomic scenarios;

4. the objectives of the fiscal and budgetary policies linked to the fiscal rules and constraints and the main principles of public finance management;

5. information about the latest reporting year and the current year, as well as the forecast on the main budgetary variables for the following three years;

6. the expenditure ceilings broken down per individual budget authorisers by delegation or presented as a summary per groups of budget authorisers by delegation and/or fiscal relations for the following three years.

Article 74. (1) (Supplemented, SG No. 43/2016) The Minister of Finance shall coordinate

with the budget authorisers by delegation their expenditure ceilings and/or amount of fiscal relations under the medium-term budgetary forecast, where no such coordination shall be made with the mayors of municipalities.

(2) The Minister of Finance shall coordinate with the National Association of Municipalities in the Republic of Bulgaria the amount of fiscal relations between the central budget and municipal budgets under the medium-term budgetary forecast.

Article 75. (1) When developing the medium-term budgetary forecast and the draft state budget, the Ministry of Finance shall compare its up-to-date macroeconomic forecast referred to in Article 68 with that of the European Commission and shall present its reasoning in the event of significant divergences.

(2) Macroeconomic forecasts referred to in Article 68 may also be compared with those of other independent organisations.

Article 76. The convergence programme, the national reforms programme, and the medium-term budgetary forecast shall be developed on the basis of the same macroeconomic and fiscal forecasts and assumptions.

Article 77. (1) Within the time limits set in the budgetary procedure, the National Association of Municipalities in the Republic of Bulgaria may put forward proposals concerning the total amount of fiscal relations between municipal budgets and the central budget, as well as other proposals concerning the draft state budget for the relevant year, in its part concerning municipalities, and shall submit its proposals to the Ministry of Finance.

(2) The Minister of Finance shall hold consultations with the National Association of Municipalities in the Republic of Bulgaria in respect of the proposals put forward under Paragraph 1.

(3) The consultations referred to in Paragraph 2 shall be reflected in a bilateral protocol.

Article 77a. (New, SG No. 43/2016) Upon the proposal of the Minister of Finance, the Council of Ministers shall approve, by the 31st of October of each year, strategy for management of the state debt under the Government Debt Act for the time period of the respective medium-term budgetary forecast.

Article 78. The Minister of Finance shall develop the draft state budget and the draft updated medium-term budgetary forecast, while interacting with the budget authorisers by delegation, on the basis of:

1. the most probable or the more conservative macroeconomic scenario based on the autumn forecast of the Ministry of Finance concerning the development of the national economy;

2. the draft budgets of the budget authorisers by delegation for the relevant year and the estimates for the following two years developed in full compliance with the approved expenditure ceilings and/or fiscal relations;

3. the draft budgets of the National Assembly and the judiciary and the estimates for the following two years, also taking into account their recommended expenditure ceilings, as approved;

4. other assessment and forecasts.

Article 79. (1) The Minister of Finance shall prepare the following documents and submit them to the Council of Ministers:

1. the draft state budget act;

2. the draft updated medium-term budgetary forecast, reflecting the recommendations of the Council of the European Union and the differences between the macroeconomic scenarios of the spring and autumn forecasts of the Ministry of Finance;

3. the draft opinion of the Council of Ministers on the draft budget of the judiciary;

4. the protocol from the consultations held with the National Association of Municipalities in the Republic of Bulgaria;

5. other documents specified in the budgetary procedure.

(2) When submitting the draft state budget act, the Minister of Finance shall also present the Council of Ministers with the programme budget formats of the state budget authorisers by delegation.

(3) The Council of Ministers shall approve the draft state budget act and the updated medium-term budgetary forecast and shall adopt the opinion referred to in Paragraph 1(3). The parameters of the approved draft state budget act shall be consistent with the parameters of the updated medium-term budgetary forecast.

(4) No later than 31 October, the Council of Ministers shall put forward to the National Assembly the approved draft state budget act, along with the updated medium-term budgetary forecast which constitutes an explanatory memorandum thereof, and the adopted opinion referred to in Paragraph 1(3).

(5) Where considered necessary, within one week after the submission of the draft state budget act to the National Assembly, the budget authorisers by delegation of the Council of Ministers, the ministries, the state agencies, and the other budgetary organisations that apply a programme budget format shall send their final draft programme budget formats to the President of the National Assembly in order for them to be discussed by the standing committees and shall publish them on their websites subject to the requirements laid down in the Classified Information Protection Act.

(6) The final draft programme budget formats referred to in Paragraph 5 shall be consistent with the variables of the approved draft act and the updated medium-term budgetary forecast.

(7) (Supplemented, SG No. 43/2016) Where considered necessary, the Council of Ministers shall, upon the proposal of the Minister of Finance, approve changes to the updated medium-term budgetary forecast referred to in Paragraph 3 within one month from the promulgation date of the State Budget Act, the laws regulating the public social insurance budget and the budget of the National Health Insurance Fund for the relevant year and the fiscal laws, whereby the changes shall be consistent with the parameters of the laws adopted.

(8) Where considered necessary, following the approval of the changes referred to in Paragraph 7, those budget authorisers by delegation that prepare programme budget formats shall update and publish them on their websites, subject to the requirements laid down in the Classified Information Protection Act.

Article 80. (1) The procedure for drawing up the public social insurance budget and the budget of the National Health Insurance Fund shall be set out in the relevant special laws, unless otherwise provided in this Act.

(2) Within the time limits prescribed in the budget procedure, the National Social Security Institute and the National Health Insurance Fund shall furnish the Minister of Finance with the information necessary to develop the medium-term budgetary forecast and the draft state budget act for the relevant year.

Article 81. By way of the draft state budget act, the Council of Ministers may propose amendments and supplements to other laws only if they are related to drawing up, implementing, and reporting the consolidated fiscal programme.

Part II

Drawing up the three-year budgetary forecast on local

activities and the municipal budget

Article 82. (1) The Municipal Council shall adopt a regulation on the conditions and procedures governing (i) the drawing up of the budgetary forecast on local activities for the following three years, and (ii) the drawing up, adopting, implementing, and reporting the municipal budget, whereby the regulation shall be developed in compliance with the principles, rules, and procedures set out in this Act. The regulation may stipulate that the municipal budget shall be drawn up, adopted, implemented and reported in a programme format.

(2) The mayors of municipalities shall organize the drawing up of the budgetary forecast and the municipal budget subject to the instructions referred to in Article 67(6).

(3) The budgetary forecast on local activities shall also include forecasts concerning:

1. the municipal accounts for European Union funds, by main variables;

2. the dynamics and positions of municipal debt and debt guaranteed by the municipality;

3. the revenue, expenditure, and other variables referred to in Article 14 related to persons under municipal control that fall within the local government sub-sector and whose operations and funds are not included in the municipal budget;

4. the finance of companies and other persons under municipal control, including information on: estimated revenue, expenditure and investments; expected dynamics and their debt positions; financial results; expected amount of municipal dividends; estimated subsidy values; capital transfers and other funds provided by municipalities; implementation of projects under European Union programmes;

5. the expected effect on the variables of municipal finances, including in respect of the persons referred to in Paragraph 3(3) and (4) generated by public-private partnerships and concessions-for the forecast period and until the end of the validity period of the contracts concerned-and by other major transactions and operations conducted or planned by the municipality and its subordinate authorisers which has no direct cash effect on the municipal budget within the forecast period.

(4) The Minister of Finance may give instructions on the volume, format and content of the information referred to in Paragraph 3.

(5) The Ministry of Finance may request that a given municipality furnish it with the information referred to in Paragraph 3.

Article 83. (1) The mayors of municipalities shall develop their budgetary forecasts, with the cooperation of the mayors of civil parishes and mayors of districts, on the basis of:

1. the instructions referred to in Article 67(6) and Article 82(4);

2. the assumptions about the development of the region;

3. the strategy, municipal development forecast and municipal development plan adopted by the Municipal Council;

4. the fiscal rules and constraints set out herein;

5. the proposals of the local community;

6. the proposals of budget authorisers by sub-delegation and lower-level budget authorisers, as well as those of budgetary organisations that own municipal property.

(2) The Municipal Council shall approve the budgetary forecast upon the proposal of the mayor of the municipality concerned.

(3) The mayors of municipalities shall submit their budgetary forecasts to the Ministry of Finance within the time limits prescribed in the budgetary procedure.

Article 84. (1) The mayors of municipalities shall develop their draft municipal budgets per variables referred to in Article 45(1), with the cooperation of the mayors of civil parishes and mayors of districts, on the basis of:

1. the medium-term budgetary forecast approved by the Council of Ministers, including the amount of fiscal relations between the state budget and municipalities, as well as the approved budgetary forecast referred to in Article 83(2);

2. the instructions referred to in Article 67(6) and Article 82(4);

3. the separation of activities and the in-kind and value indicators concerning the activities delegated by the state according to the relevant special laws;

4. the obligations arising out of filed claims under final court judgements;

5. the forecast on the expected amount of new expenditure commitments and expenditure pledges;

6. the obligations related to financing municipal debt and the intentions to assume new municipal debt, as well as the maximum amount of municipal debt and municipal guarantees as at the end of the budget year;

7. the obligations under national and regional programmes and projects;

8. other budgetary, reporting and statistical indicators, both cash-based and accrual-based;

9. other estimates and forecasts.

(2) (Repealed, SG No. 43/2016).

(3) The draft budget shall be supported by estimates prepared per indicators of the single budget classification specified in the instructions referred to in Article 67(6), an indicative annual estimate in respect of the accounts for European Union funds, and the forecasts referred to in Article 82(3).

(4) The mayors of municipalities shall submit the final draft municipal budget, the indicative annual estimate in respect of the accounts for European Union funds, and the forecasts referred to in Article 82(3) to the Municipal Council within 20 working days from the promulgation date of the state budget act for the relevant year.

(5) (New, SG No. 43/2016) The mayor of the municipality that is in a procedure for financial recovery shall forward the draft of the municipal budget to the Minister of Finance for coordination purposes.

(6) (New, SG No. 43/2016) Within the time limit under Paragraph 4, the mayors of municipalities shall put forward the draft budget to the local community for public discussion, whereby the discussion date shall be announced on the municipality’s website and in the local mass media at least 7 days in advance. The public discussion shall be held as per the procedures laid down by the Municipal Council. Any proposals resulting from the discussion shall be reflected in a protocol, which shall be submitted to the Municipal Council together with the final draft budget.

Chapter Seven
ADOPTING BUDGETS

Part I
Adopting the state budget, the public social insurance budget and the budget of the National Health Insurance Fund

Article 85. (1) The draft state budget act, the draft public social insurance budget act, and the draft National Health Insurance Fund budget act shall be reviewed as per the procedures set out in the Statutes of the National Assembly.

(2) When reviewing the drafts referred to in Paragraph 1, the commission responsible for the budget shall summarise the opinions of the standing committees of the National Assembly and the proposals made by members of parliament and shall deliver its decision on drafts referred to in Paragraph 1 while maintaining the budgetary balance proposed therein by the Council of Ministers.

(3) The budgets of budgetary organisations that apply a programme budget format shall be submitted to the standing committees of the National Assembly by the budget authorizer by delegation concerned.

(4) At the request of the standing committees of the National Assembly, budgetary organisations shall submit additional statements of information and clarifications regarding the drafts referred to in Paragraph 1 and the budgets referred to in Paragraph 3.

Article 86. (1) When reviewing the draft state budget act, the National Assembly shall hear a report on the state budget by the Minister of Finance, a report on the budget of the National Assembly by its President, a report on the budget of the judiciary by a representative appointed by the Supreme Judicial Council, reports of the line ministers responsible for the policies in the relevant sectors, as well as a report of the chairperson of the standing committee of the National Assembly which is responsible for the budget.

(2) The state budget shall be adopted by a legislative act which includes:

1. aggregate cash-based variables concerning the state budget as to the revenue, aid and donations, expenditure, fiscal relations, contribution to the general budget of the European Union, budget balance and related financing operations, and fiscal relations between the state budget and the municipal budgets, the budgets of social security and health funds and the other budgets and accounts falling within the scope of the consolidated fiscal programme;

2. the budgets of authorisers by delegation that form part of the state budget per main cash-based variables as to the revenue, aid and donations, expenditure, fiscal relations, budget balance and related financing operations;

3. the expenditure of those budget authorisers by delegation that apply programme budget format, presented per policy areas and/or budget programmes, while the expenditure of the National Assembly shall be presented per functional area;

4. the expenditure of the judiciary, including a breakdown of expenditure per judicial authorities;

5. the maximum amounts of expenditure pledges which can be made during the year by the budget authorisers by delegation referred to in Paragraph 2(2);

6. the maximum amounts of new expenditure commitments which can be made during the year by the budget authorisers by delegation referred to in Paragraph 2(2).

(3) (Amended, SG No. 43/2016) The State Budget Act may also set out variables under Paragraph 2(5) and (6) and Paragraph 6 concerning the budgets of the other budget authorisers that do not form part of the state budget, excluding the municipal budgets, while such variables concerning the budgets of social security funds shall be laid down in the respective laws referred to in Articles 89 and 90.

(4) (Amended, SG No. 43/2016) The State Budget Act may stipulate limits on the staff expenses into the budgets of the budget authorisers by delegation who have been granted a budget under the state budget.

(5) (New, SG No. 43/2016) The Council of Ministers may be authorised by the State Budget Act to stipulate, by a decree on the implementation of the state budget, limits on the staff expenses under the budgets of the respective budget authorisers, where the budgets of the National Assembly and of the Judiciary shall be an exception to this rule.

(6) (Renumbered from Paragraph 5, SG No. 43/2016) The State Budget Act may also set out other variables.

Article 87. (1) (Amended, SG No. 43/2016) If the National Assembly fails to adopt the state budget before the beginning of the budget year, the budget revenue shall be collected in compliance with the applicable laws and expenditure and transfers shall not exceed the expenditure or transfer amount for the same period of the preceding year, up to the amount of the revenues, aid and donations received, while taking into account any regulations adopted by the National Assembly and the Council of Ministers which stipulate additional or reduced budget resources and while observing the fiscal rules laid down herein and the fiscal objectives approved by the Council of Ministers in the medium-term budgetary forecast.

(2) (New, SG No. 43/2016) In the cases under Paragraph 1, the Council of Ministers may assume state debt for refinancing the debt in circulation up to the amount of the annual repayments of state debt assumed prior to the start of the respective budget year.

(3) (Renumbered from Paragraph 2, supplemented, SG No. 43/2016) The provision under Paragraph 1 may not be applied for more than three months, where the time during which there is no National Assembly elected shall not be included in the above time limit.

(4) (Renumbered from Paragraph 3, amended, SG No. 43/2016) When the state budget has not been adopted within the time limit referred to in Paragraph 3, the National Assembly shal - upon the proposal of the Council of Ministers - issue a decision setting an additional time limit for collecting revenue, for incurring expenditure and for making transfers. Paragraph 2 shall be applied in respect of the assumption of state debt.

Article 88. The budget authorisers by delegation related to the state budget and budget authorisers referred to in Article 86(3) may not make new expenditure commitments or make expenditure pledges exceeding the limits allocated to them pursuant to Article 86, Paragraph 2(5) and (6) and Paragraph 3, unless those variables have been modified in line with this Act or by a decision of the National Assembly.

Article 89. (1) When reviewing the public social insurance budget, the National Assembly shall hear a report of the line minister, a report of the Governor of the National Social Security Institute, and a report of the committee responsible for the budget.

(2) The budgets of the other social security funds administered by the National Social Security Institute shall be adopted within the public social insurance budget act, which shall include:

1. the consolidated budget of all social security funds administered by the National Social Security Institute;

2. the consolidated public social insurance budget;

3. the budgets of each public social insurance fund;

4. the budgets of any other funds administered by the National Social Security Institute, presented individually per fund.

(3) The budgets referred to in Paragraph 2 shall be adopted on the basis of the main variables referred to in Article 14, while encompassing the following mandatory elements:

1. revenue from insurance contributions;

2. staff expenditure;

3. subsistence expenditure;

4. interest expenditure;
5. capital expenditure;
6. pension expenditure;
7. other insurance payments, benefits and household assistance;
8. transfers from the central budget;
9. other transfers (net);
10. temporary interest-free loans (net);
11. debt operations.

(4) The public social insurance budget, in its expenditure part, may also be adopted per policy areas and/or budget programmes.

Article 90. (1) When reviewing the budget of the National Health Insurance Fund, the National Assembly shall hear a report of the line minister, a report of the Director of the National Health Insurance Fund, and a report of the committee responsible for the budget.

(2) The budget of the National Health Insurance Fund shall be adopted on the basis of the main variables referred to in Article 14 and shall contain the applicable mandatory elements referred to in Article 89(3). The amount of health insurance payments shall be presented in a separate line.

(3) The budget of the National Health Insurance Fund, in its expenditure part, may also be adopted per policy areas and/or budget programmes.

Article 91. The transfers and other forms of financing from the central budget to the budgets referred to in Articles 89 and 90 pursuant to this Act shall cover their shortage of resources and receipts in order to finance payments.

Article 92. (1) (Supplemented, SG No. 43/2016) The Council of Ministers shall adopt, on a proposal of the Minister of Finance, a decree on the state budget implementation within one month from the promulgation date of the state budget act for the relevant year.

(2) The decree shall specify the variables concerning the budgets incorporated in the state budget, excluding the budgets of the National Assembly and the judiciary. The decree shall also specify the variables concerning each budget programme under the budgets of those budgetary organisations that apply a programme budget format, in line the expenditure caps approved in the state budget act for the relevant year per policy areas and/or budget programmes.

Article 93. Budgetary organisations shall publish the approved budgets on their websites subject to the requirements laid down in the Classified Information Protection Act.

Part II
Adopting municipal budgets

Article 94. (1) The draft municipal budget act shall be reviewed as per procedures set out by the Municipal Council.

(2) The Municipal Council shall adopt the municipal budget, by a decision, on the basis of the variables referred to in Article 45(1) within 15 working days from the date of draft budget submission by the Mayor. The amounts of fiscal relations between the municipal budget and the state budget shall correspond to those approved in the state budget act for the relevant year and shall be aligned with other indicators and provisions that are relevant to the municipality concerned.

(3) In its decision referred to in Paragraph 2, the Council of Ministers shall also approve:

1. (amended, SG No. 43/2016) the maximum amount of new expenditure commitments that may be made during the year within the municipal budget, whereby the existing year-end

expenditure commitments may not exceed 15 per cent of the annual average amount of reported expenditure for the past four years; this constraint shall not apply to expenditure charged to the aid and donations budget item;

2. (amended, SG No. 43/2016) the maximum amount of new expenditure commitments that may be made during the year within the municipal budget, whereby the existing year-end expenditure commitments may not exceed 50 per cent of the annual average amount of reported expenditure for the past four years; this constraint shall not apply to expenditure charged to the aid and donations budget item;

3. the amount of arrears from the previous year which are to be paid out from the budget for the current year;

4. the amount of arrears which are expected to be collected during the budget year;

5. the limit on assuming new municipal debt and the maximum amount of the municipal debt and municipal guarantees as at the end of the budget year;

6. the estimates as to the distribution of the targeted capital expenditure subsidy set out in the state budget act for the relevant year, per sites requiring construction work or overhauling, for acquisition of tangible and intangible fixed assets and for preliminary studies and design works, including any co-financing and payments related to capital expenditure loans.

7. other variables, including those set out in the state budget act for the relevant year;

8. an indicative annual estimate for the accounts for European Union funds;

9. an updated budget forecast.

(4) The targeted capital expenditure subsidy referred to in Paragraph 3(6), as set out in the state budget act for the relevant year, may be distributed for activities delegated by the state and/or local activities. Capital expenditure for the delegated budgets may also be charged to that subsidy. Its distribution shall approved by a decision of the Municipal Council.

(5) (New, SG No. 43/2016) In the course of consideration of the municipal budget by the municipal council as part of a procedure of financial recovery, the opinion of the Minister of Finance on the draft of the municipal budget shall also be discussed.

(6) (Renumbered from Paragraph 5, SG No. 43/2016) The State Budget Act for the relevant year may also stipulate:

1. another amount of the constraints referred to in Paragraph 3(1) and (2);

2. that municipal budgets shall also include other variables.

(7) (Renumbered from Paragraph 6, SG No. 43/2016) Municipal budgets shall be allocated on a quarterly basis, and the allocation shall be approved pursuant to the regulation referred to in Article 82(1).

Article 95. Municipal budgets may set aside reserves for contingency and/or urgency costs of no more than 10 per cent of the total amount of municipal budget expenditure.

Article 96. Upon a decision of the Municipal Council, the activities delegated by the state may be additionally financed from own revenue or from the balancing subsidy granted to the municipality concerned.

Article 97. Each municipal budget shall be published on the website of the municipality within 10 working days upon its adoption by the Municipal Council. Municipal budgets shall be submitted to the National Audit Office and the Ministry of Finance within one month after their adoption. The Ministry of Finance and the National Audit Office shall also be furnished with information about the approved variables referred to in Article 94(3) as per procedures laid down by the Minister of Finance.

Article 98. (1) If the National Assembly fails to adopt the state budget before the beginning of the budget year, the municipal budget revenue shall be collected in compliance with the

applicable laws and expenditure shall not exceed the expenditure amount for the same period of the preceding year, while observing the fiscal rules laid down herein.

(2) If the National Assembly adopts the state budget before the beginning of the budget year, for the period until the Municipal Council adopts the municipal budget, the monthly expenditure for the activities delegated by the state shall not exceed the amount of municipal fiscal relations approved in the state budget act for the relevant year, while the expenditure for local activities shall not exceed the expenditure amount for the same period of the preceding year.

Article 99. (1) When the administrative and territorial structure of Bulgaria is changed or new municipalities are formed, the Municipal Council of the existing municipality shall adopt the relevant amendment to the annual municipal budget no later than 60 days after the formation of the new municipality.

(2) Municipal Councils of newly established municipalities shall adopt the municipal budget-for the period until the end of the current budget year-no later than 60 days after the date of the early local elections.

(3) When two or more municipality merge, a budget shall be drawn up for the newly established municipality and, no later than 60 days after the date of the elections, the newly elected Municipal Council shall adopt that budget.

(4) (New, SG No. 43/2016) In the cases under Paragraph 1 and 2, the Minister of Finance shall stipulate the amount of the budgetary relations of the respective municipalities with the state budget on the basis of criteria and mechanisms within the parameters endorsed by the state budget act for the respective year.

(5) (New, SG No. 43/2016) The mayor of the existing municipality under Paragraph 1 and the mayor/mayors of the newly-formed municipality/municipalities under Paragraph 2 shall jointly submit before the Minister of Finance the necessary information on the in-kind and in-value parameters of the respective municipalities within a 14-day time limit after the time limit referred to in Paragraphs 1 - 3.

Chapter Eight
BUDGET IMPLEMENATION

Part I
General Provisions

Article 100. (1) Budget authorisers by delegation shall organize and manage the implementation of their budgets.

(2) Budget authorisers by delegation shall establish and lay down the budgets of budget authorisers by sub-delegation, unless otherwise provided by law, be it in this Act or in another legislative instrument.

(3) Budget authorisers by sub-delegation shall establish and lay down the budgets of lower-level budget authorisers.

Article 101. (1) The Minister of Finance shall give instructions on the implementation of the state budget and the accounts for European Union funds.

(2) The instructions referred to in Paragraph 1 shall be published on the website of the Ministry of Finance.

Article 102. (1) Budget authorisers by delegation may not incur expenditure or make expenditure commitments for the current year which exceed the total amount of expenditure or

expenditure commitments approved within their budgets.

(2) Any sanctions and penalties, as well as any grant overpayments shall be charged to the approved budgets of budget authorisers by delegation, unless otherwise provided by law.

Article 103. (1) In the event of temporary cash disbalances in the budgets of budget authorisers by delegation that are not part of the state budget, the Minister of Finance may extend interest-free loans charged to the central budget, subject to a repayment period which does not go beyond the end of the following budget year.

(2) By a decision of the Municipal Council, the municipal budget may source interest-free loans extended to other municipalities and other budgetary organisations whose budgets do not form part of the state budget, subject to a repayment period which does not go beyond the end of the following budget year. Extending such loans shall not obstruct the timely payment of financial obligations under the loan sourcing municipal budget.

(3) When budgetary organisations are financed on a reimbursable basis by persons referred to in Article 13(4) whose scope of activities includes the provision of such financing for project implementation purposes, that financing operation shall be administered as a temporary interest-free loan, including when interest payments are required.

(4) (New, SG No. 43/2016) The Minister of Finance may extend the time limit for repayment by municipalities of the loans under Paragraph 1 by one extra year or may grant a new loan from the central budget for refinancing the portion of the loan that has not been repaid within the time limit under Paragraph 1, on a reasoned proposal by the mayor of the municipality and in the presence of a resolution of the municipal council.

Article 104. (1) For the purpose of pre-financing payments under projects financed by European Union funds or by other international programmes and agreements, interest-free loans may be extended not only pursuant to Article 142(1) but also:

1. from the central budget to the budgets of municipalities and other authorisers by delegation whose budgets do not form part of the state budget, as per conditions and procedures set out in an instrument of the Council of Ministers.

2. from the accounts for European Union funds referred to in Article 144(1) on the basis of an instrument of the Council of Ministers;

3. from other accounts for European Union funds, excluding those of municipalities, subject to the approval of the Minister of Finance and upon the proposal of the relevant authorisers of accounts for European Union funds;

4. from the municipal accounts for European Union funds, by a decision of the Municipal Council concerned; if no payments are possible from those accounts for European Union funds which have sourced interest-free loans, the outstanding sums shall be paid out from the municipal budget concerned;

5. from the municipal budget, by a decision of the Municipal Council concerned.

(2) The amounts of loans referred to in Paragraph 1(2) to Paragraph 1(5) shall be assigned to the relevant budget or account for European Union funds, if such has been designated.

(3) Paragraphs 1 and 2 shall apply provided that they do not contradict EU law and the agreements, conditions and requirements of programmes and projects concerned.

(4) The repayment period of loans referred to in Paragraph 1 shall be linked to the periods of use of the relevant financing from European Union funds or other international programmes and agreements and the related national co-financing and may stretch beyond the end of the budget year.

(5) Extending loans pursuant to Paragraphs 1-4 shall not obstruct the timely payment of financial obligations under the loan sourcing accounts for European Union funds.

Article 105. (1) Interest payments shall be due according to the Interest on Taxes, Fees and Other State Receivables Act in the event of any failure to timely repay temporary interest-free loans extended from the central budget or municipal budgets to municipalities or other budgetary organisations whose budgets do not form part of the state budget, including in cases referred to in Article 104.

(2) Collateral may be required in respect of the temporary interest-free loans extended from the central budget or municipal budgets, whereby the collateral conditions, procedures, types and amounts shall be set out in an instrument of the Council of Ministers or the Municipal Council, respectively.

Article 106. Transfers payable to a budgetary organization may be deducted from the transfers and interest-free loans that have to be repaid by that organization to the relevant budgets or accounts for European Union funds, to the extent that a law or an instrument of the Council of Ministers does not provide otherwise.

Article 107. (1) In the event of violations of budgetary discipline, the Minister of Finance may restrict or discontinue transfers, or restrict payment limits of budgetary organisations.

(2) Paragraph 1 may only be applied to the extent that it does not cause the termination of activities of the budgetary organisations concerned or the non-fulfilment of obligations arising from statutory acts or international agreements.

(3) Paragraph 1 shall not apply to the budget of the National Assembly and the budget of the judiciary.

Part II
Implementing the state budget, the public social insurance budget, the budget of the National Health Insurance Fund, and the budgets, excluding municipal budgets

Article 108. (1) Budget authorisers by delegation shall submit a monthly allocation breakdown of their annual budgets to the Ministry of Finance within the time limits set in the instructions referred to in Article 101(1).

(2) The line ministers shall submit an allocation breakdown of the aggregate budget of the public institutions of higher education and the budget of the Bulgarian Academy of Sciences to the Ministry of Finance within the time limits set in the instructions referred to in Article 101(1).

(3) Upon finding errors or dicrepancies in the monthly allocation breakdowns referred to in Paragraphs 1 and 2, as compared to the approved variables of the budgets concerned, the Minister of Finance shall notify the budget authorisers by delegation and shall set a deadline for their correction.

Article 109. (1) (Supplemented, SG No. 43/2016) Excluding the cases referred to in Articles 110 and 112(3), the Council of Ministers may approve internally compensated changes to the established expenditure, per policy areas, within the budgets of authorisers by delegation related to the state budget, upon their proposal, in coordination with the Minister of Finance.

(2) Excluding the delegated budgets and the cases referred to in Article 110, the Council of Ministers may approve changes to the established staff expenditure within the budgets of authorisers by delegation related to the state budget, upon their proposal, in coordination with the

Minister of Finance.

(3) Excluding the cases referred to in Article 110(2), the Council of Ministers may approve additional expenditure/transfers for the budgets of authorisers by delegation, as well as for those of budgetary organisations referred to in Article 13(3) and (4), which shall be charged to the central budget provided that the state budget balance is not affected.

(4) The Council of Ministers shall-in coordination with the Minister of Finance-approve changes to the budgets which form part of the state budget in terms of the budget balance financing, upon the proposal of the budget authoriser by delegation concerned, for the purpose of:

1. enabling operations related to acquiring shareholdings and shares, including increases of the shareholding amount;

2. extending loans and reimbursable grants to enterprises which are not budgetary organisations;

3. enabling other operations set out in the state budget act for the relevant year and the decree on its implementation.

(5) The budget authorisers by delegation related to the state budget shall implement the budget changes deriving from Paragraphs 1 - 4 and shall inform the Minister of Finance following the procedures laid down by him.

(6) The Minister of Finance shall implement the changes deriving from Paragraphs 3 and 4 into the central budget.

(7) (Amended, SG No. 43/2016) In the cases referred to in Paragraph 1 - 3, the Council of Ministers shall also implement changed to the variables referred to in Article 86, Paragraph 2(5) and (6), to the extent that the state budget act for the relevant year does not provide otherwise.

Article 110. (1) The Minister of Finance may make changes to the budgets of authorisers by delegation related to the state budget at the expense of aid and donations or revenue from insurance payments received.

(2) If aid and donations, or revenue from insurance payments received, remain unused from previous years, the Minister of Finance may make changes concerning any expenditure not provided for in the budgets of authorisers by delegation related to the state budget at the expense of a compensated reduction of state budget expenditure.

(3) The Minister of Finance may make internally compensated changes to the established budget programme expenditure within the budgets of authorisers by delegation related to the state budget, upon their proposal, which shall not affect the established expenditure per policy areas. In such cases, the overall staff expenditure may not be affected, either, unless changes are made to the delegated budgets.

(4) (Supplemented, SG No. 43/2016) The Minister of Finance may make compensated inter-budget changes, upon the joint proposal of budget authorisers by delegation, without changing the objective and intended purpose of the funds, including through a change of their budgetary relations with the central budget.

(5) The Minister of Finance may make changes to the budget expenditure of authorisers by delegation at the expense of transfers received in the budget concerned from accounts for European Union funds.

(6) The Minister of Finance may make other changes between the budgets of authorisers by delegation and the accounts for European Union funds, provided that the state budget balance will not deteriorate.

(7) The Minister of Finance may make changes to the fiscal relations between the central budget and the budgets of authorisers by delegation which are incorporated in the state budget concerning payments and proceeds related to the budget balance financing in cases other than

those referred to in Article 109(4).

(8) If aid and donations, or revenue from insurance payments received, remain unused from previous years, the Minister of Finance may make changes concerning any expenditure not provided for in the budget of the National Assembly and the budget of the judiciary at the expense of a compensated reduction of state budget expenditure when the said changes may not be implemented pursuant to Article 113(6).

(9) Upon the proposal of the budget authorizer by delegation concerned, the Minister of Finance may make changes to the variables referred to in Article 86, Paragraph 2(5) and (6) concerning the delegated budgets arising from over-registering in their revenue, to the extent that the state budget act for the relevant year does not provide otherwise.

(10) (Amended, SG No. 43/2016) In the cases referred to in Paragraphs 1 - 6, the Minister of Finance shall also make changes to the variables referred to in Article 86, Paragraph 2 (5) and (6) and Article 86 (3), to the extent that the state budget act for the relevant year does not provide otherwise.

Article 111. (1) When in-kind and/or value indicators in the activities delegated by the state are changed for the purpose of implementing a legislative act or an instrument of the Council of Ministers, the Minister of Finance shall accordingly make the relevant compensated changes in the relations between the central budget and municipal budgets.

(2) The Minister of Finance shall make changes in the fiscal relations between the municipal budgets concerned and the central budget arising from any changes to the administrative and territorial structure of Bulgaria.

Article 112. (1) Budget authorisers by delegation shall accordingly amend their budgets, as well as those of their budget authorisers by sub-delegation, in line with the changes referred to in Articles 109 and 110.

(2) Budget authorisers by delegation related to the state budget may make internally compensated changes to their budgets, including the budgets of their budget authorisers by sub-delegation, whereby those changes shall not affect expenditure per policy areas and budget programmes. In such cases, the overall staff expenditure may not be affected, either, unless changes are made to the delegated budgets.

(3) Budget authorisers by delegation may make compensated changes in their fiscal relations with other budgets, including those referred to in Article 13(3) and (4), at the expense of the expenditure and transfers provided for in the budget of the authorizer by delegation concerned-provided that no fiscal relations with the central budget are affected and that Article 110(4) has not been applied-without changing the objective and intended purpose of the funds.

(4) Upon implementing the changes pursuant to Paragraphs 1-3, budget authorisers by delegation shall submit an updated monthly allocation breakdown of their amended budgets to the Ministry of Finance as per the procedures set out by the Minister of Finance.

(5) (Supplemented, SG No. 43/2016) The budget authorizer by delegation concerned shall lay down the notification procedures concerning any changes that authorisers under Article 11(9) and authorisers applying delegated budgets make to their budgets.

(6) When the state budget act for the relevant year sets maximum amounts of the variables referred to in Article 86(3) for the budget authorisers referred to in Article 13(3) and (4), they may be changed only in the case of:

1. aid and donations, or revenue from insurance payments received during the year;

2. transfers from other budgets, unless-in the cases referred to Articles 86(2), 109 and 110-the amount of variables under Article 86(3) which is being transferred between the budgets concerned is also specified;

3. transfers from accounts for European Union funds.

(7) Paragraph 6 shall apply to the extent that the state budget act for the relevant year does not provide otherwise.

(8) (New, SG No. 43/2016) In the cases under Paragraphs 2 and 3, the respective budget authoriser by delegation under the state budget shall, where necessary, make also changes in the parameters under Article 86, Paragraph 2, Items 5 and 6 and shall notify the Minister of Finance of such changes.

Article 113. (1) (Amended, SG No. 43/2016) Article 109, Paragraphs 1, 2 and 4, Article 110, Paragraphs 1, 2, 3, 5, 6 and 7, and Article 112, Paragraphs 1, 2, 5, 6 and 7 shall not apply to the budget of the National Assembly and the budget of the judiciary.

(2) Compensated changes to the budget of the National Assembly, including the budgets of authorisers by sub-delegation per policy areas, shall be implemented by the authorizer by delegation of the budget of the National Assembly.

(3) Changes to the budget of the judiciary, including the budgets of authorisers by sub-delegation, shall be implemented by the authorizer by delegation of the budget of the judiciary.

(4) Changes to the budget of the National Assembly and the budget of the judiciary at the expense of aid and donations or revenue from insurance payments received, including the resulting changes of the variables referred to in Article 86, Paragraph 2(5) and (6), shall be implemented by the budget authorizer by delegation concerned.

(5) Changes to the budget of the National Assembly and the budget of the judiciary at the expense of transfers received in the relevant budget from accounts for European Union funds, including the resulting changes of the variables referred to in Article 86, Paragraph 2(5) and (6), shall be implemented by the budget authorizer by delegation concerned.

(6) Changes to the budget of the National Assembly and the budget of the judiciary when aid and donations or revenue from insurance payments from previous years remain unused shall be implemented by the budget authorizer by delegation concerned at the expense of an internally compensated reduction of expenditure within the budget concerned.

(7) (New, SG No. 43/2016) In the cases under Paragraphs 2, 3 and 6, the respective budget authoriser by delegation shall also make changes in the parameters under Article 86, Paragraph 2, Item 5 and 6.

(8) (Renumbered from Paragraph 7, amended, SG No. 43/2016) Each budget authorizer by delegation shall notify the Minister of Finance of any changes implemented under Paragraphs 2 - 7.

Article 114. (1) Upon the proposal of the Governor of the National Social Security Institute, its Supervisory Board may approve compensated changes to the consolidated public social insurance budget related to the expenditure and transfer variables in order to ensure the payment of retirement benefits and the other social security benefits.

(2) Upon the proposal of the Governor of the National Social Security Institute, its Supervisory Board may approve compensated changes between the variables of the budget of the National Social Security Institute, excluding those that will result in increasing staff expenditure. This provision shall not apply when financing under Paragraph 1 is needed and/or in the event of revenue shortfalls in the consolidated public social insurance budget.

(3) The Governor of the National Social Security Institute shall reflect the relevant changes to the public social insurance budget arising from additional transfers provided from the state budget.

Article 115. (1) Upon the proposal of the Governor of the National Health Insurance Fund,

its Supervisory Board may approve compensated changes between the expenditure and transfer variables in order to ensure health insurance payments.

(2) Upon the proposal of the Governor of the National Health Insurance Fund, its Supervisory Board may approve compensated changes between the variables of the budget of the National Health Insurance Fund, excluding those that will result in increasing staff expenditure. This provision shall not apply when financing under Paragraph 1 is needed and/or in the event of revenue shortfalls in the budget of the National Health Insurance Fund.

(3) The Governor of the National Health Insurance Fund shall reflect the relevant changes to the budget of the National Health Insurance Fund arising from additional transfers provided from the state budget.

Article 116. The reserves for contingency and/or urgency costs of the public social insurance budget and the budget of the National Health Insurance Fund shall be spent on the basis of a decision of the relevant supervisory board only for social security payments or health insurance payments, respectively.

Article 117. (1) Changes to the budgets of the social security funds at the expense of aid and donations or revenue from insurance payments received, including the resulting changes of the variables referred to in Article 86(3), shall be implemented by the budget authorizer by delegation concerned.

(2) Changes to the public social insurance budget and the budget of the National Health Insurance Fund when aid and donations or revenue from insurance payments from previous years remain unused shall be approved by the relevant supervisory board, upon the proposal of the budget authorizer by delegation, at the expense of an internally compensated reduction of expenditure within the budgets concerned.

(3) Budget authorisers by delegation related to the budgets of the social security funds may make changes to the budget expenditure at the expense of transfers received in the relevant budget from accounts for European Union funds, including the resulting changes of the variables referred to in Article 86(3).

Article 118. Budgets administered by the National Social Security Institute shall be implemented and managed on an integrated basis, while observing the requirements for separate reporting, monitoring and control of each budget and its variables.

Article 119. (1) No expenditure or expenditure commitments that cause deterioration in the consolidated fiscal programme balance shall be allowed, unless the National Assembly has accordingly adopted amendments and supplements to the state budget act and/or the public social insurance budget act, and/or the National Health Insurance Fund budget act for the relevant year.

(2) No programmes or projects may commence if the expenditure for them has not been provided for in the state budget act and/or the public social insurance budget act, and/or the National Health Insurance Fund budget act for the relevant year.

Article 120. (1) Any amounts payable to natural or legal persons at the expense of the central budget in relation to final court or arbitration judgements, including the recovery of foreign currency confiscated and assigned to the state budget, shall be paid from the budgets of the authorisers by delegation concerned, whose fiscal relations with the central budget shall be accordingly modified where necessary. When identifying the budget authorizer concerned is impossible, the amounts due shall be paid through the budget of the Ministry of Finance.

(2) Payments referred to in Paragraph 1 may also be made by allocating the amounts due to accounts for external funds of the budget authorisers by delegation.

(3) Unless otherwise stipulated by law, Paragraphs 1 and 2 shall also apply in respect of amounts provided for in the central budget for compensations payable by the state to natural and

legal persons on the basis of the relevant laws.

Article 121. (1) When no provision of a law or an instrument of the Council of Ministers explicitly specifies the budget to which any revenue from fines, pecuniary sanctions, fees and other non-tax revenue shall be allocated, or when it is stipulated that they shall be allocated to the state budget, the aforementioned revenue shall be transferred to the budget of the budgetary organisation concerned.

(2) Any revenue from fines and penalties imposed and/or collected by authorities administering tax revenue for the central budget shall be allocated to their respective bank accounts intended for central budget revenue.

Part III
Implementing municipal budgets

Article 122. (1) The municipal budget implementation shall be organized by the mayor of the municipality through the mayors of civil parishes, mayors of districts, and heads of budgetary units financed from and through the municipal budget.

(2) During the budget year, the Municipal Council may-within its area of competence-set up, wind up, or restructure budgetary units that use own revenue to finance themselves.

(3) The financial effect of the decisions taken by the Municipal Council under Paragraph 2, as well as those related to exempting some categories of persons from paying specific public obligations towards the municipality shall be charged to the own revenue and/or local activities expenditure of the municipal budget.

Article 123. Municipal budget revenue shall be collected by the municipal administration, unless otherwise provided by law.

Article 124. (1) During the budget year, changes to the municipal budget which do not exceed the amount of its fiscal relations with the state budget shall be made as per the conditions and procedures laid down in this Act and in the state budget act for the relevant year.

(2) Any changes to the municipal budget other than those referred to in Article 56(2) shall be approved by the Municipal Council. Changes which concern the activities delegated by the state shall be approved in line with the constraints referred to in Article 125(1)(1).

(3) The Municipal Council may approve compensated changes between the capital expenditure variables, as well as between sites financed with resources from the targeted subsidy laid down in the state budget act for the relevant year, whereby the changes shall be approved only within the given budget year.

(4) Mayors shall reflect any changes made to the municipal budgets or to the budgets of their authorisers by sub-delegation.

(5) (Amended, SG No. 43/2016) The regulation referred to in Article 82(1) shall set out the conditions and procedures for implementing changes, monitoring, evaluating, and exercising control over the variables referred to in Article 94, Paragraph 3(1) and (2) and Paragraph 6.

Article 125. (1) To the extent that a law does not provide otherwise, the Municipal Council may authorize the mayor of the municipality to make compensated changes to:

1. the part concerning the activities delegated by the state, between the established variables for expenditure within a given activity, excluding the delegated budget activities, provided that the standards on activities delegated by the state are not breached and that there are no arrears in the delegated activity concerned;

2. the part concerning the local activities, between the established expenditure within a given activity or from one activity to another, without altering the total expenditure amount.

(2) For the purpose of discharging their powers referred to in Paragraph 1, mayors shall issue orders.

(3) In line with the changes referred to in Paragraph 1, mayors shall make the relevant changes to the municipal budget, including the budgets of their authorisers by sub-delegation.

(4) Upon making any changes pursuant to Paragraph 1 or Article 112(5), mayors shall submit an updated quarterly allocation breakdown of their modified budgets to the Municipal Council as per the procedures laid down by that Council.

Article 126. Any resources of the municipal budget that remain temporarily uncommitted may be used for current financing of expenditure and other payments approved within municipal budgets, as long as that will not affect the timely financing of the activities delegated by the state, in their prescribed amounts, and of the local activities, and as long as the fiscal rules applicable to municipalities, as laid down herein, are observed, whereby the intended purpose of the resources shall not be altered at the end of the year.

Article 127. (1) Capital expenditure-other than those financed at the expense of the capital expenditure targeted subsidy and other transfers from the state budget-may be made at the expense of municipal budget revenue, subject to the requirements set out in Paragraph 2 and 3, or by assuming debt pursuant to the Municipal Debt Act, subject to the fiscal rules and constraints applicable to municipalities, as laid down herein.

(2) Any proceeds deriving from the sale of non-financial municipal assets shall be used only to finance the construction of social and technical infrastructure or its overhauling or maintenance, or to repay loans used to finance projects related to the social and technical infrastructure.

(3) Privatisation proceeds may be used only for the purpose of acquiring or overhauling fixed assets, for privatization costs, and for the repayment of loans used to finance projects related to the social and technical infrastructure.

(4) No current expenditure for local activities may be financed at the expense of assuming a long-term debt on the part of the municipality.

Article 128. It shall be inadmissible to incur expenditure or make new expenditure commitments and/or expenditure pledges and to commence programmes or projects which were not provided for in the annual municipal budget.

Article 129. (1) Any targeted transfer resources that remain unused shall be recovered by municipalities to the state budget no later than 31 January of the following budget year.

(2) Any resources received in municipal budgets from capital expenditure targeted subsidies which remain unused at the end of the current budget year shall be spent for the same purpose during the following budget year, whereby any remaining balance shall be recovered to the state budget no later than 20 December.

(3) Paragraphs 1 and 2 shall not apply when the state budget act for the relevant year or an instrument of the Council of Ministers provides otherwise.

Article 130. (1) In the event of violations of budgetary discipline, mayors of municipalities may restrict or suspend the financing of budgetary organisations, units, and subsidized activities within municipal budgets until the violation has been caused to cease.

(2) Paragraph 1 may only be applied to the extent that it does not cause the termination of activities of the budgetary organization, unit or subsidized activity concerned or the non-fulfilment of obligations arising from statutory acts or international agreements.

Chapter Eight "a"
(New, SG No. 43/2016)

MUNICIPALITIES IN FINANCIAL DIFFICULTIES

Part I
(New, SG No. 43/2016)
General provisions

Article 130a. (New, SG No. 43/2016) (1) Municipalities in financial difficulties shall be the municipalities for which three or more of the following conditions are present:

1. the fiscal rules under Article 32, Paragraphs 1 and 2 are not being complied with;

2. the liabilities existing at the end of the year for expenses under the municipal budget exceed 15 percent of the average annual amount of the reported expenses over the last 4 years;

3. the commitments assumed and existing at the end of the year for expenses under the municipal budget exceed 50 percent of the average annual amount of the reported expenses over the last 4 years;

4. the overdue liabilities outstanding at the end of the year under the municipal budget exceed 5 percent of the expenses reported by the municipality over the last year;

5. the budget balance of the municipal budget during the last three years is a negative amount for each one of those three years;

6. the averaged level of the collection rate of the real estate tax and of the motor vehicle tax is below the averaged collection rate of these two types of taxes for all the municipalities reported for the last year.

(2) The Minister of Finance may make an assessment that the municipalities in financial difficulties should be helped by a temporary interest-free loan under Article 130g (1).

Article 130b. (New, SG No. 43/2016) (1) A procedure for financial recovery aimed at achieving financial robustness and stability of the municipal finances shall be opened for municipalities in financial difficulties.

(2) The procedure for financial recovery of a municipality shall be opened for a time period of one to three years.

(3) The interest of the local community shall be taken into consideration in the procedure for financial recovery.

Article 130c. (New, SG No. 43/2016) (1) The Ministry of Finance shall implement monitoring of the municipalities in order to assess the variables under Article 130a.

(2) When it is established that three or more of the conditions under Article 130a are present, the Minister of Finance shall notify the mayor of the respective municipality that the actions under Article 130e (2) shall be undertaken.

Article 130d. (New, SG No. 43/2016) (1) The Minister of Finance shall issue methodological guidelines and instructions for the application of Article 130a (1), which shall be published on the web page of the Ministry of Finance.

(2) On a quarterly basis, information based on the reported data of the municipalities on their financial condition shall be published on the web page of the Ministry of Finance.

Part II
(New, SG No. 43/2016)
Opening a procedure for financial recovery

Article 130e. (New, SG No. 43/2016) (1) By the 10th of March of each year, the mayor of the municipality shall make an assessment of the presence of the conditions under Article 130a (1) as of the end of the previous year.

(2) When the assessment under Paragraph 1 finds that three or more of the conditions under Article 130a (1) are present, the mayor of the respective municipality shall, within a 7-day time limit, notify the municipal council that the municipality is in financial difficulties and shall propose to the municipal council that a procedure for financial recovery be opened.

(3) Within a 10-day time limit from the notification under Paragraph 2, the municipal council shall, by a resolution adopted by a majority of half of the total number of municipal councillors:

1. open the procedure for financial recovery;

2. assign to the mayor to draw up a recovery plan and to hold a public discussion of the plan with the local community;

3. stipulate the time limit for drawing up the plan, which cannot exceed one month, and shall stipulate the procedure and time limit for holding the public discussion, which cannot be shorter than 14 days.

(4) Within a 7-day time limit from holding the public discussion, the municipal council shall stipulate by a resolution the duration of the financial recovery procedure and shall adopt the financial recovery plan.

(5) By virtue of the resolutions under Paragraphs 3 and 4, the municipal council may assign to the mayor of the municipality to make a request to the Minister of Finance for financial assistance to the municipality in the form of a temporary interest-free loan from the central budget for the purposes of implementation of the financial recovery plan.

(6) The mayor of the municipality shall implement the ongoing monitoring of the conditions under Article 130a(1), where he or she shall obligatorily make an assessment, analysis and a forecast of their change as of the middle and as of the end of the current budget year and shall stipulate time limits and steps for undertaking the respective actions, where necessary.

Part III
(New, SG No. 43/2016)
Municipality's financial recovery plan Implementation of the plan

Article 130f. (New, SG No. 43/2016) (1) The financial recovery plan shall contain:

1. a system of criteria and financial variable designated to the monitored for the purpose of achieving financial robustness and stability of the municipal finances;

2. compliance indicators which shall help assess the achievement of the target values of the effectiveness indicators, including measures for optimising the structure and number of the staff and a time schedule for complying therewith;

3. the managerial, organisational, legal, financial, technical and other actions for implementation of the plan, including measures for improving the collection rate of the local revenues;

4. assessment of the impact of the plan on the services provided;

5. other measures appropriate for the financial recovery of the municipality.

(2) The financial recovery plan shall stipulate the responsibilities of the mayor of the municipality and of the municipal council for the implementation of the measures and activities envisaged therein.

(3) In the cases where the municipality has overdue liabilities, a programme for repayment of the overdue liabilities of the municipality shall be attached to the plan under Paragraph 1 and this programme shall include:

1. measures for prioritisation and optimisation of the expenses;

2. measures for improving the collection rate of the revenues;

3. time schedule for servicing the overdue liabilities until their full repayment.

(4) The financial recovery plan, which envisages the use of a temporary interest-free loan under Article 130g (1), shall be coordinated in advance with the Minister of Finance within the time limit for public discussion stipulated by the municipal council. The Minister of Finance may give additional instructions on the preparation and content of the plan.

(5) After being adopted by the municipal council, the plan under Paragraph 4 shall be forwarded to the Minister of Finance.

(6) On a quarter basis, the mayor of the municipality shall publish on the web page of the

municipality information on the progress of implementation of the financial recovery plan.

Part IV
(New, SG No. 43/2016)
Temporary interest-free loan for implementation of a financial recovery plan

Article 130g. (New, SG No. 43/2016) (1) The Minister of Finance mat grant, at the expense of the central budget, temporary interest-free loans for the purposes of implementation of the financial recovery plan of municipalities whose financial recovery plans have been coordinated with the opinion of the Minister of Finance.

(2) The temporary interest-free loans under Paragraph 1 shall be granted at terms and conditions stipulated by the Minister of Finance with term of repayment which may not be longer than the term of the financial recovery procedure set by the municipal council.

(3) The provisions of Article 105 and 106 shall be applied to the loans under Paragraph 1.

Article 130h. (New, SG No. 43/2016) (1) The mayor of the municipality shall report on a quarterly basis to the Minister of Finance on the progress of implementation of the financial recovery plan for which the loan under Article 130g (1) has been granted.

(2) If there are trends for non-fulfilment of the objectives for financial robustness and stability of the municipal finances and for lasting improvement of the financial condition of the municipality, in the financial recovery procedure, the municipal council, only after preliminary coordination with the Minister of Finance, may adopt decisions to obtain interest-free loans, as well as decisions to assume municipal debt through the conclusion of loan contracts or through the issuing of municipal securities and to issue municipal guarantees under the terms and according to a procedure stipulated by a law.

(3) The Minister of Finance shall express his or her opinion under Paragraph 2 within a 30-day time limit of being notified of the intention of the municipality to assume debt.

Article 130i. (New, SG No. 43/2016) In the cases under Article 130g (1), the Ministry of Finance shall carry on ongoing monitoring of the implementation of the plan under Article 130f on a quarterly basis. If there is deviation from the objectives of the plan, the Minister of Finance may terminate the further granting of the loan under Article 130g (1), when the loan is envisaged to be granted in separate tranches, after submission of a written explanation by the municipality's mayor regarding the reasons for such non-fulfilment.

Article 130k. (New, SG No. 43/2016) (1) On a proposal by the Minister of Finance and by an instrument of the Council of Ministers, an additional subsidy from the central budget may be granted to the municipalities for repaying the loans under Article 130g (1), when it is found that there is a lasting trend of improvement of the financial condition of the municipality, where the implementation of the plan under Article 130f has accomplished:

1. a reduction of the overdue liabilities;

2. primary budget surplus for the most recent reporting period of the municipality, which is

essentially a positive difference between the revenues, aid and donations and the expenses and budget relations, without accounting for the debt servicing expenses of the municipality;

3. sustainable increase of the own municipal revenues, while excluding those of one-time nature;

4. an increased collection rate of the own revenues;

5. reduction of the administrative expenses, without accounting for the expenses of one-time nature.

(2) The request for an additional subsidy shall be made by the municipality's mayor to the Minister of Finance not earlier than 6 months after the adoption of the financial recovery plan.

(3) Evidence of the implementation of the financial recovery plan and a proposal for the amount of the additional subsidy shall obligatorily be attached to the request under Paragraph 2. The Minister of Finance may also stipulate additional requirements for submission of information.

Part V
(New, SG No. 43/2016)
Premature termination of the municipality's financial recovery procedure

Article 130l. (New, SG No. 43/2016) (1) On a proposal of the mayor of the municipality, the municipal council may terminate the financial recovery procedure prior to the expiration of the term of such procedure, if the municipality overcomes the condition of financial difficulties.

(2) A proposal for premature termination of the financial recovery procedure, which envisages a financial recovery plan involving an interest-free loan from the state budget, shall be coordinated in advance with the Minister of Finance.

Chapter Nine
ONGOING MONITORING AND REPORTING OF THE CONSOLIDATED FISCAL PROGRAMME

Article 131. The Ministry of Finance shall monitor the ongoing implementation of the consolidated fiscal programme.

Article 132. (1) Payment limits shall be set for all budgets, accounts for European Union Funds and accounts for external funds which are included in the electronic budget payment system pursuant to Article 154.

(2) The payment limits shall be set in order to ensure the settlement of expenditure and other payments within the variables and/or resources pertaining to the relevant budget, account for European Union Funds, or account for external funds according to the requirements applicable to them as per this Act and in order to ensure compliance with the estimates for

aggregate variables of the consolidated fiscal programme.

(3) Payment limits may also be requested and laid down in order to procure financing under Article 17(4).

(4) When establishing and updating payment limits, the Ministry of Finance may undertake measures, on an ongoing basis, to correct monthly payment limits or postpone the establishment of limits concerning resources approved for non-interest expenditure and transfers, when the current estimations show deterioration as compared to the annual estimates.

(5) Paragraph 4 shall not apply to the budget of the National Assembly and the budget of the judiciary.

Article 133. (1) Budget authorisers by delegation shall present the Ministry of Finance with monthly and quarterly reports on their budget implementation, including the accounts for European Union funds, as well as with other additional information.

(2) Budget authorisers by delegation that apply a programme budget format shall also present the Ministry of Finance with quarterly information on the expenditure per budget programmes.

(3) Budget authorisers by delegation that apply a programme budget format shall submit a detailed report on the implementation of their programme budgets, on a six-month and year-end basis, to the Ministry of Finance, the National Assembly, and the National Audit Office.

(4) The reports referred to in Paragraphs 1 and 3, and the information referred to in Paragraph 2 shall be published on the websites of the budget authorisers by delegation concerned, subject to the requirements laid down in the Classified Information Protection Act.

(5) The Minister of Finance shall give instructions on the form, content, and time limits for drawing up and submitting the reports referred to in this article.

Article 134. Budget authorisers by delegation shall submit assessments on the expected budget implementation to the Ministry of Finance as per the procedures and within the time limits set out by the Minister of Finance.

Article 135. (1) The Minister of Finance shall furnish the Council of Ministers with information on the cash performance of the state budget and the main variables of the consolidated fiscal programme for each quarter of the current budget year, on the basis of the monthly reports submitted by budget authorisers by delegation, within 45 days from the end of the reporting period concerned, unless otherwise provided by an instrument of the Council of Ministers.

(2) The information referred to in Paragraph 1 shall be published on the website of the Council of Ministers.

Article 136. (1) For information purposes, the Council of Ministers shall present the National Assembly with a report on the cash performance of the consolidated fiscal programme for the relevant semester of the current budget year no later than 15 September.

(2) The information referred to in Paragraph 1 shall be published on the website of the Council of Ministers.

Article 137. (1) Mayors of municipalities shall conduct ongoing monitoring of:

1. the implementation of the municipal budget and the municipal accounts for European Union funds;

2. the variables referred to in Article 14 concerning all persons under municipal control that fall within the local government sub-sector and that are not municipal budget authorisers, as well as the dynamics and current position of their debt;

3. significant transactions and operations of the municipality and its budget authorisers which have no direct cash effect on the municipal budget, whereby the effect of such transactions

and operations shall be measured and presented as per the variables referred to in Article 14.

(2) Mayors shall present the Municipal Council with information on the implementation of the municipal budget, the accounts for European Union funds, and the other variables, transactions and operations referred to in Paragraph 1(2) and (3) for the semester concerned.

(3) The information referred to in Paragraph 1(2) and (3) shall be presented separately from the information referred to in Paragraph 1(1).

(4) The Minister of Finance may give instructions on the application of Paragraph 1(2) and (3), including instructions on the volume, form, and content of the information and instructions on the identification, measuring and classification of the effects on the municipal finances.

(5) Mayors of municipalities shall submit the information referred to in Paragraph 1(2) and (3) to the Ministry of Finance.

(6) Mayors of municipalities shall regularly inform the local community on the implementation of the budget and the accounts for European Union funds as per the procedures laid down by the Municipal Council.

Chapter Ten
ANNUAL BUDGET REPORTING

Part I
Reporting on the state budget

Article 138. (1) The Minister of Finance shall draw up an annual report on the implementation of the state budget on the basis of the variables underlying its adoption and a report on the consolidated fiscal programme on the basis of the annual reports of the budget authorisers by delegation and the central budget report.

(2) The Minister of Finance shall submit the reports referred to in Paragraph 1 to the National Audit Office no later than 30 June of the following budget year.

(3) No later than the 30 September of the following budget year, the Minister of Finance shall submit-for consideration by the Council of Ministers-the report on the state budget implementation drawn up as per the variables underlying its adoption and on the basis of the annual reports of the budget authorisers by delegation and the central budget audited by the National Audit Office, along with an executive summary.

(4) The Council of Ministers shall adopt the report and executive summary referred to in Paragraph 3 and put them forward to the National Assembly.

(5) After the report on the state budget implementation is adopted and put forward pursuant to Paragraph 4 and before its adoption pursuant to Article 139(2), if an audit by the National Audit Office indicate errors and misstatements in the reports on the cash performance of the relevant budgets which significantly affect the variables of the report on the state budget implementation, the National Audit Office shall inform the Minister of Finance and the National Assembly committee responsible for the budget and shall specify the corrections which need to be made to the report.

(6) The Minister of Finance shall deliver a written opinion in the cases referred to in Paragraph 5 and shall send it to the National Audit Office and the National Assembly committee responsible for the budget.

(7) For the purposes of public finance reporting and statistics, the Minister of Finance may alter data reported on the cash performance of the consolidated fiscal programme in the cases

referred to in Paragraph 5 and in line with the Minister's opinion referred to in Paragraph 6.

Article 139. (1) When discussing the report on the state budget implementation in the National Assembly:

1. the Minister of Finance shall submit the annual report on the implementation of the main state budget variables and the achievement of the fiscal objectives, information on the implementation of the consolidated fiscal programme, and the annual report on the government debt position;

2. the ministers shall submit annual reports on the implementation of the policies entrusted to them.

(2) The National Assembly shall issue a decision adopting the report on the state budget implementation no later than 31 December of the year following the year reported on.

Part II
Reporting on municipal budgets

Article 140. (1) (Amended, SG No. 43/2016) Mayors of municipalities shall draw up the annual report on the budget implementation as per the variables underlying its adoption, along with an executive summary, and shall submit it for adoption by the Municipal Council by the 31st of August of the subsequent budget year. In the cases, when the Court of Auditors performs a financial audit of the annual statements of the municipality, the mayor of the municipality shall submit for adoption the audited statements together with the auditor’s opinion of the Court of Auditors for certification of the annual financial statements of the municipality.

(2) The report referred to in Paragraph 1 shall also be supported by:

1. a report on the implementation of the accounts for European Union funds;

2. accounting information reported under Article 137, Paragraph 1(2) and (3);

3. other accounting information.

(3) The report referred to in Paragraph 1 shall also include information on the achievement of fiscal objectives, as well as information on the materialisation of the forecasts referred to in Article 82(3).

(4) The chairperson of the Municipal Council shall organize a public discussion of the report referred to in Paragraph 1 of the local community and shall disclose the discussion date at least 7 days in advance both on the website of the municipality and in the local mass media. The public discussion shall be held as per the procedures laid down by the Municipal Council.

(5) (Amended, SG No. 43/2016) Once the discussion referred to in Paragraph 4 is over, the Municipal Council shall adopt the report referred to in Paragraph 1 not later than 30 September of the year following the year reported on.

(6) The report adopted pursuant to Paragraph 4 and the report on the accounts for European Union funds referred to in Paragraph 2, Item 1 shall be published on the website of the municipality concerned.

Chapter Eleven
ACCOUNTS FOR EUROPEAN UNION FUNDS

Article 141. The accounts for European Union funds shall not be included in the state budget, municipal budgets, or any other budgets.

Article 142. (1) The accounts for European Union funds may be used for pre-financing of payments to the relevant beneficiaries (budgetary organisations) in the form of interest-free loans

as per the procedures and within the time limits set out by the Minister of Finance, including by providing pre-financing resources from the central budget.

(2) On the basis of an instrument of the Council of Ministers, pre-financing may also be provided for enterprises controlled by the state/municipalities, subject to the European Union rules on permissible state aid. Pre-financing shall be made available pursuant to Paragraph 1.

(3) In the event of failure to recover the pre-financing amounts provided pursuant to Paragraphs 1 and 2, interest shall become payable in compliance with the Interest on Taxes, Fees and Other State Receivables Act.

Article 143. The provisions set out in this chapter shall also apply to any funds under other international programmes and agreements which qualify as accounts for European Union funds according to Article 8(4).

Article 144. (1) Estimates shall be drawn up, laid down and updated in respect of the accounts for European Union funds.

(2) The state budget act for the relevant year shall set out the accounts for European Union funds in respect of which the Council of Ministers shall lay down annual estimates.

(3) The estimates referred to in Paragraph 2 shall be updated pursuant to Articles 109 - 111, unless otherwise provided for in the state budget act for the relevant year.

(4) The estimates concerning the municipal accounts for European Union funds shall be drawn up by the mayor of the municipality concerned and shall be laid down by the Municipal Council. The procedures for drawing up, laying down and updating the said estimates shall be set out in the regulation referred to in Article 82(1).

(5) The estimates concerning the accounts for European Union funds other than those referred to in Paragraphs 2 and 4 shall be laid down and updated by the budget authorizer by delegation concerned. Budget authorizers by delegation may delegate to their relevant budget authorizers by sub-delegation the powers related to laying down the estimates concerning the accounts for European Union funds of lower-level budget authorizers.

(6) The estimates referred to in Paragraphs 2 - 5 shall be indicative and shall also contain information on the main variables referred to in Article 14(1).

(7) The estimates referred to in Paragraphs 4 and 5 may be drawn up as a total of all accounts for European Union funds of a given budget authorizer by delegation or sub-delegation. In the cases referred to in Article 8(4), the estimates concerning other international programmes and agreements shall be drawn up, laid down and updated separately from the estimates concerning European Union funds.

Chapter Twelve
ACCOUNTS FOR EXTERNAL FUNDS

Article 145. The accounts for external funds shall not be included in the state budget, municipal budgets, or any other budgets incorporated in the consolidated fiscal programme.

Article 146. No budgets and estimates shall be drawn up and laid down in respect of the accounts for external funds.

Article 147. The accounts for external funds may not be used to carry out or account for activities other than the administering of external funds and the activity of the relevant state authorities related to the enforcement and confiscation of assets, including the subsequent management of the funds collected, in compliance with applicable legislation.

Article 148. Proceeds and payments which do not qualify as external funds shall be administered as revenue, expenditure, transfers or financing only within the relevant budgets or

accounts for European Union funds in compliance with the single budget classification and the instructions of the Minister of Finance, regardless of whether accounts for external funds have been used to conduct those operations.

Article 149. (1) Any financial obligations related to the accounts for external funds may also be paid from the budget concerned, following a transfer of the relevant amount from the account for external funds.

(2) For the purpose of streamlining the cash management of the resources and payments within the consolidated fiscal programme, the Minister of Finance may determine that the financial obligations related to the accounts for external funds shall be paid through the relevant budgets pursuant to Paragraph 1.

Article 150. The Minister of Finance shall give instructions on the application of the arrangements of accounts for external funds.

Chapter Thirteen
BANKING SERVCIES AND TREASURY SINGLE ACCOUNT SYSTEM

Article 151. (1) The services related to handling the bank accounts and payments of budgetary organisations shall be provided by the Bulgarian National Bank and other banks as per the procedure and manner set out in joint guidelines of the Minister of Finance and the Governor of the Bulgarian National Bank.

(2) The Bulgarian National Bank shall provide the services related to handling the treasury single account system and the other accounts and payments of budgetary organisations referred to in Article 153 in compliance with the requirements set out in Article 43 of the Bulgarian National Bank Act.

(3) The banks shall provide the services related to handling the accounts and payments of budgetary organisations free of charge, excluding the services concerning:

1. payments within the electronic budget payment system, transit items, and operations related to collecting revenue and other proceeds through card payments according to the financial agreements between the Ministry of Finance and the banks referred to in Article 154.

2. non-cash payments in foreign currency, whereby a bank uses a provider of payment services outside of Bulgaria to make a bank transfer; in such cases, the remitting bank of the budgetary organization which requested the bank transfer may charge that organization only for the amount of the direct costs incurred by the bank for the bank transfer and payable by it to the provider of payment services outside of Bulgaria.

(4) The Minister of Finance and the Governor of the Bulgarian National Bank shall lay down the procedures and time limits for the annual closure of the bank accounts of budgetary organisations, including any balances thereof.

(5) The banking secrecy arrangements shall not apply to operations and cash holdings within the accounts of budgetary organisations once the Minister of Finance has requested information about them.

Article 152. (1) The banks shall securitise the full amount of the cash holdings in all accounts and deposits of budgetary organisations, both in Bulgarian levs and in foreign currency, including any letters of credit in favour of the Ministry of Finance.

(2) The securitization referred to in Paragraph 1 shall be enabled by blocking government securities related to a debt of the Republic of Bulgaria. The securities shall be blocked by the

Bulgarian National Bank, with the effect of a legitimate registered pledge on them in favour of the Ministry of Finance. Blocking shall be applicable to securities that are free of any burden or collateral. The banks shall unblock government securities only if that will not lead to a temporary securitization shortage with respect to the cash holdings of budgetary organisations in their accounts held with those banks.

(3) The government securities referred to in Paragraph 2 that are not registered in the electronic system for registration and trade service of book-entry government securities in the Bulgarian National Bank shall be blocked or unblocked, as the case may be, on the basis of a blocking/unblocking request made by the principal bank depending on the amount of cash in the accounts entrusted to that bank.

(4) The securities referred to in Paragraph 2 that are not registered in the electronic system for registration and trade service of book-entry government securities in the Bulgarian National Bank shall be blocked by being transferred by their principal banks to escrow accounts specifically set up for that purpose with the Bulgarian National Banks. The disposal of the securities shall be allowed only with the consent of the Ministry of Finance.

(5) The cash holdings in the accounts referred to in Paragraph 1 may be securitized by blocking banks' claims for their resources kept as external funds in accounts for external funds of the Ministry of Finance specifically assigned for that purpose and entrusted to the services of the Bulgarian National Bank pursuant to Article 154(1) and (12).

(6) Subject to the consent of the Minister of Finance, the principal banks may also securitise - in favour of the Ministry of Finance-cash in the accounts referred to in Paragraph 1 held by budgetary organisations by blocking claims in the banks' own accounts entrusted to the services of the Bulgarian National Bank.

(7) Amounts receivable in the accounts referred to in Paragraphs 5 and 6 shall be shall be blocked by the Bulgarian National Bank, with the effect of a legitimate registered pledge on them in favour of the Ministry of Finance. Blocking shall be applicable to amounts receivable in accounts that are free of any burden or collateral. Depending on the cash amount available in the accounts concerned and the request for blocking/unblocking submitted by the principal banks, the Bulgarian National Bank shall block or unblock, respectively, the claims in those accounts.

(8) The Minister of Finance and the Governor of the Bulgarian National Bank may modify the amount and type of bank assets used as collateral, as well as the securitization conditions and procedures referred to in Paragraph 1-6, by accordingly notifying the principal banks.

(9) In the event of insolvency of a bank providing services to budgetary organisations, the securities and other assets used as collateral pursuant to Paragraph 1 - 8 shall not be included in the insolvency proceeds and shall be entrusted to the Minister of Finance for unlimited disposal. Any resources remaining after the satisfaction of claims securitized pursuant to Paragraph 1 - 8 with securities, amounts receivable or other assets shall be included in the insolvency proceeds.

(10) Any burden or collateral on the blocked securities, amounts receivable and other assets referred to in Paragraphs 2-8 shall be void during the period for which they are pledged pursuant to this Act.

(11) The banking license of banks which undertake to provide services to budgetary organisations needs to include activities related to trading for own account or for account of clients in transferable securities and participation in securities issues.

(12) No securitization pursuant to Paragraphs 1-8 shall be made when banks are exempted from this requirement by virtue of a special law. In such cases, the Ministry of Finance or the budgetary organization concerned may request securitization from the bank on the basis of a contract.

(13) The Minister of Finance and the Governor of the Bulgarian National Bank shall issue guidance on the application of Paragraphs 1 - 12, including guidance for the banks as to preparing and submitting periodic information on operations and cash holdings related to the accounts of budgetary organisations.

Article 153. (1) All accounts and payments of budget authorisers by delegation shall be handled by the Bulgarian National Bank, excluding those referred to in Paragraphs 2, 7 and 8.

(2) The accounts and payments of municipalities and other budget authorisers by delegation located outside the city of Sofia shall be handled by other banks, unless it is for the Bulgarian National Bank to provide services to the said persons pursuant to Paragraphs 3 and 4.

(3) Bank accounts shall be set up with the Bulgarian National Bank, and administered by it, for those budget authorisers referred to in Paragraph 3 that are included in the electronic budget payment system as individual first-level systems in order to handle the said payments and/or to centralize resources from transit items and other accounts.

(4) The Bulgarian National Bank may also handle other accounts and payments of budget authorisers referred to in Paragraph 3, as well as accounts and payments of other budgetary organisations.

(5) The accounts and payments referred to in Paragraphs 1 and 3 may not be entrusted to the services of other banks.

(6) The accounts and payments referred to in Paragraph 4 of budgetary organizations which are not budget authorisers by delegation may not be entrusted to the services of other banks, unless the Minister of Finance and the Governor of the Bulgarian National Bank determine that the Bulgarian National Bank shall not be the one to provide services to the said organisations so as to streamline its activities related to providing services to budgetary organizations.

(7) (Supplemented, SG No. 43/2016) The Minister of Finance may allow the budgetary organizations referred to in Paragraph 1 and their budget authorisers, that are included in the electronic budget payment system, to open accounts with other banks, where this is necessary to complete card payments or other bank operations that are not conducted by the Bulgarian National Bank and to issue letters of credit. Upon finalizing the operations, those accounts shall be closed, and their cash balances shall be recovered to the relevant accounts of the Bulgarian National Bank.

(8) The European Union funds shall be allocated, kept and handled through bank accounts with the Bulgarian National Bank. Exception to this rule should be made when:

1. EU law or the applicable agreements explicitly require that the funds shall be made available to the budgetary organization concerned in a bank account other than one set up with the Bulgarian National Bank;

2. the budgetary organization concerned is not a client of the Bulgarian National Bank, and the Ministry of Finance has not instructed that a bank account for European Union funds shall be set up in the name of that organization with the Bulgarian National Bank;

3. the circumstances referred to in Paragraphs 6 and 7 occur;

4. the Minister of Finance allows for accounts and payments to be entrusted to other banks, provided that the resources related to the project, programme or mechanism concerned shall be kept in accounts with the Bulgarian National Bank but shall be spent through other banks.

(9) The funds under other international programmes and agreements, including those deriving from loans of the budgetary organisations referred to in Paragraphs 1 and 4, shall be handled by the Bulgarian National Bank, to the extent that the applicable agreements do not provide otherwise and as long as Paragraphs 6, 7, and 8(4) do not apply.

(10) The Minister of Finance may also instruct that the Bulgarian National Bank

shall-pursuant to Paragraph 4-handle the resources from government guaranteed debt or government loans, whereby the end beneficiaries are state-owned enterprises and commercial companies.

(11) The Minister of Finance and the Governor of the Bulgarian National Bank shall determine the scope of the accounts and payments of the budgetary organisations referred to in Paragraphs 1, 3 and 4, which shall be administered through the electronic banking system of the Bulgarian National Bank, and shall set out the procedures, methods and time limits for their phased deployment in the system.

Article 154. (1) The accounts of budgetary organisations with the Bulgarian National Bank shall be arranged and handled in a single system for collecting, keeping, paying and reporting of funds hereinafter referred to as "the single account".

(2) The budgetary resources of the judicial authorities and the budgetary organisations whose budgets are not part of the state budget shall be included in the single account, while maintaining their financial autonomy in terms of cash management.

(3) The European Union funds, as well as the funds for aid and loans under international programmes and agreements, shall be included in the single account subject to the requirements of the European Union, the donors/creditors concerned, and the contracts underlying the provision of the funds.

(4) Non-cash payments from the budgets of authorisers by delegations related to the state budget and from the budgets of their respective lower-level budget authorisers from the countryside shall be initiated and approved through the electronic budget payment system (SEBRA) and shall be completed under the arrangement of settlement finality.

(5) Cash receipts in Bulgarian levs within the budgets of budgetary organisations that are part of the state budget shall be centralized in the single account system subject to the requirements set out in Paragraphs 2 and 3, including by using transit items.

(6) Paragraphs 4 and 5 shall also apply to budgetary organisations referred to in Article 13(3) and (4) located in the city of Sofia and all their lower-level budget authorisers located in the countryside.

(7) The Minister of Finance may determine that the single account and/or SEBRA shall, pursuant to Paragraph 4 and/or Paragraph 5, include the resources, proceeds and payments of the central budget, the budgets of the other budgetary organisations, and the accounts for European Union funds and accounts for external funds.

(8) The maintenance and software of SEBRA shall be provided by an operator of a settlement finality payment system intended for handling clients' transfers in Bulgarian levs which are to be cleared at a given time, whereby the operator shall act on the basis of a contract concluded with the Ministry of Finance.

(9) The banks located in the countryside shall handle SEBRA payments and transit items referred to in Paragraphs 4 - 8, as well as the operations of budgetary organisations related to the collection of revenue and other income receipts through card payments, on the basis of contracts entered into between the Ministry of Finance and the banks. The contracts shall contain the same provisions and prices applicable to all banks.

(10) The software and resources for card payments referred to in Paragraph 9 and the related services shall be provided by the operator of a settlement finality payment system licensed by the Bulgarian National Bank to handle payments related to operations with bank payment cards within the territory of Bulgaria on the basis of a contract concluded with the Ministry of Finance.

(11) Natural and legal persons shall pay no bank fees or charges for the provision of

services pursuant to Paragraphs 9 and 10 related to the handling of their card payments to budgetary organisations.

(12) The Bulgarian National Bank shall handle the accounts of budgetary organisations included in the single account pursuant to Paragraph 1, while acting in the name of the Ministry of Finance and at its expense. The Ministry of Finance shall pay contract fees to the Bulgarian National Bank for its services related to the single account and information services related to the accounts of budgetary organisations.

(13) The payment limits for the first-level systems in SEBRA shall be regularly updated by the Ministry of Finance in line with the information submitted by the budgetary organisations concerned, and subject to the requirements set out in Paragraphs 2 and 3.

(14) The Minister of Finance may determine that the limits concerning the accounts for external funds, the accounts of budget authorisers by delegation whose budgets are not part of the state budget, and the accounts for European Union funds shall be automatically set on the basis of the total amount of cash receipts in the respective account with the Bulgarian National Bank.

(15) The Minister of Finance may determine that some payments shall be initiated as per the general rules and technology of SEBRA by non-budgetary legal persons that are beneficiaries of funds from the consolidated fiscal programme.

(16) The payments of budgetary organisations included in SEBRA with relation to the budget of the judiciary, the budgets which are not part of the state budget, the accounts for European Union funds and the accounts for external funds shall be made within the applicable limits referred to in Paragraphs 13 and 14, and if the approved payments exceed the cash availability of the account held with the Bulgarian National Bank and corresponding to the first-level SEBRA system concerned, the shortage shall automatically be financed from a central budget account.

(17) Any financial obligation towards the central budget arising pursuant to Paragraph 16 shall be paid by automatic bank transfers of subsequent cash receipts from the account held with the Bulgarian National Bank and corresponding to the first-level SEBRA system concerned to a central budget account, whereby any estimates related to that obligation which remain outstanding as at the end of the accounting period shall be reflected in the relevant reports on the cash performance of the budget in its part concerning the budget balance financing.

(18) The inclusion of items in SEBRA shall be completed within time limits set by the Ministry of Finance.

(19) For the purposes of control, accountability and statistics, information about the budgetary organisations may be recorded, reported and summarized in SEBRA, including their revenue, expenditure, other operations, assets and liabilities, delinquent receivables and payments, commitments, and other budgetary, reporting and statistical indicators, both cash-based and accrual-based.

(20) The cash holdings of budgetary organizations in accounts included in the single account, excluding those of the central budget and the municipalities, may be deposited only in deposit accounts within the single account according to the instructions of the Minister of Finance. Those deposit accounts shall be set up for the needs of the budgetary organisations concerned and shall be handled by the Bulgarian National Bank in the name of the Ministry of Finance and at its expense, whereby any interest accrued thereon shall be deducted from the interest proceeds of the central budget.

(21) The payments in the single account system shall be made within the applicable cash holdings and limits referred to in Paragraphs 1, 13 and 14 and shall not exceed the total cash amount available in the single account. The Bulgarian National Bank shall not be accountable for

any payments failed or delayed because of cash shortages in the single account.

(22) The Minister of Finance shall be entrusted with the overall control, liquidity management and disposal of resources in the single account, including by making deposits to the Bulgarian National Bank and other banks, conducting operations on the secondary market in relation to government securities and other operations in relation to liquid or prime securities of other countries. When laying down the general guidelines on liquidity management, the Ministry of Finance shall hold consultations with the Bulgarian National Bank.

(23) In addition to the cases referred to in Paragraph 22, the Minister of Finance may make guarantee deposits and other deposits to banks for the purpose of bank financing of projects under international programmes and contracts and for other payments on the basis of an instrument of the Council of Ministers.

Article 155. (1) For the purposes of cash management and optimisation of the accounts and payments of budgetary organisations, the Minister of Finance may determine that:

1. in the cases in which a budgetary organisation administers proceeds and/or payments for several budgets, the cash receipts of those budgets shall be centralised within one account of the budgetary organisation and/or that their payments shall be made from that account through a first-level SEBRA system, while observing the requirements for separate reporting, monitoring and control of each budget and its variables;

2. no separate bank accounts shall be assigned to proceeds and payments that qualify as accounts for European Union funds, using instead the bank accounts assigned to the budgets of the budgetary organisations concerned.

(2) In the cases referred to in Paragraph 1(1), the payments of the budgets administered by the budgetary organisation shall be financed using resources from the account, as well as forms of financing-admissible under this Act-from the central budget, the other budgets, and the accounts for European Union funds within their respective SEBRA limits.

(3) In the cases referred to in Paragraph 1(2), the proceeds and the payments made on their basis shall be accounted for under the relevant budgets as operations with external funds, while those under the accounts for European Union funds shall be accounted for per elements of the single budget classification.

(4) When payments are made pursuant to Paragraph 1(2) before the corresponding proceeds are received, those payments shall be charged to the relevant budget as expenditure or other elements of the single budget classification until the funds intended to finance them are received.

(5) In the cases referred to in Paragraph 1, the budgetary organization shall keep separate accounting records for each budget and account for European Union funds in order to differentiate between their proceeds, payments, assets, liabilities and any changes thereof.

(6) The Minister of Finance shall give instructions on the application of Paragraphs 1-5, including instructions on reporting the operations deriving therefrom.

Article 156. Upon the proposal of the Minister of Finance, the Council of Ministers may determine that the single account and/or SEBRA shall include resources, proceeds and/or payments of state-owned enterprises referred to in Article 62(3) of the Commerce Act, commercial companies held by the state as their sole shareholder, as well as other legal persons controlled by the state, while maintaining their financial autonomy in terms of cash management.

Article 157. The Council of Ministers shall issue a statutory act laying down the procedures, methods, time limits and scope of the SEBRA information that has to be published.

Article 158. The Minister of Finance shall provide general methodological guidance on the banking services delivered to budgetary organisations and the single account system.

Chapter Fourteen
CENTRALISED PAYMENTS OF INSURANCE CONTRIBUTIONS, TAXES, AND OTHER PUBLIC DEBT

Article 159. (1) The insurance contributions payable by budgetary organisations to social security funds, including the contributions on account of insured persons, may be charged, reported, deducted and paid through a scheme for centralized payment of insurance contributions.

(2) Budgetary organisations shall be included in the scheme for centralized payment of insurance contributions according to the instructions of the Minister of Finance.

(3) The contributions charged to the budget of the budgetary organization concerned and to the accounts for European Union funds included in the scheme for centralized payment of insurance contributions pursuant to Paragraph 10, excluding those referred to in Paragraph 10, shall be charged, deducted and reported as staff expenditure and transfers for paid insurance contributions.

(4) The amounts for insurance contributions charged to the accounts for European Union funds pursuant to Paragraph 3 on account of the insurer and on account of the insured person shall also be administered as a corrective transfer for paid insurance contributions and an obligation towards the budgets of the budget authorisers concerned.

(5) The reports on the cash performance of the budgets and the accounts for European Union funds of budgetary organisations referred to in Paragraph 3 shall refer to the expenditure for insurance contributions, on account of the insurer and on account of the insured person, in amounts corresponding to the amounts charged for salaries and other compensation for employees, but not exceeding the ceiling approved for the relevant type of expenditure.

(6) The amounts payable pursuant to Paragraph 3 shall be transferred from the central budget directly to the accounts of the relevant social security funds in line with the expenditure ceilings for insurance contributions stipulated in the budgets, accounts and funds concerned. Any shortfall between the amounts charged pursuant to Paragraph 3 and the transfers completed during the year shall be settled pursuant to Paragraph 7.

(7) The annual reconciliation between the central budget and the social security funds in terms of any shortfall between the amounts currently charged and the amounts transferred during the year shall be made on the basis of the information on insurance contributions reported pursuant to Paragraph 3 in the reports on the cash performance of the budgets and the accounts for European Union funds no later than 30 June of the following year.

(8) The amounts payable pursuant to Paragraph 4 shall be allocated to the relevant budgets before the 15th day of the month which follows the quarter concerned and before 20 December for the fourth quarter. The amount due for the fourth quarter shall be determined on the basis of the insurance contributions charged for October and November, and on the basis of the insurance contributions due on remunerations paid to insured persons prior to December and charged for that month. Any amounts unpaid pursuant to this paragraph shall remain payable from the accounts for European Union funds to the relevant budgets in the following year.

(9) Paragraphs 4 and 8 shall also apply to the budgets of the budgetary organisations referred to in Article 13(4) and Article 171(3), whereby the amounts due shall be administered as a liability and shall be paid to the budget of the relevant authorizer by delegation related to the state budget, or to the budget of the relevant municipality if the budgetary organization falls

within the local government sub-sector.

(10) When the budget of a budgetary organization referred to in Article 13(4) or an account for European Union funds receives a transfer from the central budget or the budget of the authorizer concerned, the Minister of Finance may order that the transfer shall be deducted in the amounts due under Paragraph 4, with only the shortfall being paid.

(11) The expenditure for insurance contributions of the social security funds shall be charged and administered within the budgets concerned, whereby the amounts that are due from a given budget towards the budgets of other social security funds shall be administered as a liability and shall be paid to their respective accounts with the Bulgarian National Bank before that 20th day of the month following the date of charging the amounts.

(12) When providing transfers from the central budget and determining the payment limits for the relevant budgets, the Ministry of Finance shall deduct and report the insurance contribution amounts under Paragraph 3 as a transfer for paid insurance contributions.

(13) The cash transfers and transfers for paid insurance contributions that are currently provided from the central budget to the budget of the judiciary and the budgets which are not part of the state budget shall be accounted for in amounts that to not exceed the ceilings established in the state budget act for the relevant year, as modified during the year. Exceeding those cleanings at the end of the year shall be reported in the relevant budgets of the authorisers by delegation concerned as a liability towards the central budget which shall be settled within the time limit referred to in Paragraph 7, including by way of deduction from the central budget transfer for the following year.

(14) When the state budget act for the relevant year stipulates transfers for budgets other than the state budget which are not to be provided from the central budget, the Minister of Finance may determine that Paragraphs 12 and 13 shall also apply to those transfers, whereby-in the event of amounts reported in relation to cash subsidies and transfers for paid insurance contributions that diverge from the amounts laid down in the state budget act for the relevant year and any modifications thereof during the year-any shortfall shall be administered and paid by way of reconciliations between the financing budget and receiving budget concerned.

(15) Any reconciliations deriving from the application of this article and the related divergences and settlement transfers shall be reflected in the cash performance reports, in their part concerning the budgetary balance financing.

(16) Information on the unique identification code and other identification data concerning budgetary organisations encompassed by the scheme, including information about the occurrence of structural or other changes, shall be provided by the budget authorisers by delegation concerned as per procedures and within time limits laid down by the Minister of Finance.

(17) Data about the insurance income and contributions of insured persons shall be provided by the budgetary organisations included in the centralized payment scheme as per the general procedures, unless otherwise provided by law.

(18) The budgetary organisations included in the centralized payment scheme shall not transfer the payable insurance contributions to accounts of the relevant administrators of that public debt.

Article 160. (1) The contributions for supplementary statutory pension insurance and other insurance on account of the insurer and on account of the insured persons, along with the resulting estimates, transfers and payment limits, shall be determined, charged, deducted, paid, settled and reported by budgetary organisations pursuant to Article 159.

(2) The contributions for supplementary statutory pension insurance and other insurance due under Paragraph 1, excluding those referred to in Paragraph 4, shall be transferred from the

central budget directly to an account for external funds of the relevant administrator of those funds held with the Bulgarian National Bank.

(3) The transfers referred to in Paragraph 2 shall be made on a monthly basis, before the 20th day of each month following the month which the amounts concern, on the basis of the data about insured persons and their income disclosed by the budgetary organisations under Paragraph 1. That data shall be disclosed by the budgetary organisations included in the scheme for centralized payment of insurance contributions as per the general procedure.

(4) The expenditure for supplementary statutory pension insurance and other insurance shall be charged to the budgets of the social security funds and shall be transferred from their accounts with the Bulgarian National Bank to the relevant account referred to in Paragraph 2 before the 20th day of the month following the month in which the sums were charged.

(5) The amounts paid pursuant to Paragraphs 3 and 4 shall be transferred to the relevant pension or other funds before the last date of the month in which the sums were transferred from the central budget.

(6) Paragraphs 1-5 shall apply when the contributions for supplementary statutory pension insurance and other insurance are collected and administered by a budgetary organisation and those amounts are to be transferred to pension or other funds, or other institutions, which do not fall within the scope of the general government sector.

Article 161. (1) The Minister of Finance may determine that the amounts payable by budgetary organisations for taxes on the income of natural persons and those for other taxes and public debt shall be charged, deducted, reported and paid in line with the principles, rules and time limits set out in the centralized payment scheme referred to in Article 159 subject to the applicable taxation arrangements.

(2) Budgetary organisations shall be included in the scheme for centralized payment of taxes and other public debt as per the procedures, methods and time limits laid down by the Minister of Finance.

(3) Budgetary organizations shall disclose tax information under Paragraph 1, as well as any other information thereof, to the relevant administrators of public debt as per the applicable general procedures, unless otherwise provided by law.

(4) Budgetary organisations which fall within the application scope of Paragraphs 1 and 2 shall not transfer the amounts for taxes and other public debt referred to in Paragraph 1 to accounts of the relevant administrators of that debt.

Article 162. The Minister of Finance shall give instructions on the application of this Chapter.

Chapter Fifteen
BUDGETARY ACCOUNTING

Article 163. Budgetary organisations shall keep their accounting records in accordance with the requirements set out in the Accountancy Act and this Act and on the basis of the standards, the chart of accounts, and the instructions referred to in Article 164.

Article 164. (1) The Minister of Finance shall lay down accounting standards and a chart of accounts and shall give instructions to budgetary organisations in compliance with:

1. the requirements of the European Union concerning the accountability, statistics and budgeting of the public sector;

2. the accounting framework, principles and concepts underlying the Government Finance Statistics Manual issued by the International Monetary Fund;

3. the International Public Sector Accounting Standard of the International Federation of Accountants;

4. the requirements of Bulgarian law with respect to budgeting, reporting on the consolidated fiscal programme, and the management and control of resources and expenditure of budgetary organisations.

(2) The draft standards, instructions and chart of accounts referred to in Paragraph 1 shall be developed by the Ministry of Finance.

(3) In the event of issues that are not addressed in the standards and chart of accounts referred to in Paragraph 1, the provisions of standards relevant to other types of enterprises, within the meaning of the Accountancy Act, may be applied to budgetary organisations as per the procedures laid down by the Minister of Finance.

(4) The standards, instructions and chart of accounts referred to in Paragraphs 1 and 3 shall be published on the website of the Ministry of Finance.

Article 165. (1) By an order issued in coordination with the President of the National Statistical Institute, the Minister of Finance may determine that non-budgetary enterprises which do not fall within the general government sector and which are not commercial companies shall apply the standards, instructions, and chart of accounts referred to in Article 164(1) and (3).

(2) The order referred to in Paragraph 1 shall be promulgated in the State Gazette and shall be published on the website of the Ministry of Finance and the website of the National Statistical Institute.

Article 166. (1) The budgetary organisations and enterprises referred to in Article 165(1) shall draw up and submit their annual financial statements on the basis of the standards, instructions, and chart of accounts referred to in Article 164(1) and (3).

(2) The form, structure, and content of the annual and interim financial statements of budgetary organisations and enterprises referred to in Article 165(1) shall be laid down by the Minister of Finance.

Article 167. The information reported on the assets, liabilities, revenues, expenditure and operations of all budgetary enterprises and enterprises referred to in Article 165(1) shall be consolidated by the Ministry of Finance on the basis of the trial balances and other information, as submitted by the said organisations and enterprises, subject to the conditions, time limits, periodicity requirements, and procedures laid down by the Minister of Finance.

Article 168. (1) (Amended, SG No. 95/2015, effective 1.01.2016) For the purposes of public finance reporting and statistics, the Minister of Finance may require that the enterprises referred to in Article 2 of the Accountancy Act which are controlled by the state or the municipalities or which are supported by them by means of subsidies, loans, government guarantees or other forms of state aid shall provide additional reports and information prepared and submitted in compliance with the form, content, time limits and procedures laid down by the Minister of Finance.

(2) The procedure set out in Paragraph 1 may also apply to the collection of information on contingent liabilities-arising from the activity of the enterprises referred to in Paragraph 1-which may possibly have a material impact on public finances, including government and municipal guarantees.

(3) The information referred to in Paragraph 2, as well as the information concerning the shareholdings or shares of budgetary organisations in commercial companies, shall be published on the website of the Ministry of Finance.

Article 169. The standards, instructions, and chart of accounts referred to in Article 164(1) and (3), the accounting systems of the budgetary organisations and enterprises referred to in

Article 165(1), as well as the information referred to in Articles 167 and 168 shall enable the generation of data concerning the general government sector and its sub-sectors in compliance with European Union requirements.

Article 170. The procedure, method and time limits for submitting and disclosing the financial statements of budgetary organisations shall be laid down by the Minister of Finance.

Article 171. (1) The Minister of Finance may determine that the consolidated fiscal programme shall include the resources, proceeds and payments of other persons or their business units which are subject to inclusion in the general government sector.

(2) For the purpose of drawing up and reporting on the consolidated fiscal programme, the resources and operations included in the consolidated fiscal programme pursuant to Paragraph 1 shall-depending on their nature and characteristics-be assimilated to budgets, accounts for European Union funds, or accounts for external funds.

(3) The resources and operations assimilated to budgets pursuant to Paragraph 2 shall not form part of the state budgets, the municipal budgets, or the budgets of the social security funds.

(4) The operations and resources of commercial companies and their business units shall not be included in the consolidated fiscal programme pursuant to Paragraphs 1 and 2.

Article 172. For the purposes of the budget cash performance, accountability and statistics, any modification to the budgets of budget authorisers by delegation deriving from structural changes, as well as the reporting of transfers of assets and liabilities between budgetary organisations, may be conducted as at the 1st day of the relevant month in line with the instructions of the Minister of Finance, depending on the specific structural change and the applicable legal requirements, while considering any other circumstances related to the structural change.

Chapter Sixteen
ADMINISTRATIVE PROVISIONS

Article 173. Upon failing to comply with their obligations to disclose information or publish documents online pursuant to this Act and s Chapter.imit referred to in Paragraph 7, including bythe state budget act for the relevant year or the decree on its implementation, the guilty officials shall be liable to a fine ranging from BGN 100 to BGN 500, and in the event of a repeated violation, the fine imposed on the offender shall be doubled.

Article 173a. (New, SG No. 43/2016) A mayor of a municipality, who fails to fulfil his or her obligation under Article 130e (2) shall be punished by a fine from BGN 500 to BGN 2,000.

Article 173b. (New, SG No. 43/2016) For non-fulfilment of the obligation to submit information under Article 35, the guilty official shall be punished by a fine from BGN 100 to BGN 500, and in the event of a repeated violation - the fine shall be imposed on the offender in a twofold amount.

Article 174. A repeated violation shall be a violation committed within one year from the date of enforcement of the penal order sanctioning the offender for the same type of violation.

Article 175. (1) (Amended, SG No. 43/2016) The notices of violation referred to in Article 173, Article 173a and Article 173b shall be drawn up by the officials authorised by the Minister of Finance, while penalty orders shall be issued by Minister of Finance or an official authorised by the Minister.

(2) The drawing up of notices and the issuance, appeal and execution of penal orders shall be carried out as per the procedures laid down in the Administrative Violations and Sanctions Act.

ADDITIONAL PROVISIONS

§ 1. Within the meaning of this Act:

1. "Budgetary programme" means a set of activities entrusted to a certain authority and funded from the budget in order to achieve a specific policy objective.

2. "Budgetary framework" means a set of procedures, mechanisms, arrangements, fiscal and other rules, restrictions and responsibilities of the authorities and institutions involved in the budget process and of those entrusted with conducting the budgetary policies of general government sector, including:

a) systems of budgetary accounting and statistical reporting;

b) rules and procedures governing the preparation of forecasts for budgetary planning;

c) numerical fiscal rules;

d) budgetary procedures underpinning the budget process at all stages;

e) medium-term budgetary forecast that extends the time horizon for fiscal policy making beyond the annual budgetary cycle, including the setting of policy priorities and of medium-term budgetary objectives;

f) arrangements for independent monitoring and analysis to enhance the transparency of elements of the budget process;

g) mechanisms and rules that regulate fiscal relationships between public authorities across subsectors of general government sector.

3. "Budgetary grant" means a general or assigned transfer which is granted free of charge from the central budget to a budgetary organisation for the relevant budget year.

4. "Fiscal relations" means transfers and temporary interest-free loans.

5. "Budgetary organisations" means all legal persons whose budgets are incorporated in the state budget, the budgets of municipalities, or the budgets of social security funds, as well as any other legal persons whose funds, revenues and payments are included in the consolidated fiscal programme by virtue of a legislative instrument or pursuant to Article 171.

6. "Budgetary resources" means the cash that is received, kept, transferred and/or spent within the separate budgets.

7. "Budget balance" means the difference between the revenues, aids and donations, expenditure and fiscal relations. A positive budget balance constitutes a surplus, while a negative budget balance constitutes a deficit.

8. "Temporary interest-free loan" means any repayable cash extended between the central budget and the budgets and accounts for European Union funds, excluding funds referred to in Article 154(16) and (17). For budgeting and reporting purposes, temporary interest-free loans shall be presented as transfers.

9. "Tax expense" means indirect expenditure made through the tax system by virtue of a legislative provision which leads to reducing or deferring budget revenue in order to achieve a specific economic or social objective.

10. "Delegated budget" means the budget of an authoriser by sub-delegation, or one of a lower level, in respect of which the right to make expenditure changes is granted to the relevant budget authoriser by virtue of, or on the basis of a law.

11. "Activities delegated by the state" means activities related to providing (state) public services to which the population shall have equal access in compliance with the applicable legislation and which are fully or partially financed from the state budget, through the municipal budgets.

12. "Local government debt" means the municipal debt and the debt of all persons falling within the local government sub-sector according to Council Regulation (EC) No. 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community.

13. "Central government debt" means the debt of the central government according to Council Regulation (EC) No 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community.

14. "Debt of the social security funds" means the debt of the sub-sector of social security funds according to Council Regulation (EC) No. 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community.

15. "Government debt" means the debt defined in the Government Debt Act, as well as any other forms of debt pursuant to Council Regulation (EC) No. 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community which is incurred and paid from the central budget and by the persons whose budgets form part of the state budget, including through their accounts for European Union funds.

16. (Supplemented, SG No. 43/2016) "Expenditure commitments" means the monetary obligations to incur expenditure existing at the end of the relevant reporting period, excluding those for staff, pensions, equivalent payments, debt interest (including on the debt guaranteed by the state and municipalities), taxes, and other public receivables of the state or municipalities. What shall not qualify as expenditure commitments include provisions for liabilities according to the accounting legislation applicable to budget organisations, any obligations that constitute debt, or expenditure pledges.

17. "Cash basis" means a budgeting and reporting system that encompasses all cash receipts and payments that are subject to being administered in the bank accounts of budget organisations, including their cash operations or assimilated operations according to the relevant provisions of the accountability standards and guidelines applicable to budget organisations referred to in Article 164(1).

18. "Consolidated general government debt" means the debt of the general government sector according to the requirements set out in Council Regulation (EC) No. 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community.

19. "Local community" means the citizens and legal persons who have a registration, carry out business activities, or use services within the relevant municipality.

20. "Local activities" means activities related to the provision of public or other services which are delivered by municipalities on the basis of a law and/or decision of the Municipal Council and which are not financed as activities delegated by the state.

21. "Year-end expenditures committed" means all expenditure commitments, regardless of when they were incurred, which remain unsettled/unpaid at the end of the year and are subject to full or partial settlement/payment during the following budget years.

22. (Supplemented, SG No. 43/2016) "New expenditure commitments" means monetary obligations to incur expenditure arising during the current year, regardless of whether it has been paid, excluding those for staff, pensions, equivalent payments, debt interest (including on the debt guaranteed by the state and municipalities), taxes, and other public receivables of the state or municipalities. What shall not qualify as new expenditure commitments include provisions for liabilities according to the accounting legislation applicable to budget organisations, any

commitments from previous years, any obligations that constitute debt, or expenditure pledges.

23. "Policy area" means a set of objectives of the state authorities intended to influence a specific area of the social and economic development of the public. Each policy area encompasses budget programmes aimed at implementing a specific government policy.

24. "Municipal debt" means the debt defined in Council Regulation (EC) No. 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community which is incurred and paid from the municipal budget.

25. "Local government sub-sector" means a local government sub-sector that meets the requirements set out in the European system of national and regional accounts in the Community.

26. "Central government sub-sector" means a central government sub-sector that meets the requirements set out in the European system of national and regional accounts in the Community.

27. (Amended and supplemented, SG No. 43/2016) "Expenditure pledges undertaken" means clauses of contracts and provisions of legislative or administrative instruments, court and arbitration decisions which bind budgetary organisations with/to future expenditure payments and/or new expenditure commitments of an identifiable value, excluding those for staff, pensions, equivalent payments, debt interest (including on the debt guaranteed by the state and municipalities), taxes, and other public receivables of the state or municipalities.

28. "Aid and donations" means funds granted under European Union instruments and other international programmes and agreements which are allocated on a non-refundable basis to the relevant budgets and/or accounts for European Union funds, as well as any other funds-other than fines, sanctions, penalties or confiscated assets-granted to budgetary organisations.

29. (Amended, SG No. 43/2016) "Revenue" means the cash receipts for the relevant budget year generated from: taxes, insurance contributions, other contribution, fees, fines, sanctions and penalties, confiscated assets, interest, dividends and any other income generated by financial assets, as well as any other net cash proceeds of budgetary organisations resulting from the realisation and use of non-financial assets and the provision of services. Payments as recovery of proceeds and any foreign currency losses shall be treated as negative revenue.

30. "Programme budget format" means a budgetary document which presents the medium-term objectives of a budgetary organisation that require the relevant financing, expenditure under budget programmes that, once implemented, will lead to the achievement of objectives, as well as performance indicators that include information necessary to measure the results achieved and the implementation of the budget programmes.

31. "Expenditure" means the payments for the relevant budget year for: staff and the related insurance contributions, supplies of non-financial assets, services, interest, use of third parties' resources for consideration, compensations, sanction and penalties, as well as cash extended to natural and legal persons for consideration. Cash proceeds that constitute recovery of expenditure shall be treated as negative expenditure. What shall not constitute expenditure includes any payment which is an element of the net revenue receipts according to the single budget classification.

32. "General government sector" means a general government sector that meets the requirements set out in the European system of national and regional accounts in the Community."

33. "Electronic budget payment system (SEBRA)" means a system intended for monitoring payments initiated by legal persons that participate in it and for managing payments within predefined limits. The electronic budget payment system is not a payment system within the meaning of Article 79 of the Payment Services and Payment Systems Act.

34. "Social security funds" means the National Social Security Institute and the national social security funds, the National Health Insurance Fund and all other legal persons and funds within the sub-sector of social security funds according to the requirements set out in the European system of national and regional accounts in the Community.

35. "Medium-term period" means a period of three years.

36. "European Union funds" means aid and donations, including resources that constitute an element of the funding, granted by funds and institutions of the European Union. What shall not be considered European Union funds include resources granted by the European Investment Bank, the European Investment Fund or other financial institutions.

37. "Funds under other international programmes and agreements" means loans, aid and other resources granted on a non-refundable basis under international programmes and agreements other than the European Union funds.

38. "Structural balance" means the annual balance of the general government sector, in cyclically adjusted terms, net of one-off and temporary measures.

39. (Supplemented, SG No. 43/2016) "Transfer" means a transfer of cash on a non-refundable basis between the central budget, the budgets, the accounts for European Union funds and the accounts for external funds, including the provision of resources intended for financing specific activities and services, where the provision of such resources does not qualify as expenditure/revenue. For the purposes of cash implementation and of making changes into the respective budgets and accounts for European Union funds, the refunding of a transfer received/provided shall be treated analogously to the payments constituting refunding of revenues or refunding of expenses respectively.

40. "Budget balance financing" means the receipts and payments resulting from: debt assumption and repayment, privatisation proceeds, operations involving external funds, operations concerning the acquisition or realisation of financial assets and liabilities that are not related to revenue or expenditure, as well as any change in the availability of cash for the relevant budget year, including the re-evaluation of cash available in foreign currencies. The financing equals the budget balance figure of opposite sign.

41. "Fiscal reserves" means an indicator which includes:

a) the balances in all bank accounts of budgetary organisations, excluding those of municipalities and their budget authorisers;

b) the assets of the State Fund for Guaranteeing the Stability of the State Pension System;

c) receivables from funds of the European Union related to certified expenditure, advances or other receivables;

d) other financial assets referred to in Article 154(22).

42. "External funds" means bail money, temporary importation security deposits, deposits for the participation in competitions and tenders, other guarantees, deposits and funds that are provisionally kept by a budgetary organisation at the expense of other parties, including the collection, spending or provisional retention of funds at the expense of budgets or accounts for European Union funds.

§ 2. Any failure to implement this Act, the state budget act for the relevant year, the acts regulating the budgets of social security finds, the Government Debt Act, the Municipal Debt Act, any legislative and other acts adopted or issued on the basis of the aforementioned laws, or the instructions of the Minister of Finance given in relation to this Act and the state budget act for the relevant year shall constitute a violation of budgetary discipline.

§ 3. This Act introduces the requirements set out in Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States (OJ, L 306/41

of 23 November 2011).

§ 4. This Act may be amended, supplemented or repealed only by a new law on public finances or a special instrument amending and supplementing this Act.

FINAL AND TRANSITIONAL PROVISIONS

§ 5. The State Budget Procedures Act (promulgated, SG No. 67/1996; amended, No. 46/1997, No. 154/1998, No. 74/2002, No. 87/2005; corrected, No. 89/2005; amended, No. 105/2005, No. 80/2007, No. 98/2008 and No. 54/2011) shall be repealed.

§ 6. The Municipal Budgets Act (promulgated, SG No. 33/1998; amended, No. 69/1999; Judgment No. 2 of the Constitutional Court of 2001, SG No. 9/2001; amended, No. 56/2002, No. 93/2002, No. 107/2003, No. 34/2005, No. 105/2005, No. 98/2006, No. 108/2007, No. 98/2010 and No. 16/2011) shall be repealed.

§ 7. (1) Legal persons whose operations and funds were-prior to the entry into force of this Act-included in the consolidated fiscal programme pursuant to §1(14) of the Additional Provisions of the repealed State Budget Procedures Act shall be considered budgetary organisations within the meaning of this Act and shall be included in the consolidated fiscal programme.

(2) Legal persons whose funds, income receipts and/or payments were-prior to the entry into force of this Act-included in the treasury single account system and/or the electronic budget payment system (SEBRA) pursuant to the state budget act for the relevant year shall be considered included in the single account system and/or SEBRA as per Article 154.

§ 8. (1) (Amended, SG No. 43/2016) Any extra-budgetary accounts existing prior to the date of entry into force of this Act under Article 45(2) of the repealed State Budget Procedures Act for the purpose of administering European Union funds and funds under other international programmes and agreements, including the extra-budgetary account of the National Fund, shall be considered accounts for European Union funds within the meaning of Article 8(2) and (4).

(2) Any accounts of the National Fund for administering European Union funds and funds under other international programmes and agreements that are kept with an institution other than the Bulgarian National Bank shall continue to be handled as per the grandfathering procedure until the programmes, agreements or mechanisms concerned are completed.

§ 9. As of the date of entry into force of this Act, the State Fund Agriculture shall draw up, implement and report a budget of an authoriser by delegation which forms part of the state budget.

(2) As of the date of entry into force of this Act, the extra-budgetary account of the State Fund Agriculture shall be considered an account for European Union funds within the meaning of Article 8(2).

(3) Any funds available on the date of entry into force of this Act in the extra-budgetary account of the State Fund Agriculture kept with the Bulgarian National Bank shall be included, as cash holdings, in the account referred to in Paragraph 2.

§ 10. As of the date of entry into force of this Act, the extra-budgetary account referred to in Article 142c of the Environmental Protection Act shall be considered an account for European Union funds within the meaning of Article 8(4).

(2) The account referred to in Paragraph 1 shall be used only in order to carry out operations arising from international agreements and other contracts entered into prior to the entry into force of this Act. Upon completion of those agreements or contracts, the bank accounts concerned shall be closed, and any funds remaining available therein shall be transferred to the

budget of the Enterprise for Management of Environmental Protection Activities referred to in Article 60 of the Environmental Protection Act.

(3) Any revenue from the sale of assigned amount units, excluding the funds referred to in Paragraph 2, shall be allocated and made available for spending purposes through the budget of the Enterprise for Management of Environmental Protection Activities referred to in Article 60 of the Environmental Protection Act.

§ 11. As of the date of entry into force of this Act, the Privatisation and Post-privatisation Control Expenditures Fund shall be terminated, and its revenue and expenditure shall be included in the budget of the Ministry of Economy, Energy and Tourism or the budget of the Privatisation and Post-privatisation Control Agency, respectively.

§ 12. (1) As of the date of entry into force of this Act, the extra-budgetary accounts of municipalities for administering European Union funds and funds under other international programmes and agreements shall be considered accounts for European Union funds within the meaning of Article 8(2) and (4).

(2) Any other extra-budgetary accounts of municipalities, including accounts for municipal privatisation proceeds and costs related to those proceeds shall be terminated, and the available balances therein shall be transferred to the budget of the municipality concerned within one month after the entry into force of this Act.

(3) Any municipal privatisation proceeds transferred as per the procedure set out in Paragraph 2 shall be spent from the budget of the municipality concerned in compliance with Paragraph 4 below and Article 127(3).

(4) The balances from the terminated extra-budgetary privatisation accounts and the privatisation proceeds that have been transferred to the budget of the municipality concerned may be spent through the municipal budget-including for purposes related to the financing of municipal authorities, activities and structures connected with the privatisation process-as per the grandfathering procedures and rules applicable before the entry into force of this Act in respect of the municipal extra-budgetary accounts, authorities, activities and structures.

§ 13. For the purposes of applying this Act, the funds and operations of state-owned enterprises which were included in the consolidated fiscal programme prior to the entry into force of this Act shall be assimilated to budgets that do not form part of the state budget.

§ 14. (1) As of the date of entry into force of this Act, all proceeds and payments related to the account for external funds referred to in § 28 of the Transitional and Final Provisions of the Act Amending and Supplementing the Bulgarian Identity Documents Act (promulgated, SG No. 105/2006; amended, No. 110/2008 and No. 82/2009) shall be incorporated in the budget of the Ministry of Interior.

(2) Any cash holdings in the account for external funds referred to in Paragraph 1 shall be transferred to the budget of the Ministry of Interior and shall be reported thereof as proceeds from fees.

(3) The Minister of Finance shall make changes in respect of the revenue and expenditure under the budget of the Ministry of Interior that arise from the application of Paragraphs 1 and 2.

(4) The bank account for external funds referred to in Paragraph 1 may continue to be used only to collect the relevant revenue from fees and to regularly transfer them to the budget of the Ministry of Interior.

(5) Any obligations referred to in § 29 of the Transitional and Final Provisions of the Act Amending and Supplementing the Bulgarian Identity Documents Act (promulgated, SG No. 105/2006; amended, No. 110/2008 and No. 82/2009) shall be paid from the budget of the Ministry of Interior, whereby the Minister of Finance may accordingly make changes in respect

of payments that constitute an element of the funding.

§ 15. (1) Any cash holdings in the bank account for external funds referred to in Article 59b of the Physical Education and Sports Act shall be transferred to the budget of the Ministry of Physical Education and Sports. The funds transferred thereto shall be administered in the budget of the Ministry of Physical Education and Sports as non-tax revenue.

(2) The funds referred to in Article 14(3) of the Gambling Act shall be allocated and kept in the account for external funds referred to in Paragraph 1 and shall be spent through the budget of the Ministry of Physical Education and Sports.

(3) In respect of the transfer and spending of funds referred to in Paragraphs 1 and 2, the Minister of Finance shall make changes to the budget of the Ministry of Physical Education and Sports as per the procedure set out in Article 110(1), to the extent that the revenue and expenditure concerned have not been planned in that budget.

§ 16. Any agreements related to the handling of the single account, SEBRA and the transition accounts which have been entered into as per the procedure set out in the State Budget Act of the Republic of Bulgaria for the relevant year and in Article 43(1) of the Bulgarian National Bank Act shall be considered concluded pursuant to Article 154(8), (9), (10), and (12).

§ 17. (1) Any contributions payable by budgetary organisations for social security, health insurance, the Teachers' Pension Fund and supplementary statutory pension insurance shall be calculated, paid and reported as per the grandfathering procedure.

(2) Budgetary organisations which, prior to the date of entry into force of this Act, were included in the centralised payment system for insurance contributions and tax levied on personal income shall be considered incorporated in the centralised payment scheme for insurance contributions and tax levied on personal income referred to in Article 159, 160 and 161.

§ 18. (Effective 1.02.2013 - SG No. 15/2013) Within 6 months upon the promulgation of this Act in the State Gazette:

1. The Council of Ministers shall put forward to the National Assembly a proposal for nominating an independent body within the meaning of Article 6 of Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States, as well as for automatic corrective mechanisms under Article 23(3).

2. The Minister of Culture shall put forward to the Council of Ministers a draft Act Amending and Supplementing the Radio and Television Act in order to reflect the changes to the section concerning the Radio and Television Fund which derive from this Act.

§ 19. The Bulgarian National Audit Office and the State Financial Inspection Agency shall also audit or inspect, respectively, extra-budgetary accounts and funds existing before the entry into force of this Act.

§ 20. Within three years from the date of entry into force of this Act, municipalities shall make sure that their indicators of expenditure pledges and commitments existing at the end of the relevant year comply with the limitations referred to in Article 94(3)(1) and (2).

§ 20a. (New, SG No. 43/2016) (1) The funds available in the accounts under Article 152 (1) may be secured by the banks with the receivables under the debt of the Republic of Bulgaria as assumed by the ratified contracts for transferrable loans of fixed interest rates between the Republic of Bulgaria in the capacity of borrower and Deutsche Bank Aktiengeseltshaft in the capacity of lender and agent for the payment, signed on 4 November 2013.

(2) The securing under Paragraph 1 shall be effected on the basis of a written agreement and shall have the effect of a contract for financial security with provision of a pledge on the receivables in favour of the Ministry of Finance. The banks shall secure the available funds by receivables under Paragraph 1 free of any encumbrances and collaterals and these receivables

shall be disposed with only with the consent of the Ministry of Finance.

(3) The provisions under Article 152, Paragraphs 9, 10 and 13 shall be applied accordingly to the collaterals under Paragraph 1.

§ 21. The Municipal Debt Act (promulgated, SG No. 34/2005; amended, SG No. 105/2005, No. 30/2006, No. 37/2006, No. 80/2007, No. 93/2008, No. 110/2008, No. 99/2010, No. 35/2011, No. 93/2011, No. 99/2011 and No. 45/2012) shall be amended and supplemented as follow:

1. In Article 3:

a) Item 5: the phrase "as per the procedure set out in Article 43(1) of the State Budget Procedures Act" shall be replaced by "as per the procedure set out in the Public Finance Act";

b) Item 7 shall be amended as follows:

"7. financial leasing and the other forms of debt laid down in Council Regulation (EC) No 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community (OJ, L 145/1 of 10 June 2009)."

2. In Article 6:

a) Item 1 shall be amended as follows:

"1. the municipality's own revenue;

b) Item 2: the phrase "referred to in Article 34(1)(3) of the Municipal Budgets Act" shall be deleted;

c) Item 3: the phrase "referred to in Article 4(1) shall be deleted.

3. Article 8a shall be created:

"Article 8a. Municipalities shall carry out ongoing monitoring of the debt position of commercial companies with municipal stakeholding and any other persons under the control of the municipality whose funds and operations are not included in the municipal budget.

4. In Article 9:

a) A new Paragraph 2 shall be created:

"(2) The report referred to in Paragraph 1 shall also include information about the debt of persons referred to in Article 8a and the guarantees issued by them.";

b) the previous text of Paragraph 2 shall be renumbered to Paragraph 3 and supplemented by inserting "and the debt of persons referred to in Article 8a" at the end of the sentence.

5. Articles 11 and 12 shall be repealed.

6. In Article 17a(2), the phrase "Article 12" shall be replaced by "Article 32 of the Public Finance Act".

7. In Article 18, the phrase "Article 9(2)" shall be replaced by "Article 9(3)" and "10-day" shall be replaced by "30-day".

8. In Article 40:

a) Paragraph 1 shall be amended as follows:

"(1) Municipalities may only guarantee the debt of commercial companies in which the municipal stakeholding exceeds 50% of the company's capital provided that the debt was incurred to finance investment projects and running costs to the benefit of the local community and that collateral was provided to the benefit of the municipality, as well as in the cases referred to in Paragraph 5.";

b) In Paragraph 2, the phrase "referred to in Article 12(2)" shall be replaced by "referred to in Article 32(2) of the Public Finance Act";

c) Paragraph 5 shall be created:

"(5) Municipalities may guarantee the debt of small and medium-sized companies through the municipal guarantee fund for small and medium-sized companies referred to in Article 10(2) of the Privatization and Post-Privatization Control Act when the funds and operations of the fund

are included in the municipal budget."

9. In Article 51:

a) the previous text shall be numbered as Paragraph 1;

b) Paragraph 2 shall be created:

"(2) The register referred to in Paragraph 1 may also include information about the debt of the local government sub-sector."

10. Paragraph 4 shall be created in Article 54:

"(4) Information about the debt of the other persons from the local government sub-sector and the guarantees issued by them shall be presented as a breakdown by municipalities controlling the persons concerned or as a separate heading when those persons are not controlled by a municipality."

11. In Article 55:

a) Paragraph 1 shall be amended as follows:

"Mayors of municipalities shall keep, store and submit to the Ministry of Finance information on the debt incurred by the municipalities and the debt of the persons that are controlled by them and fall within the scope of the local government sub-sector, while complying with the requirements of the European Union and Bulgarian legislation concerning accountability, statistics and budgeting of the public sector.";

b) A new Paragraph 2 shall be created:

"(2) The requirements set out in Paragraph 1 shall also apply to the other persons of the local government sub-sector that are not controlled by a municipality.";

c) Paragraphs 3-6 shall be created:

"(3) Mayors can delegate the obligations referred to in Paragraph 1 to other municipality officials.

(4) The Minister of Finance may require that municipalities and persons referred to in Paragraph 2 shall also provide information about financial obligations and forms of financing which have an effect equivalent to debt.

(5) In addition to the information on municipal debt, the register may also include information on the debt of the other persons of the local government sub-sector, including those referred to in Paragraph 2, as well as information under Paragraph 4.

(6) The information referred to in Paragraph 5 shall be included in the register as separate entries distinct from the information on municipal debt.";

d) the previous text of Paragraph 2 shall be renumbered to Paragraph 7, where the phrase "referred to in Paragraph 1" shall be replaced by " referred to in Paragraphs 1 and 2".

12. Article 56(1) shall be amended as follows:

"(1) Mayors of municipalities shall be responsible for the utilisation of any debt proceeds only for the purpose for which the municipal council approved the debt assumption."

13. Article 58 shall be amended as follows:

"Article 58. (1) If breaching their obligations referred to in Article 18, mayors of municipalities shall be liable to a fine ranging from BGN 200 to BGN 500.

(2) If breaching their obligations referred to in Article 55(1), mayors of municipalities or officials authorised thereof shall be liable to a fine ranging from BGN 200 to BGN 500.

(3) If breaching their obligations referred to in Article 56(1), mayors of municipalities shall be liable to a fine ranging from BGN 1,000 to BGN 5,000.

(4) In the event of a repeated violation under Paragraphs 1-3, the fine shall be doubled.

(5) The notices of violation under Paragraphs 1-3 shall be drawn up by officials appointed by the Minister of Finance and penalty orders shall be issued by Minister of Finance.

(6) When the State Financial Inspection Agency establishes violations under Paragraph 3, the notices shall be drawn up by officials of the State Financial Inspection Agency within 6 months after finding the offender but no later than three years after the violation was committed and penal orders shall be issued by the director of the State Financial Inspection Agency or an official authorised thereof.

(7) The establishment of violations and the issuance, appeal and execution of penal orders shall be carried out as per the procedure laid down in the Administrative Violations and Sanctions Act."

14. Item 6 shall be added to § 1 of the Additional Provision:

"6. The terms "local government sub-sector", "municipal debt", and "debt of the local government sub-sector" shall be used in the meaning defined in the Public Finance Act.

§ 22. The Republic of Bulgaria Defence and Armed Forces Act (promulgated, SG No. 35/2009; amended, SG Nos 74, 82, 93 and 99 of 2009, Nos 16, 88, 98 and 101 of 2010, Nos 23, 48, 99 and 100 of 2011 and Nos 20, 33 an 38 of 2012) shall be amended as follows:

1. In Article 12:

a) In Paragraph 1, the phrase "and wartime budget" shall be deleted;

b) In Paragraph 3, the phrase "and the wartime budget" shall be deleted;

2. Article 13(4) shall be amended as follows:

"(4) The Minister of Defence shall be a budget authoriser by delegation."

3. Article 22(2)(8) shall be repealed.

4. Article 36 shall be repealed.

5. In Article 60e:

a) In Paragraph 1, the text preceding Item 1, the dash and the phrase "second-level spenders of appropriations under the Minister of Defence" shall be replaced by "subsisting on budgetary support";

b) In Paragraph 2, the "appropriations" shall be replaced by "a budget".

6. In Article 105(1), Article 105a(2), Article 105b(2) and Article 107(3), the dash and the phrase "second-level spender of appropriations" shall be replaced by "subsisting on budgetary support".

7. In Article 327(6), the phrase "appropriations" shall be replaced by "a budget".

§ 23. In Article 4(2) of the Access to and Disclosure of the Documents and Announcing the Affiliation of Bulgarian Citizens with the State Security Service and the Intelligence Services of the Bulgarian Popular Army Act (promulgated, SG No. 102/2006; amended, Nos 41, 57 and 109 of 2007, No. 69/2008, Nos 25, 35, 42, 82 and 93 of 2009, Nos 18, 54 and 97 of 2010, Nos 23, 32 and 48 of 2011 and Nos 25, 38, 87 and 103 of 2012), the phrase "appropriations" shall be replaced by "a budget".

§ 24. In Article 20(1) of the Military Police Act (promulgated, SG No. 48/2011; amended, Nos 33 and 77 of 2012), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 25. In Article 21(2) of the Armed Forces of the Republic of Bulgaria Reserves Act (SG No. 20/2012), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 26. The Criminal Assets Forfeiture Act (promulgated, SG No. 38/2012; Judgement No. 13 of 2012 of the Constitutional Court, SG No. 82/2012; amended, Nos 102 and 103 of 2012) shall be amended and supplemented as follows:

1. In Article 5(2), the phrase "and is a first-level spender of appropriations" shall be deleted.

2. Article 6(6) shall be created:

"(6) The Chairperson of the Commission shall be a budget authoriser by delegation."

3. In Article 18, "the budget of the Republic" shall be replaced by "the state budget".

§ 27. The State Agency for National Security Act (promulgated, SG No. 109/2007; amended, Nos 69 and 94 of 2008, Nos 22, 35, 42, 82 and 93 of 2009, Nos 16, 80 and 97 of 2010, Nos 9 and 100 of 2011 and No. 38/2012) shall be amended and supplemented as follows:

1. In Article 2:

a) In Paragraph 2, the phrase "first-level spender of appropriations" shall be deleted.

b) Paragraph 3 shall be created:

"(3) The President of the Agency shall be a budget authoriser by delegation."

2. In Article 77(1) and Article 79(1) and (2), "the budget of the Republic" shall be replaced by "the state budget".

§ 28. The Ministry of Interior Act (promulgated, SG No. 17/2006; amended, Nos 30, 102 and 105 of 2006, Nos 11, 31, 41, 46, 57, 64 and 109 of 2007, Nos 28, 43, 69, 94 and 98 of 2008, Nos 27, 42, 74, 82 and 93 of 2009, Nos 88 of 2010, Nos 9, 23, 47, 48 and 81 of 2011 and Nos 38 and 44 of 2012) shall be amended as follows:

1. In Article 206, Article 208(1) and Article 261, Paragraphs 1 and 3(2), "the budget of the Republic" shall be replaced by "the state budget".

2. In Article 264(2), "appropriations" shall be replaced by "a budget".

§ 29. The Legal Aid Act (promulgated, SG No. 79/2005; amended, No. 105/2005, Nos 17 and 30 of 2006, No. 42/2009, Nos 32, 97 and 99 of 2010, Nos 9, 82 and 99 of 2011 and No. 82/2012) shall be amended as follows:

1. In Article 4,"the budget of the Republic" shall be replaced by "the state budget".

2. In Article 6:

a) In Paragraph 3, the phrase "second-level spender of appropriations" shall be deleted.

b) Paragraph 4 shall be repealed.

§ 30. The Conflict of Interest Prevention and Ascertainment Act (promulgated, SG No. 94/2008; amended, Nos 10, 26 and 101 of 2009, Nos 62 and 97 of 2010 and No. 38 of 2012) shall be amended as follows:

1. In Article 9(1), the phrase "or extra-budgetary" shall be deleted.

2. In Article 22a(3), "appropriations" shall be replaced by "a budget".

3. In Article 42, the phrase "shall be allocated to the budget of the Republic" shall be replaced by "shall be transferred to the budget of the Commission".

§ 31. The Personal Data Protection Act (promulgated, SG No. 1/2002; amended, Nos 70 and 93 of 2004, Nos 43 and 103 of 2005, Nos 30 and 91 of 2006, No. 57/2007, No. 42/2009, Nos 94 and 97 of 2010 and Nos 39, 81 and 105 of 2011) shall be amended and supplemented as follows:

1. In Article 6(3), "appropriations" shall be replaced by "a budget".

2. Article 43(5) shall be created:

"(5) Amounts collected as a result of imposing pecuniary sanctions and fines shall be transferred to the budget of the Commission."

§ 32. The Protection Against Discrimination Act (promulgated, SG No. 86 of 2003; amended, No. 70 of 2004, No. 105 of 2005, Nos 30 and 68 of 2006, Nos 59 and 100 of 2007, Nos 69 and 108 of 2008, Nos 42, 74 and 103 of 2009, No. 97 of 2010, Nos 23 and 39 of 2011 and Nos. 38 and 58 of 2012) shall be amended as follows:

1. In Article 40(3), "appropriations" shall be replaced by "a budget".

2. In Article 83, the phrase "shall be allocated to the budget of the Republic" shall be replaced by "shall be transferred to budget of the Commission".

§ 33. The Implementation of Penal Sanctions And Detention in Custody Act (promulgated, SG No. 25/2009; amended, Nos 74 and 82 of 2009, Nos 32 and 73 of 2010, No. 81/2011 and No. 103/2012) shall be amended as follows:

1. In Article 12(2), the phrase "second-level spender of appropriations" shall be replaced by "subsisting on budgetary support".

2. In Article 24(3) and (5), the phrase "the budget of the Republic" shall be replaced by "the state budget".

3. In Article 128(2), the phrase "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 233(2), the phrase "the budget of the Republic" shall be replaced by "the state budget".

§ 34. In Article 7, second sentence of the Ombudsman Act (promulgated, SG No. 48/2003; amended, Nos 30 and 68 of 2006, No. 42/2009, No. 97/2010 and No. 29/2012), the phrase "first-level spender of appropriations" shall be replaced by "budget authoriser by delegation".

§ 35. In Article 4(2), first sentence of the Control of Juvenile Anti-Social Behaviour Act (promulgated, SG No. 13/1958; amended, No. 11/1961; SG No. 35/1966; No. 30/1969, No. 89/1974, No. 53/1975; corrected, No. 55/1975; amended, No. 63/1976, No. 36/1979, No. 75/1988, No. 110/1996; corrected, No. 3/1997; amended, No. 69/1999, Nos 66 and 96 of 2004, Nos 28, 94 and 103 of 2005, Nos 25, 47 and 74 of 2009, No. 50/2010 and No. 82/2012), the phrase "second-level spender of appropriations" shall be deleted.

§ 36. Article 22 of the Registered Pledges Act (promulgated, SG No. 100/1996; amended, No. 86/1997, No. 42/1999, Nos 19 and 58 of 2003, Nos 34 and 43 of 2005, Nos 30, 34 and 80 of 2006, Nos. 53, 59 and 108 of 2007, No. 100/2008, No. 24/2009, No. 101/2010 and No. 38/2012) shall be amended and supplemented as follows:

1. In Paragraph 1, "under the Minister of Justice" shall be added after the word "support".

2. Paragraph 2 shall be repealed.

§ 37. Article 28(1) of the National Archives Stock Act (promulgated, SG No. 57/2007; amended, Nos 19, 42, 78, 92, 93 and 103 of 2009; Judgement No. 8 of 2010 of the Constitutional Court, SG No. 43/2010; amended, No. 59/2010; Judgement No. 14 of 2010 of the Constitutional Court, SG No. 101/2010; amended, No. 38/2012) shall be repealed.

§ 38. The Judicial System Act (promulgated, SG No. 64/2007; amended, Nos 69 and 109 of 2008, Nos 25, 33, 42, 102 and 103 of 2009, No. 59/2010, Nos 1, 23, 32, 45, 81 and 82 of 2011; Judgement No. 10 of 2011 of the Constitutional Court, SG No. 93 of 2011; amended, Nos 20, 50 and 81 of 2012) shall be amended as follows:

1. In Article 54(1)(9), the phrase "the budget account" shall be replaced by "the budget".

2. In Article 60(1)(2), the phrase "the budget account" shall be replaced by "the budget".

3. In Article 60i, the phrase "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 364(2), the phrase "immediately after the report of the Council of Ministers" shall be deleted.

5. In Article 391(2), the phrase "and is a second-level spender of appropriations" shall be deleted.

§ 39. In Article 2(2) of the State Gazette Act (promulgated, SG No. 89/1995; corrected, No. 92/1995; amended, No. 123/1997, No. 56/1999, No. 1/2000, No. 97/2001, Nos 9 and 42 of 2003, No. 31/2005, No. 36/2006, Nos 16 and 110 of 2008), "appropriations" shall be replaced by "a budget".

§ 40. The National Audit Office Act (promulgated, SG No. 98/2010; amended, Nos 1 and

99 of 2011) shall be amended as follows:

1. In Article 6(2):

a) In Item 1, the phrase "and extra-budgetary accounts and funds" shall be deleted, and the phrase "the spenders of appropriations" shall be replaced by "budget authorisers";

b) In Item 2, the phrase "the autonomous budgets" shall be replaced by "the budgets";

c) In Item 3, the phrase "and extra-budgetary" shall be deleted.

2. Article 11 shall be amended as follows:

"Budget

Article 11. The budget of the National Audit Office shall form an independent part of the state budget."

3. In Article 20(4), "appropriations" shall be replaced by "a budget".

4. Throughout Article 47(2), "appropriations" shall be replaced by "a budget".

5. In Article 51(1), the phrase "to reduce the expenditure in the budget" shall be replaced by "to apply Article 107 of the Public Finance Act in respect of".

6. In Article 53:

a) Throughout Paragraph 1(1), "appropriations" shall be replaced by "a budget".

b) In Paragraph 4, the phrase "and extra-budgetary accounts and funds" shall be deleted.

c) Paragraph 13 shall be amended as follows:

"(13) Upon refusing a certification, the President of the National Audit Office shall inform the Minister of Finance, who may undertake measures referred to in Article 107 of the Public Finance Act. When the audit concerns a budget authoriser by sub-delegation, the audit opinion shall also be sent to the relevant budget authoriser by delegation."

7. In the first sentence of Article 55(1), the phrase "extra-budgetary accounts and funds" shall be replaced by "accounts for European Union funds"

8. In Article 64(4), the phrase "the budget of the Republic" shall be replaced by "the state budget".

§ 41. In Article 3(3) of the BULSTAT Register Act (promulgated, SG No. 39/2005; amended, No. 105/2005, No. 34/2006, No. 42/2007, Nos 82 and 95 of 2009, No. 28/2011 and No. 38/2012), "appropriations" shall be replaced by "a budget".

§ 42. The Public Financial Inspection Act (promulgated, SG No. 33/2006; amended, No. 59/2006, Nos 59, 64 and 86 of 2007, No. 98/2008, No. 42/2009, No. 60/2011 and No. 38/2012) shall be amended and supplemented as follows:

1. In Article 4:

a) The text in Item 2 shall be modified by inserting a comma at the end of it and adding "as well as in municipal enterprises";

b) In Item 7, the phrase "extra-budgetary accounts or funds" shall be deleted.

2. In Article 20(6), the phrase "the budget of the Republic" shall be replaced by "the state budget", and "extra-budgetary accounts or funds" shall be deleted.

3. In Article 32(1)(1), the figure "1,000" shall be replaced by "2,000".

4. In § 1 of the Additional Provisions:

a) Item 1 shall be amended as follows:

"1. "Budgetary organisations" shall mean the budgetary organisations defined in § 1(4) of the Additional Provisions of the Public Finance Act.";

b) Throughout Item 8, the phrase"extra-budgetary accounts or funds" shall be deleted.

§ 43. The Social Insurance Code (promulgated, SG No. 110/1999; Judgement No. 5 of 2000 of the Constitutional Court, SG No. 55/2000; amended, No. 64/2000, Nos 1, 35 and 41 of 2001 , Nos 1, 10, 45, 74, 112, 119 and 120 of 2002, Nos 8, 42, 67, 95, 112 and 114 of 2003, Nos

12, 21, 38, 52, 53, 69, 70, 112 and 115 of 2004, Nos 38, 39, 76, 102, 103, 104 and 105 of 2005, Nos 17, 30, 34, 56, 57, 59 and 68 of 2006; corrected, No. 76/2006; amended, Nos 80, 82, 95, 102 and 105 of 2006, Nos 41, 52, 53, 64, 77, 97, 100, 109 and 113 of 2007, Nos 33, 43, 67, 69, 89, 102 and 109 of 2008, Nos 23, 25, 35, 41, 42, 93, 95, 99 and 103 of 2009, Nos 16, 19, 43, 49, 58, 59, 88, 97, 98 and 100 of 2010; Judgement No. 7 of 2011 of the Constitutional Court, SG No. 45/2011; amended, Nos 60, 77 и 100 of 2011 and Nos 7, 21, 38, 40, 44, 58, 81, 89, 94 and 99 of 2012) shall be amended and supplemented as follows:

1. In Article 9, Paragraph 3(3), second sentence and Paragraph 7, second sentence, the phrase "the budget of the Republic" shall be replaced by "the state budget".

2. In Article 20(2)(11), Article 21(4) and (5), Article 22a(1), Article 27 and Article 93, the phrase "the budget of the Republic" shall be replaced by "the state budget".

3. Paragraphs 6 and 7 shall be created in § 5 of the Transitional and Final Provisions:

"(6) The annual budget of the Teachers Pension Fund shall be adopted along with the Public Social Insurance Budget Act for the relevant year in the form of an appendix to that Act.

(7) If the Public Social Insurance Budget Act for the relevant year is not adopted by the National Assembly prior to the beginning of the relevant year, the revenues of the Teachers Pension Fund shall be collected-and expenditure shall be incurred-pursuant to the applicable legislation."

4. In § 22(2) of the Transitional and Final Provisions, the phrase "extra-budgetary account" shall be replaced by "the budget".

§ 44. The Act on Factory and Office Workers' Claims Guaranteed in the Event of Their Employer's Bankruptcy (promulgated, SG No. 37/2004; amended, Nos 104 and 105 of 2005, Nos 30, 34, 48, 80 and 105 of 2006, No. 53/2007, Nos 12 and 32 of 2009, No. 18/2011 and No. 94/2012) shall be amended and supplemented as follows:

1. Article 16 shall be amended as follows:

"Article 16. Any resources of the Guaranteed Claims of Factory and Office Workers Fund that remain temporarily uncommitted shall be deposited as per the procedure set out in Article 28 of the Social Insurance Code."

2. The following phrase shall be added at the end of Article 17(2): "unless the consolidation is concerned with the administration of income receipts and/or payments of the Fund pursuant to Article 155(1) of the Public Finance Act, while observing the requirements for separate reporting, monitoring and control of the Fund's resources and operations."

3. In Article 18, the phrase "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 19:

a) In Paragraph 1, the phrase "The annual chart of accounts" shall be replaced by "The annual budget";

b) In Paragraph 2, the phrase "the chart of accounts" shall be replaced by "the budget of the Fund";

§ 45. The Protection and Promotion of Culture Act (promulgated, SG No. 50/1999; amended, No. 1 of 2000; corrected, No. 34/2001; amended, No. 75/2002, No. 55/2004, Nos 28, 74, 93, 99 and 103 of 2005, Nos 21, 41 and 106 of 2006, No. 84/2007, Nos 19, 42 and 74 of 2009, Nos 13, 50 and 97 of 2010, Nos 25 and 54 of 2011 and Nos 77 and 102 of 2012) shall be amended as follows

1. In Article 8(1), the phrase "with an autonomous budget" shall be replaced by "with a budget".

2. In Article 9:

a) In Paragraph 1, the phrase "with an autonomous budget" shall be replaced by "with a budget".

b) In Paragraph 3(1) and Paragraph 4, the phrase "the budget of the Republic" shall be replaced by "the state budget".

3. In Article 14(2)(2), the phrase "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 24(2), the phrase "legal person that is a second-level spender of appropriations" shall be replaced by "legal person subsisting on budget support".

5. In Article 31(1)(2), the phrase "the budget of the Republic" shall be replaced by "the state budget".

§ 46. Article 16(1) of the Film Industry Act (promulgated, SG No. 105/2003; amended, Nos 28, 94 and 105 of 2005, Nos 30, 34 and 80 of 2006, Nos 53 and 98 of 2007, Nos 42 and 74 of 2009, No. 99/2010; Judgement No. 1 of 2011 of the Constitutional Court, SG No. 31/2011; amended, No. 82/2012) shall be repealed.

§ 47. ThePublic Libraries Act (promulgated, SG No. 42/2009; amended, No. 74/2009 and No. 38/2010) shall be amended as follows:

1. In Article 58(1), "appropriations" shall be replaced by "a budget".

2. In Article 60, the phrase "autonomous budget" shall be replaced by "budget".

3. In Article 61(2), the phrase "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 63, the phrase "autonomous budget" shall be replaced by "budget".

§ 48. The Cultural Heritage Act (promulgated, SG No. 19/2009; Judgement No. 7 of 2009 of the Constitutional Court, SG No. 80/2009; amended, Nos 92 and 93 of 2009, No. 101/2010, No. 54/2011 and Nos 15, 38, 45, 77 and 82 of 2012) shall be amended as follows:

1. In Article 18(2), the dash and the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 21(2), the phrase "and is a second-level spender of appropriations" shall be deleted.

3. In Article 39(1), the phrase "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 40, Paragraph 1, Paragraph 2(1) and Paragraph 5, the phrase "the budget of the Republic" shall be replaced by "the state budget".

5. In Article 41(1), "appropriations" shall be replaced by "a budget".

§ 49. Item 4 shall be created in Article 4 of the Public Procurement Act (promulgated, SG No. 28/2004; amended, No. 53/2004, Nos 31, 34 and 105 of 2005, Nos 18, 33, 37 and 79 of 2006, No. 59/2007, Nos 94, 98 and 102 of 2008, Nos 24 and 82 of 2009, Nos 52, 54, 97, 98 and 99 of 2010, Nos 19, 43, 73 and 93 of 2011, Nos 33, 38 and 82 of 2012):

"8. the agreements referred to in Article 154(9) of the Public Finance Act; the operation, software and resources of SEBRA and the operations related to the collection of revenue and other income receipts of budgetary organisations through the card payments referred to in Article 154(8) and (10) of the Public Finance Act; the operations related to the liquidity management of the treasury single account system; and the provision of guarantee deposits as well as other deposits referred to in Article 154(22) and (23) of the Public Finance Act.

§ 50. The Civil Servants Act (promulgated, SG No. 67/1999; amended, No. 1/2000, Nos 25, 99 and 110 of 2001, No. 45/2002, No. 95/2003, No. 70/2004, No. 19/2005, Nos 24, 30 and 102 of 2006, Nos 59 and 64 of 2007, Nos 43, 94 and 108 of 2008, Nos 35, 42, 74 and 103 of 2009, Nos 15, 46, 58 and 77 of 2010; Judgement No. 12 of 2010 of the Constitutional Court, SG

No. 91/2010; amended, No. 97/2010, Nos 1, 18 and 100 of 2011, Nos 15, 20, 38 and 82 of 2012) shall be amended as follows:

1. In Article 35a(1), the dash and the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 67(2) and (9), the phrase "second-level spenders of appropriations" shall be replaced by "budget authorisers".

§ 51. The Administration Act (promulgated, SG No. 130/1998; Judgement No. 2 of 1999 of the Constitutional Court, SG No. 8/1999; amended, No. 67/1999, Nos 64 and 81 of 2000, No. 99/2001; corrected, No. 101/2001; amended, No. 95/2003, No. 19/2005, Nos 24, 30, 69 and 102 of 2006, Nos 46 and 78 of 2007, Nos 43 and 94 of 2008, Nos 35 and 42 of 2009, Nos 24 and 97 of 2010, No. 69/2011 and Nos 15 and 82 of 2012) shall be amended as follows:

1. In Article 46(5), "appropriations" shall be replaced by "a budget".

2. Article 54(3) shall be repealed.

§ 52. Article 2(1) of the Bulgarian News Agency Act (promulgated, SG No. 99/2011; Judgement No. 11 of 2012 of the Constitutional Court, SG No. 78/2012) shall be amended as follows:

"(1) The Bulgarian News Agency shall be a legal person subsisting on budget support, with its principal place of business in Sofia. The Director General of the Bulgarian News Agency shall be a budget authoriser by delegation."

§ 53. Article 13 of the Scientific Research Promotion Act (promulgated, SG No. 92/2003; amended, No. 36/2008, Nos 74 and 82 of 2009, No. 83/2010, No. 99/2011 and No. 82/2012) shall be amended and supplemented as follows:

1. In Article 13(1), the phrase "under the Minister of Education, Youth and Science" shall be added after the word "person".

2. Paragraph 4 shall be repealed.

§ 54. In Article 107a(8) and (15) of the Labour Code (promulgated, SG Nos 26 and 27 of 1986; amended, No. 6/1988, Nos 21, 30 and 94/1990, Nos 27, 32 and 104 of 1991, Nos 23, 26, 88 and 100 of 1992; Judgement No. 12 of 1995 of the Constitutional Court, SG No. 69/1995; amended, No. 87/1995, Nos 2, 12 and 28 of 1996, No. 124/1997, No. 22/1998; Judgement No. 11 of 1998 of the Constitutional Court, SG No. 52/1998; amended, Nos 56, 83, 108 and 133 of 1998, Nos 51, 67 and 110 of 1999, No. 25/2001, Nos 1, 105 and 120 of 2002, Nos 18, 86 and 95 of 2003, No. 52/2004, Nos 19, 27, 46, 76, 83 and 105 of 2005, Nos 24, 30, 48, 57, 68, 75, 102 and 105 of 2006, Nos 40, 46, 59, 64 and 104 of 2007, Nos 43, 94, 108 and 109 of 2008, Nos 35, 41 and 103 of 2009, Nos 15, 46, 58 and 77 of 2010 Judgement No. 12 of 2010 of the Constitutional Court, SG No. 91/2010; amended, Nos 100 and 101 of 2010, Nos 18, 33, 61 and 82 of 2011, Nos 7, 15, 20 and 38 of 2012; Judgement No. 7 of 2012 of the Constitutional Court, SG No. 49/2012; amended, Nos 77 and 82 of 2012), the phrase "spenders of appropriations" shall be replaced by "budget authorisers".

§ 55. The Social Assistance Act (promulgated, SG No. 56/1998; amended, Nos 45 and 120 of 2002, Nos 18, 30 and 105 of 2006, Nos 52 and 59 of 2007, No. 58/2008, Nos 14, 41 and 74 of 2009, No. 15 of 2010, Nos 9 and 51 of 2011 and No. 32 of 2012) shall be amended as follows:

1. In Article 5(2), the dash and the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 17(2), "the budget of the Republic" shall be replaced by "the state budget".

3. In Article 24(1)(1), "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 24a, "the budget of the Republic" shall be replaced by "the state budget".

5. In Article 25(1), the dash and the phrase "second-level spender of appropriations" shall

be deleted.

6. In Article 26(1)(3) and Article 27(3), "the budget of the Republic" shall be replaced by "the state budget".

§ 56. The Protection, Rehabilitation and Social Integration of Disabled Persons Act (promulgated, SG No. 81/2004; amended, Nos 28, 88, 94, 103 and 105 of 2005, Nos 18, 30, 33, 37, 63, 95, 97 and 108 of 2006, No. 31/2007, Nos 46 and 108 of 2007, Nos 41 and 74 of 2009, Nos 24, 62 and of 2010) shall be amended as follows:

1. In Article 7(2), the dash and the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 26(1)(1), Article 40(1) and Article 49(1), "the budget of the Republic" shall be replaced by "the state budget".

§ 57. In Article 44(1) of the Health and Safety at Work Act (promulgated, SG No. 124/1997; amended, No. 86/1999, Nos 64 and 92 of 2000, Nos 25 and 111 of 2001, Nos 18 and 114 of 2003, No. 70/2004, No. 76/2005, Nos 33, 48, 102 and 105 of 2006, No. 40/2007, Nos 102 and 108 of 2008, No. 93/2009, Nos 12, 58, 88 and 98 of 2010, Nos 60/2011 and No. 7 of 2012), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 58. In Article 7(2) of the Employment Promotion Act (promulgated, SG No. 112/2001; amended, Nos 54 and 120 of 2002, Nos 26, 86 and 114 of 2003, Nos 52 and 81 of 2004, Nos 27 and 38 of 2005, Nos 18, 30, 33 and 48 of 2006, No. 46/2007, Nos 26, 89 and 109 of 2008, Nos 10, 32, 41 and 74 of 2009, Nos 49, 59, 85 and 100 of 2010, Nos 9 and 43 of 2011 and No. 7/2012), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 59. In Article 44(1)(1) of the Child Protection Act (promulgated, SG No. 48/2000; amended, Nos 75 and 120 of 2002, Nos 36 and 63 of 2003, Nos 70 and 115 of 2004, Nos 28, 94 and 103 of 2005, Nos 30, 38 and 82 of 2006, No. 59/2007, No. 69/2008, Nos 14, 47 and 74 of 2009, Nos 42, 50, 59 and 98 of 2010, Nos 28 and 51 of 2011 and Nos 32 and 40 of 2012), "the budget of the Republic" shall be replaced by "the state budget".

§ 60. In Articles 5 and 10b of the Family Allowances Act (promulgated, SG No. 32/2002; amended, No. 120/2002, No. 112/2003, No. 69/2004, No. 105/2005, Nos 21, 30, 33, 68 and 95 of 2006, No. 113/2007, Nos 71 and 110 of 2008, No. 23/2009, Nos 15 and 24 of 2010, No. 99/2011 and Nos 54 and 103 of 2012), "the budget of the Republic" shall be replaced by "the state budget".

§ 61. The Health Act (promulgated, SG No. 70/2004; amended, Nos 46, 76, 85, 88, 94 and 103 of 2005, Nos 18, 30, 34, 59, 71, 75, 80, 81, 95 and 102 of 2006, Nos 31, 41, 46, 53, 59, 82 and 95 of 2007, Nos 13, 102 and 110 of 2008, Nos 36, 41, 74, 82, 93, 99 and 101 of 2009, Nos 41, 42, 50, 59, 62, 98 and 100 of 2010, Nos 8, 9, 45 and 60 of 2011 and Nos 38, 40, 54, 60, 82, 101 and 102 of 2012) shall be amended as follows:

1. In Article 3(5) and Article 5(3), "the budget of the Republic" shall be replaced by "the state budget".

2. In Article 8(1), the phrase "second-level spenders of appropriations" shall be deleted.

3. In Article 10a(1)(1), "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 22(1), the dash and the phrase "second-level spenders of appropriations" shall be deleted.

5. In Article 24(1)(1), "the budget of the Republic" shall be replaced by "the state budget".

6. In Article 25(1), the dash and the phrase "second-level spender of appropriations" shall be deleted.

7. In Article 28a, the phrase "the second-level spenders of appropriations" shall be replaced by "the budget authorisers".

8. In Article 53(3), Article 63(4), Article 82(5), Article 82b(3), Article 86(2)(2) and Article 115(3), "the budget of the Republic" shall be replaced by "the state budget".

9. In Article 116a(2), the dash and the phrase "second-level spender of appropriations" shall be deleted.

10. In Article 116b(1)(8), Article 116e(2) and Article 228a(1) and (2), "the budget of the Republic" shall be replaced by "the state budget".

§ 62. The Organ, Tissue and Cell Transplantation Act (promulgated, SG No. 83/2003; amended, No. 88/2005, No. 71/2006, Nos 36 and 41 of 2009, No. 98/2010, No. 9/2011 and No. 60/2012) shall be amended as follows:

1. In Article 11a(1)(1), "the budget of the Republic" shall be replaced by "the state budget".

2. Article 46(2)(3) shall be amended as follows:

"3. the relevant budget authoriser by delegation under whom the medical treatment facilities referred to in Article 13(3) act as budget authorisers by sub-delegation."

§ 63. The Medical Treatment Facilities Act (promulgated, SG No. 62/1999; amended, Nos 88 and 113 of 1999; corrected, No. 114/1999; amended, No. 36, 65 and 108 of 2000; Judgement No. 11 of 2001 of the Constitutional Court, SG No. 51/2001; amended, No. 28/2002, Nos 62, 83, 102 and 114 of 2003, No. 70/2004, Nos 46, 76, 85, 88 and 105 of 2005, Nos 30, 34, 59, 80 and 105 of 2006, Nos 31, 53 and 59 of 2007, No. 110/2008, Nos 36, 41, 99 and 101 of 2009, Nos 38, 59, 98 and 100 of 2010, Nos 45 and 60 of 2011 and Nos 54, 60 and 102 of 2012) shall be amended as follows:

1. In Article 6(4) and Article 30(2) and (3), "the budget of the Republic" shall be replaced by "the state budget".

2. In Article 96(2), "the budget of the Republic" shall be replaced by "the state budget".

3. In Article 97(4), "the budget of the Republic" shall be replaced by "the state budget".

4. In § 5(2) of the Transitional and Final Provisions, "appropriations" shall be replaced by "a budget".

5. In § 68(4) of the Transitional and Final Provisions of the Act Amending and Supplementing the Medical Treatment Facilities Act (promulgated, SG No. 59/2010; amended, Nos 98 and 100 of 2010), "the budget of the Republic" shall be replaced by "the state budget".

§ 64. The Health Insurance Act (promulgated, SG No. 70/1998; amended, Nos 93 and 153 of 1998, Nos 62, 65, 67, 69, 110 and 113 of 1999, Nos 1 and 64 of 2000, No. 41/2001, Nos 1, 54, 74, 107, 112, 119 and 120 of 2002, No. 8, 50, 107 and 114 of 2003, Nos 28, 38, 49, 70, 85 and 111 of 2004, Nos 39, 45, 76, 99, 102, 103 and 105 of 2005, Nos 17, 18, 30, 33, 34, 59, 80, 95 and 105 of 2006, No. 11/2007; Judgement No. 3 of 2007 of the Constitutional Court, SG No. 26/2007; amended, Nos 31, 46, 53, 59, 97, 100 and 113 of 2007, Nos 37, 71 and 110 of 2008, Nos 35, 41, 42, 93, 99 and 101 of 2009, Nos 19, 26, 43, 49, 58, 59, 62, 96, 97, 98 and 100 of 2010, Nos 9, 60, 99 and 100 of 2011, Nos 38, 60, 94, 101 and 102 of 2012 and No. 4/2013) shall be amended as follows:

1. Article 15(1)(8) shall be repealed.

2. In Article 23:

a) In Paragraph 1(2) and (11), "the budget of the Republic" shall be replaced by "the state budget";

b) In Paragraph 2, the phrase "the budget of the Republic or appropriations from other institutions" shall be replaced by "the state budget";

3. In Article 40, Paragraph 1(4) and (8) and Paragraphs 2, 3 and 9, Article 59(5) and Article 64a(1)(4), "the budget of the Republic" shall be replaced by "the state budget".

4. In Article 108:

a) Throughout Paragraph 2, "the budget of the Republic" shall be replaced by "the state budget";

b) Paragraph 3 shall be repealed.

§ 65. The Medicinal Products in Human Medicine Act (promulgated, SG No. 31/2007; amended, No. 19/2008; Judgement No. 5 of 2008 of the Constitutional Court, SG No. 65/2008; amended, No. 71/2008, Nos 10, 23, 41, 88 and 102 of 2009, Nos 59 and 98 of 2010, Nos 9, 12, 60 and 61 of 2011 and Nos 38, 60 and 102 of 2012) shall be amended as follows:

1. In Article 17(2), the dash and the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 20(2), Article 262(1) and Article 263, "the budget of the Republic" shall be replaced by "the state budget".

§ 66. The Physical Education and Sports Act (promulgated, SG No. 58/1996; Judgement No. 8 of 1997 of the Constitutional Court, SG No. 53/1997; amended, No. 124/1998, Nos 51 and 81 of 1999, No. 53/2000; corrected, No. 55/2000; amended, No. 64/2000, No. 75/2002; Judgement No. 6 of 2002 of the Constitutional Court, SG No. 95/2002; amended, No. 120/2002, No. 96/2004, Nos 88 and 103 of 2005, Nos 30, 34, 36 and 80 of 2006, Nos 41, 46 and 53 of 2007, No. 50/2008, No. 74/2009, Nos 50 and 96 of 2010, Nos 35 and 99 of 2011 and Nos 45, 87 and 102 of 2012) shall be amended as follows:

1. In Article 8(4), "appropriations" in the text preceding Item 1 shall be replaced by "budget".

2. In Article 57a(1), "§ 11(3)" shall be replaced by "§ 9(2)".

3. Article 59b(1) shall be amended as follows:

"(1) The allocated proceeds from the operation of the state-owned enterprise Bulgarian Sports Totaliser referred to in Article 14(3) of the Gambling Act shall be kept in an account for external funds and spent through budget of the Ministry of Physical Education and Sports as per the procedure set out in the Public Finance Act."

§ 67. The Radio and Television Act (promulgated, SG No. 138/1998; Judgement No. 10 of 1999 of the Constitutional Court, SG No. 60/1999; amended, No. 81/1999, No. 79/2000, Nos 96 and 112 of 2001, Nos 77 and 120 of 2002, Nos 99 and 114 of 2003, Nos 99 and115 of 2004, Nos 88, 93 and 105 of 2005, Nos 21, 34, 70, 80, 105 and 108 of 2006, Nos 10, 41, 53 and 113 of 2007, No. 110 of 2008, Nos 14, 37, 42 and 99 of 2009, Nos 12, 47, 97, 99 and 101 of 2010, Nos 28, 99 and 105 of 2011; Nos 38 and 102 of 2012) shall be amended and supplemented as follows:

1. Article 21 shall be amended as follows:

"Article 21. The Electronic Media Council shall be a legal person subsisting on budget support, with a principal place of business in Sofia, and its Chairperson shall be a budget authoriser by delegation."

2. Article 42(1) shall be amended as follows:

"(1) The Bulgarian National Radio and the Bulgarian National Television shall be legal persons with a principal place of business in Sofia and their directors general shall be budget authorisers by delegation."

3. In Article 62:

a) new Items 9 and 10 shall be created, as follows:

"9. adopt changes to the budget of the authoriser by delegation, including the budgets of the authorisers by sub-delegation;

10. appoint lower-level budget authorisers in respect of the relevant budgets;"

b) the previous wording of Items 9, 10, 11, 12 and 13 shall be renumbered to Items 11, 12, 13, 14 and 15, respectively.

4. In Article 70:

a) In Paragraph 1, the word "autonomous" shall be deleted;

b) In Paragraph 2, the phrase "or a budget expenditure account" shall be deleted;

§ 68. The Bulgarian Food Safety Agency (promulgated, SG No. 8/2011; amended, Nos 38 and 102 of 2012) shall be amended as follows:

1. In Article 1(2), the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 9(1), the phrase "third-level spender of appropriations under the Minister of Agriculture and Food" shall be deleted.

3. Article 12(1) shall be amended as follows:

"1. transfers from the budget of the Ministry of Agriculture and Food;".

§ 69. The Agricultural Producers Support Act (promulgated, SG No. 58/1998; amended, Nos 79 and 153 of 1998, Nos 12, 26, 86 and 113 of 1999, No. 24/2000, Nos 34 and 41 of 2001, Nos 46 and 96 of 2002, Nos 18, 14 and 105 of 2005, Nos 18, 30, 34, 59, 80, 96 and 108 of 2006, Nos 13, 53 and 59 of 2007, Nos 16, 36, 43 and 100 of 2008, Nos 12, 32, 82 and 85 of 2009, No. 59 of 2010, No. 8 of 2011 and No. 38 of 2012) shall be amended and supplemented as follows:

1. In Article 11:

a) In Paragraph 1, "subsisting on budget support" shall be added at the end of the sentence.

b) Paragraph 5 shall be created:

"(5) The Fund shall draw up, implement and report a budget of an authoriser by delegation which shall form part of the state budget."

2. In Article 14, Paragraphs 3 and 4 shall be repealed.

3. In Article 17:

a) Paragraph 1 shall be amended as follows:

"(1) The Fund shall be administered by the Bulgarian National Bank as per the procedure set out in Article 153(1) of the Public Finance Act.";

b) Paragraph 4 shall be created:

"(4) The Fund's resources from European funds and national funding related to them shall be administered in accounts for European Union funds pursuant to Article 8(2) of the Public Finance Act."

4. Article 18(4) shall be created:

"(4) The Executive Director of the Fund shall be a budget authoriser by delegation."

§ 70. Article 1 of the National Centre For Agrarian Science Act (promulgated, SG No. 113/1999; amended, No. 15/2003, Nos 43 and 54 of 2008, Nos 10, 74 and 99 of 2009 and No. 78/2010) shall be amended as follows:

1. In Paragraph 3, second sentence, "appropriations under the Ministry of Agriculture and Food" shall be replaced by "a budget under the Ministry of Agriculture and Food".

2. In Paragraph 4:

a) the phrase "including for capital expenditure" in the text preceding Item 1 shall be deleted;

b) In Item 1, "the budget of the Republic" shall be replaced by "the state budget".

§ 71. The Measurements Act (promulgated, SG No. 46/2002; amended, Nos 88, 95 and 99 of 2005, No. 36/2008, No. 82/2009, No. 39/2011 and Nos 38 and 77 of 2012) shall be amended as follows:

1. In Article 10(1), "the Council of Ministers" in the text preceding Item 1 shall be replaced by "the Minister of Economy, Energy and Tourism".

2. In Article 10a(1), "the state budget" in the text preceding Item 1 shall be replaced by "the budget of the Ministry of Economy, Energy and Tourism".

3. In Article 10c(1), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 72. The Agricultural and Forestry Machinery Registration and Control Act (promulgated, SG No. 79/1998; amended, No. 22/2003, Nos 74 and 88 of 2005, Nos 30, 34, 80, 82 and 102 of 2006, No. 53/2007, Nos 36, 43, 69 and 100 of 2008, No. 93/2009, No. 88/2010, No. 28/2011 and No. 38/2012) shall be amended as follows:

1. Article 3(2) shall be repealed.

2. In Article 6(2), the phrase "second-level spender of appropriations" shall be replaced by "subsisting on budget support under the Minister of Agriculture and Food".

§ 73. The Roads Act (promulgated, SG No. 26/2000; amended, No. 88/2000, No. 111/2001, Nos 47 and 118 of 2002, Nos 9 and 112 of 2003, Nos 6 and 14 of 2004, Nos 88 and 104 of 2005, Nos 30, 36, 64, 102, 105 and 108 of 2006, No. 59/2007, Nos 43 and 69 of 2008, Nos 12, 32, 41, 42, 75, 82 and 93 of 2009, No. 87/2010, Nos 19, 39, 55 and 99 of 2011 and Nos 38, 44, 47 and 53 of 2012) shall be amended as follows:

1. In Article 21(2), the phrase "second-level spender of appropriations" shall be replaced by "subsisting on budget support".

2. In Article 28c:

a) Paragraph 1(1) shall be amended as follows:

"1. the state budget through the budget of the Ministry of Regional Development and Public Works;"

b) In Paragraph 3, "the budget of the Republic" shall be replaced by "the state budget".

§ 74. The Diplomatic Service Act (promulgated, SG No. 78/2007; amended, No. 42/2009, Nos 97 and 100 of 2010, No. 69/2011; Judgement No. 11 of 2011 of the Constitutional Court, SG No. 95/2011; amended, Nos 15 and 38 of 2012) shall be amended as follows:

1. In Article 81:

a) In Paragraph 1, the phrase "second-level spender of appropriations" shall be replaced by "subsisting on budget support".

b) Paragraph 2 shall be repealed.

2. In Article 84:

a) In Paragraph 1, the phrase "second-level spender of appropriations" shall be replaced by "subsisting on budget support".

b) Paragraph 2 shall be repealed.

§ 75. The Energy Efficiency Act (promulgated, SG No. 98/2008; amended, Nos 6, 19, 42 and 82 of 2009, Nos 15, 52 and 97 of 2010, No. 35/2011 and No. 38/2012) shall be amended as follows:

1. In Article 6:

a) In Paragraph 1, the dash and the phrase "second-level spender of appropriations" shall be deleted.

b) In Paragraph 4(1), "the budget of the Republic" shall be replaced by "the state budget".

b) Paragraph 5 shall be repealed.

2. In Article 55(2), the phrase "the consolidated state budget" shall be replaced by "consolidated fiscal programme".

§ 76. The Financial Supervision Commission Act (promulgated, SG No. 8/2003; amended, Nos 31, 67 and 112 of 2003, No. 85/2004, Nos 39, 103 and 105 of 2005, Nos 30, 56, 59 and 84 of 2006, Nos 52, 97 and 109 of 2007, No. 67/2008, Nos 24 and 42 of 2009, Nos 43 and 97 of 2010, No. 77/2011 and Nos 21, 38, 60, 102 and 103 of 2012) Article 28 shall be amended as follows:

"Budget of the Commission

Article 28. (1) The Chairperson of the Commission shall be a budget authoriser by delegation, and the heads of regional offices shall be budget authorisers by sub-delegation.

(2) The budget of the Commission shall form part of the state budget and shall be drawn up, implemented and reported as per the procedure set out in the Public Finance Act.

(3) The following revenue shall be allocated to the budget of the Commission:

1. fees referred to in Article 27(1);

2. proceeds from selling periodicals issued by the Commission and forms;

3. central budget subsidies;

4. amounts collected as pecuniary sanctions and fines;

5. proceeds from other sources and activities determined by law."

§ 77. The Agricultural Land Ownership and Use Act (promulgated, SG No. 17/1991; corrected, No. 20/1991; amended, No. 74/1991, Nos 18, 28, 46 and 105 of 1992, No. 48/1993; Judgement No. 12 of 1993 of the Constitutional Court, SG No. 64/1993; amended, No. 83/1993, No. 80/1994, Nos 45 and 57 of 1995; Judgements No. 7 and No. 8 of 1995 of the Constitutional Court, SG No. 59/1995; amended, No. 79/1996; Judgement No. 20 of 1996 of the Constitutional Court, SG No. 103/1996; amended, No. 104/1996; Judgement No. 3 of 1997 of the Constitutional Court, SG No. 15/1997; amended, Nos 62, 87, 98, 123 and 124 of 1997, Nos 36, 59, 88 and 133 of 1998, No. 68/1999, Nos 34 and 106 of 2000, Nos 28, 47 and 99 of 2002, No. 16/2003, Nos 36 and 38 of 2004, No. 87/2005, Nos 17 and 30 of 2006, Nos 13, 24 and 59 of 2007, Nos 36 and 43 of 2008, Nos 6, 10, 19, 44, 94 and 99 of 2009, No. 62/2010, Nos 8 and 39 of 2011 and Nos 25 and 44 of 2012) shall be amended as follows:

1. In Article 31(3), "appropriations" shall be replaced by "a budget".

2. In Article 33(1), second sentence, the phrase "second-level spenders of appropriations" shall be replaced by "subsisting on budgetary support".

§ 78. The Fisheries And Aquaculture Act (promulgated, SG No. 41/2001; amended, Nos 88, 94 and 105 of 2005, Nos 30, 65, 82, 96 and 108 of 2006, Nos 36, 43 and 71 of 2008, Nos 12, 32, 42, 80 and 82 of 2009, Nos 61 and 73 of 2010, Nos 8 and 19 of 2011 and Nos 38, 59, 77 and 102 of 2012) shall be amended as follows:

1. In Article 4(3):

a) the text preceding Item 1 shall be amended as follows: " The programme shall be financed from:"

b) Item 1 shall be amended as follows:

"1. the budget of the Ministry of Agriculture and Food;".

2. Article 53(1)(5) shall be amended as follows:

"5. transfers from the budget of the Ministry of Agriculture and Food;".

§ 79. Maritime Space, Inland Waterways and Ports of the Republic of Bulgaria Act (promulgated, SG No. 12/2000; amended, No. 111/2001, Nos 24 and 70 of 2004, No. 11/2005; Judgement No. 5 of 2005 of the Constitutional Court, SG No. 45/2005; amended, Nos 87, 88, 94, 102 and 104 of 2005, Nos 30, 36, 43, 65, 99 and 108 of 2006, Nos 41, 54 and 109 of 2007, Nos 67, 71, 98 and 108 of 2008, Nos 47 and 81 of 2009, Nos 61 and 88 of 2010, No. 23/2011 and Nos 32 and 53 of 2012) shall be amended and supplemented as follows:

1. In Article 77:

a) In Paragraph 2, the phrase "subsisting on budget support under the Minister of Transport, Information Technology and Communications" shall be added after "legal person";

b) Paragraph 3 shall be repealed;

c) Paragraph 4 shall be amended as follows:

"(4) The budget of the Agency shall also include revenues generated by its own activities."

2. In Article 113(2), the phrase "second-level spender of appropriations" shall be deleted.

3. In Article 115q(1)(5), "the budget of the Republic" shall be replaced by "the state budget".

§ 80. The Wine and Spirit Drinks Act (SG No. 45/2012) shall be amended as follows:

1. Article 2(4)(1) shall be amended as follows:

"1. transfers from the budget of the Ministry of Agriculture and Food;".

2. In Article 7, Paragraph 1(8) and Paragraph 2(5), the phrase "second-level spenders of appropriations" shall be replaced by "other bodies of the executive".

§ 81. In Article 154(2) of the Forestry Act (promulgated, SG No. 19/2011; amended, No. 43/2011 an Nos 38, 60, 82 and 102 of 2012), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 82. In Article 26(2) of the Energy Act (promulgated, SG No. 107/2003; amended, No. 18/2004, Nos 18 and 95 of 2005, Nos 30, 65 and 74 of 2006, Nos 49, 55 and 59 of 2007, Nos 36, 43 and 98 of 2008, Nos 35, 41, 42, 82 and 103 of 2009, Nos 54 and 97 of 2010, Nos 35 and 47 of 2011 and Nos 38, 54 and 82 of 2012), "appropriations" shall be replaced by "a budget".

§ 83. In Article 165(1) of the Consumer Protection Act (promulgated, SG No. 99/2005; amended, Nos 30, 51, 53, 59, 105 and 108 of 2006, Nos 31, 41, 59 and 64 of 2007, Nos 36 and 102 of 2008, Nos 23, 42 and 82 of 2009, Nos 15, 18 and 97 of 2010, No. 18/2011 and Nos 38 and 56 of 2012), the dash and the phrase "second-level spender of appropriations" shall be deleted.

§ 84. The Rail Transport Act (promulgated, SG No. 97/2000; amended, Nos 47 and 96 of 2002, Nos 70 and 115 of 2004, Nos 77 and 88 of 2005, Nos 36, 37, 62, 92 and 108 of 2006, Nos 22, 35, 74 and 81 of 2009, No. 87/2010 and No. 47/2011) shall be amended and supplemented as follows:

1. In Article 6(1), the phrase "a legal person subsisting on budget support under the Minister of Transport, Information Technology and Communications" shall be added, in brackets, after "Rail Administration Executive Agency" and followed by a comma.

2. Article 8(1) shall be repealed.

3. In Article 26(1)(1) and Article 30(5), "the budget of the Republic" shall be replaced by "the state budget".

§ 85. The Environmental Protection Act (promulgated, SG No. 91/2002; corrected, No. 98/2002; amended, No. 86/2003, Nos 70, 74, 77, 88, 95 and 105 of 2005, Nos 30, 65, 82, 99, 102 and 105 of 2006, Nos 31, 41 and 89 of 2007, Nos 36, 52 and 105 of 2008, Nos 12, 19, 32, 35, 47, 82, 93 and 103 of 2009, Nos 46 and 61 of 2010, Nos 35 and 42 of 2011 and Nos 32, 38, 53 and 82 of 2012) shall be amended as follows:

1. Article 14(3) shall be repealed.

2. In Article 21(2), the phrase "shall dispose of the funds from the consolidated state budget" shall be replaced by "shall form part of the consolidated fiscal programme".

3. In Article 73, "the budget of the Republic" shall be replaced by "the state budget".

§ 86. The Electronic Communications Act (promulgated, SG No. 41/2007; amended, No. 109/2007, Nos 36, 43 and 69 of 2008, Nos 17, 35, 37 and 42 of 2009; Judgement No. 3 of 2009 of the Constitutional Court, SG No. 45/2009; amended, Nos 82, 89 and 93 of 2009, Nos 12, 17, 27 and 97 of 2010, No. 105/2011 and Nos 38, 44 and 82 of 2012) shall be amended as follows:

1. In Article 50, "appropriations" shall be replaced by "a budget".

2. Throughout Article 148(2), "the budget of the Republic" shall be replaced by "the state budget".

§ 87. The Merchant Shipping Code (promulgated, SG Nos 55 and 56 of 1970; corrected, No. 58/1970; amended, No. 55/1975, No. 10/1987, No. 30/1990, No. 85/1998, No. 12/2000, No.

41/2001, No. 113/2002, No. 55/2004, Nos 42, 77, 87, 94 and 104 of 2005, Nos 30, 62 and 108 of 2006, Nos 36, 71 and 98 of 2008, Nos 12 and 32 of 2009, No. 85/2010, No. 92/2011 and Nos 38 and 77 of 2012) shall be amended as follows:

1. In Article 6b, "appropriations" shall be replaced by "a budget".

2. In Article 360(1), the phrase "and own revenues, second-level spender of appropriations" shall be deleted.

§ 88. The Carriage by Road Act (promulgated, SG No. 82/1999; amended, Nos 11 and 45 of 2002, No. 99/2003, Nos 70, 88, 92, 95, 102, 103 and 105 of 2005, Nos 30, 85, 92 and 102 of 2006, Nos 42, 80 and 109 of 2007, No. 102/2008, No. 93/2009, No. 41/2010, No. 17/2011 and Nos 38, 50, 60, 99 and 103 of 2012) shall be amended as follows:

1. In Article 2(3), the phrase "second-level spender of appropriations" shall be deleted.

2. In Article 106a(5)(1) and (2), "the budget of the Republic" shall be replaced by "the state budget".

§ 89. The Safe Use of Nuclear Energy Act (promulgated, SG No. 63/2002; amended, No. 120/2002, No. 70/2004, Nos 76, 88 and 105/2005, No. 30/2006, Nos 11 and 109 of 2007, Nos 36 and 67 of 2008, Nos 42 and 74 of 2009, Nos 80, 87, 88 and 97 of 2010, No. 26/2011 and Nos 38 and 82 of 2012) shall be amended and supplemented as follows:

1. A second sentence shall be inserted in Article 8(2): "The President of the Agency shall be a budget authoriser by delegation."

2. In Article 54(3), the phrase "as per the procedure set out in the State Budget Procedures Act" shall be replaced by "as per the procedure set out in the Public Finance Act".

3. In Article 97(3), the phrase "and shall be put forward to the Ministry of Finance as per the procedure set out in the State Budget Procedures Act" shall be deleted.

§ 90. In Article 107(1) of the Biological Diversity Act (promulgated, SG No. 77/2002; amended, Nos 88 and 105 of 2005, Nos 29, 30, 34 and 80 of 2006, Nos 52, 53, 64 and 94 of 2007, No. 43/2008, Nos 19, 80 and 103 of 2009, Nos 62 and 89 of 2010, Nos 19 and 33 of 2011 and Nos 32, 59 and 77 of 2012), the phrase "the budget of the Republic" shall be replaced by "the budget of the Ministry of Environment and Water".

§ 91. The Veterinary Practices Act (promulgated, SG No. 87/2005; amended, Nos 30, 31, 55 and 88 of 2006, Nos 51 and 84 of 2007, Nos 13, 36 and100 of 2008, Nos 27, 35, 74, 95 and 102 of 2009, Nos 25 and 41 of 2010, Nos 8 and 92 of 2011, Nos 77, 82 and 97 of 2012 and No. 7/2013) shall be amended as follows:

1. In Article 108(1), the phrase "dedicatedly from the budget of the Republic" shall be replaced by "from the budget of the Ministry of Agriculture and Food".

2. In Article 120(2), the phrase "state budget, estimated by" shall be deleted.

3. In § 190(2) of the Transitional and Final Provisions of the Act Amending and Supplementing the Veterinary Practice Act (SG No. 7/2013), the phrase " budget of the Republic, estimated by" shall be deleted.

§ 92. A third sentence shall be inserted in Article 64b(1) of the Civil Aviation Act (promulgated, SG No. 94/1972; amended, No. 30/1990, No. 16/1997, No. 85/1998, No. 12/2000, Nos 34 and 111 of 2001, Nos 52 and 70 of 2004, Nos 88 and 102 of 2005, Nos 30, 36, 37, 105 and 108 of 2006, Nos 10, 41 and 109 of 2007, Nos 36, 66 and 67 of 2008, Nos 35, 47, 82 and 102 of 2009, Nos 63, 73 and 94 of 2010, Nos 41, 81 and 99 of 2011 and Nos 38, 60 and 82 of 2012): "The Director General of Aviation Unit 28 shall be a budget authoriser by delegation."

§ 93. A second sentence shall be inserted in Article 5(2) of the State Contingency Reserves and Wartime Stocks Act (promulgated, SG No. 9/2003; corrected, No. 37/2003; amended, Nos 19, 69 and 105 of 2005, Nos 30 and102 of 2006, No. 54/2008, No. 35/2009 and No. 16/2010):

"The President of the Agency shall be a budget authoriser by delegation."

§ 94. In Article 10(4) and (5) of the Export Insurance Act (promulgated, SG No. 61/1998; amended, No. 112/2001, No. 92/2004, No. 103/2005, No. 41/2007, No. 36/2008, No. 82/2009 and No. 82/2012), "the budget of the Republic" shall be replaced by "the state budget".

§ 95. The Protection of Competition Act (promulgated, SG No. 102/2008; amended, No. 42/2009, Nos 54 and 97 of 2010, No. 73/2011 and No. 38/2012) shall be amended as follows:

1. In Article 3(1), "appropriations" shall be replaced by "a budget".

2. In Article 13(1), "the State Budget Procedures Act" shall be replaced by "the Public Finance Act".

§ 96. Throughout Article 9 of the Cadastre and Property Register Act (promulgated, SG No. 34/2000; amended, Nos 45 and 99 of 2002, No. 36/2004, Nos 39 and 105 of 2005, Nos 29 and 30 of 2006, Nos 57 and 59 of 2007, Nos 36 and 91 of 2008, No. 80/2009, Nos 19 and 39 of 2011 and No. 38/2012), the word "subsidy" shall be replaced by "transfer".

§ 97. In Article 54(3) of the Hunting and Game Protection Act (promulgated, SG No. 78/2000; amended, No. 26/2001, Nos 77 and 79 of 2002, No. 88/2005, Nos 82 and 108 of 2006, No. 64/2007, Nos 43, 67, 69 and 91 of 2008, Nos 6, 80 and 92 of 2009, Nos 73 and 89 of 2010, Nos 8, 19, 39 and 77 of 2011 and Nos 38, 60, 77 and 102 of 2012), "the state budget" shall be replaced by "the budget of the Ministry of Agriculture and Food".

§ 98. In Article 15(3) of the Investment Promotion Act (promulgated, SG No. 97/1997; corrected, No. 99/1997; amended, Nos 29 and 153 of 1998, No. 110/1999, No. 28/2002, Nos 37 and 40 of 2004, Nos 34, 59, 65, 80, 82 and 86 of 2006, Nos 42 and 53 of 2007, No. 69/2008, Nos 41 and 82 of 2009, Nos 18, 88 and100 of 2010 and Nos 38, 45 and 82 of 2012), the phrase "The funds from the budget of the Republic necessary" shall be replaced by "The funds necessary".

§ 99. A second sentence shall be inserted in Article 6(2) of the Statistics Act (promulgated, SG No. 57/1999; amended, No. 42/2001, Nos 45 and 74 of 2002, No. 37/2004, Nos 39, 81 and 88 of 2005, No. 100/2007, No. 98/2008, Nos 42 and 95 of 2009, No. 97/2010 and No. 38/2012): "The President of the National Statistical Institute shall be a budget authoriser by delegation."

§ 100. Article 4a(1)(1) of the Grain Storage and Grain Trade Act (promulgated, SG No. 93/1998; amended, No. 101/2000, Nos 9 and 58 of 2003, Nos 69 and 105 of 2005, Nos 30, 34, 55, 80 and 82 of 2006, No. 53/2007, Nos 16, 54, 69 and 100 of 2008, No. 88/2010, No. 8/2011 and No. 38/2012) shall be amended as follows:

"1. a transfer from the budget of the Ministry of Agriculture and Food;".

§ 101. In Article 141(2), first sentence of the Spatial Development Act (promulgated, SG No. 1/2001; amended, Nos 41 and 111 of 2001, No. 43/2002, Nos 20, 65 and 107 of 2003, Nos 36 and 65 of 2004, Nos 28, 76, 77, 88, 94, 95, 103 and 105 of 2005, Nos 29, 30, 34, 37, 65, 76, 79, 80, 82, 106 and 108 of 2006, Nos 41, 53 and 61 of 2007, Nos 33, 43, 54, 69, 98 and 102 of 2008, Nos 6, 17, 19, 80, 92 and 93 of 2009, Nos 15, 41, 50, 54 and 87 of 2010, Nos 19, 35, 54 and 80 of 2011 and Nos 29, 32, 38, 45, 47, 53, 77, 82 and 99 of 2012), "the budget of the Republic" shall be replaced by "the state budget".

§ 102. The Financial Management and Control in the Public Sector Act (promulgated, SG No. 21/2006; amended, No. 42/2009, No. 54/2010 and No. 98/2011) shall be amended as follows:

1. In Article 2(2):

a) Item 1 shall be amended as follows:

"1. budgetary organisations within the meaning of the Public Finance Act, as well as municipal enterprises;"

b) Items 2, 3 and 4 shall be repealed.

2. Throughout Article 8(1), "appropriations" shall be replaced by "a budget" and the phrase "Item 1-6" shall be replaced by "Items 1, 5 and 6".

3. In Article 21(1), the phrase "Item 1-6" shall be replaced by "Items 1, 5 and 6" and "appropriations" shall be amended by "a budget".

§ 103. The Internal Audit in the Public Sector Act (promulgated, SG No. 27/2006; amended, Nos 64 and 102 of 2006, Nos 43, 69, 71 and 110 of 2008, Nos 42, 44, 78, 80, 82 and 99 of 2009, Nos 54 of 2010, Nos 8 and 98 of 2011 and No. 50/2012) shall be amended as follows:

1. In Article 9:

a) Item 1 shall be amended as follows:

"1. budgetary organisations within the meaning of the Public Finance Act, as well as municipal enterprises;"

b) Items 2, 3 and 4 shall be repealed;

c) Items 8 shall be repealed;

2. In Article 12:

a) Paragraph 1(4) and (5) shall be amended as follows:

"4. administrations of budget authorisers by delegation, other than those referred to in Items 1 and 3, whose budget exceeds BGN 5 million;

5. budget authorisers by sub-delegation listed in the appendix.";

b) In Paragraph 2, "appropriations" shall be replaced by "a budget" and the phrase "appropriations under the budget of the Republic" shall be replaced by "the state budget".

3. Throughout Article 13(4) and (5), "appropriations" shall be replaced by "a budget".

4. In Article 14(3), "the budget accounts" shall be replaced by "the budget".

5. In Article 34(3), "appropriations" shall be replaced by "a budget".

6. In Article 40(3), "appropriations" shall be replaced by "a budget".

7. In Article 55(2), "appropriations" shall be replaced by "a budget".

§ 104. Paragraphs 5 ad 6 shall be created in § 1 of the Additional Provisions of the Road Traffic Act (promulgated, SG No. 20/1999; amended, No. 1/2000, No. 43 and 76 of 2002, Nos 16 and 22 of 2003, Nos 6, 70, 85 and 115 of 2004, Nos 79, 92, 99, 102, 103 and 105 of 2005, Nos 30, 34, 61, 64, 80, 82, 85 and 102 of 2006, Nos 22, 51, 53, 97 and 109 of 2007, Nos 36, 43, 69, 88 and 102 of 2008, Nos 74, 75, 82 and 93 of 2009, Nos 54, 98 and100 of 2010, Nos 10, 19, 39 and 48 of 2011; Judgment No. 1 of 2012 of the Constitutional Court, SG No. 20/2012; amended, Nos 47, 53, 54, 60 and 75 of 2012):

"(5) Upon proposal by the Minister of Interior, the Minister of Finance shall approve-as per the procedure set out in Article 110(4) of the Public Finance Act-any additional expenditure under the budget of the Ministry of Interior related to the Traffic Safety Fund referred to in Paragraph 4 within the limit of the amount of the revenue from fines allocated to the Fund.

(6) Any positive balance of revenue exceeding expenditure related to the Fund shall be earmarked for the same purposes to be used during the following budget year as per the procedure set out in Paragraph 5."

§ 105. The Government Debt Act (promulgated, SG No. 93/2002; amended, No. 34/2005, No. 52/2007, No. 23/2009, No. 101/2010, No. 99/2011 and No. 103/2012) shall be amended as follows:

1. Article 7 shall be repealed.

2. Chapter Three (Debt Limit), including Articles 8, 9, 10 and 11, shall be repealed.

3. In Article 15(2), the phrase "as a component of" shall be replaced by "along with".

4. Article 16(2) shall be repealed.

5. Article 38(2) shall be amended as follows:

"(2) Official information on the government debt and government guaranteed debt shall be disclosed by the Ministry of Finance on its website on a monthly basis."

6. Articles 39 and 40 shall be repealed.

7. Article 44 shall be repealed.

8. § 1(5) of the Additional Provisions shall be repealed.

§ 106. The Accountancy Act (promulgated, SG No. 98/2001; amended, No. 91/2002, No. 96/2004, Nos 102 and 105 of 2005, Nos 33, 63, 105 and 108 of 2006, No. 57/2007, Nos 50, 69 and 106 of 2008, No. 95/2009, No. 94/2010, Nos 19, 34 and 99 of 2011 and No. 94/2012) shall be amended as follows:

1. Article 5a shall be amended as follows:

"Article 5a. (1) Budgetary enterprises shall carry out their accounting activities in compliance with the requirements set out in Chapter Fifteen of the Public Finance Act.

(2) Enterprises from the general government sector, other than those referred to in Paragraph 1, which carry out their accounting activities according to the requirements applicable to budgetary enterprises shall be determined pursuant to Article 165 of the Public Finance Act.

2. Article 23(5) shall be amended as follows:

"(5) Budgetary enterprises and enterprises referred to in Article 5a(2) shall draw up and submit their annual financial statements in accordance with the requirements set out in Article 166(1) of the Public Finance Act."

3. Article 26(7) shall be amended as follows:

"(7) The form, structure and content of the annual and interim financial statements of budgetary enterprises and enterprises referred to in Article 5a(2) shall be determined by the Minister of Finance in accordance with Article 166(2) of the Public Finance Act."

4. Article 33(6) shall be amended as follows:

"(6) The information reported on the assets, liabilities, revenues, expenditure and operations of all budgetary enterprises and enterprises referred to in Article 5a(2) shall be consolidated by the Ministry of Finance in accordance with Article 167 of the Public Finance Act."

4. Article 37(8) shall be amended as follows:

"(8) The procedure, method and time limits for drawing up and submitting the financial statements of budgetary enterprises, including the disclosure of information on the Internet, shall be determined in accordance with Article 170 of the Public Finance Act."

6. In § 1 of the Additional Provisions:

a) Item 1 shall be amended as follows:

"1. "Budgetary enterprises" shall mean all persons that apply budgets, accounts for European Union Funds, and accounts for external funds pursuant to the Public Finance Act, including the National Statistical Institute, the National Health Insurance Fund, public institutions of higher education, the Bulgarian Academy of Sciences, the Bulgarian National Television, the Bulgarian National Radio, the Bulgarian News Agency, as well as all other persons that are budget organisations within the meaning of § 1(5) of the Public Finance Act."

b) Item 17 shall be amended as follows:

"17. "General government sector" means a general government sector that meets the requirements set out in the European system of national and regional accounts in the Community."

§ 107. The Concessions Act (promulgated, SG No. 36/2006; amended, Nos 53, 65 and 105 of 2006, Nos 41, 59 and 109 of 2007, Nos 50, 67 and 102 of 2008, Nos 47, 99 and 103 of 2009, Nos 52 and 54 of 2010, Nos 50 and 73 of 2011 and Nos 45, 82 and 102 of 2012) shall be

amended as follows:

1 In Article 19, Paragraph 1(1) and (2), "appropriations" shall be replaced by "budget".

2. In Article 81(5), the phrase "Article 34 of the State Budget Procedures Act" shall be replaced by "Article 109 or 110 of the Public Finance Act".

§ 108. The Privatization and Post-Privatization Control Act (promulgated, SG No. 28/2002; amended, No. 78/2002, Nos 20 and 31 of 2003; Judgement No. 5 of 2003 of the Constitutional Court, SG No. 39/2003; amended, Nos 46 and 84 of 2003, Nos 55 and 115 of 2004, Nos 28, 39, 88, 94, 103 and 105 of 2005, Nos 36, 53, 72 and 105 of 2006, No. 59/2007, Nos 36, 65, 94, 98 and 110 of 2008, Nos 24, 42, 82 and 99 of 2009, Nos 18, 50, 89 and 97 of 2010, Nos 19 and 98 of 2011 and Nos 20, 38, 54 and 60 of 2012) shall be amended as follows:

1. Article 8(9) shall be amended as follows:

"(9) Cash proceeds from legal fees awarded in favour of the Privatisation and Post-privatisation Control Agency shall be included and reported in the central budget and shall be fully allocated to the State Fund for Guaranteeing the Stability of the State Pension System."

2. Article 9 shall be amended as follows:

"Article 9. Expenditures related to privatisation operations and post-privatisation control shall be incurred through the budget of the Privatisation and Post-privatisation Control Agency."

3. Article 10 shall be amended as follows:

"Article 10. (1) Cash proceeds from the privatisation of municipal stakeholdings in commercial companies, self-contained parts of the property of single-member commercial companies in which a municipality holds share capital, or any property referred to in Article 1(2)(6), shall be allocated to the municipal budget and spent as per the procedure set out in Article 127(3) of the Public Finance Act.

(2) Where the municipality has established a municipal guarantee fund for small and medium-sized enterprises, up to 10 per cent of the proceeds referred to in Paragraph 1 may be used for the purposes of the guarantee fund.

(3) Cash proceeds from any activities ancillary to the privatisation of commercial companies with municipal stakeholding, self-contained parts of the property of companies in which a municipality holds more than 50 per cent of the share capital, or any property referred to in Article 1(2)(6), including damages under the relevant privatisation contracts, shall be allocated to the municipal budget.

(4) Cash proceeds from the privatisation of any self-contained parts of the property of commercial companies in which the sole shareholder is not a municipality shall be transferred to the account of the company and shall remain its property.

(5) Any resources under Paragraph 2 that remain temporarily uncommitted may be used for the purpose of municipal co-financing and pre-financing of projects under programmes financed from the European Union funds and under other international programmes and agreements."

4. Article 10a(3)(1) shall be amended as follows:

"1. twenty per cent: to the budget of the municipality;".

§ 109. In Article 11, Paragraph 1(1), (2) and (3) of the State Fund for Guaranteeing the Stability of the State Pension System Act (promulgated, SG No. 98/2008; amended, No. 99/2009), "the budget of the Republic" shall be replaced by "the state budget".

§ 110. In Article 19(2) of the Public Private Partnership Act (promulgated, SG No. 45/2012; amended, Nos 87 and 102 of 2012), the phrase "the Municipal Budgets Act" shall be replaced by "the Public Finance Act".

§ 111. In Article 11(1) of the Bulgarian Academy of Sciences Act (promulgated, SG No. 85 of 1991; amended, No. 90 of 1993, No. 123 of 1997, No. 41 of 2007, No. 101 of 2010 and No.

30 of 2011), the phrase "shall have an autonomous budget" shall be replaced by "shall draw up, implement and report a budget".

§ 112. In Article 90(1) of the Higher Education Act (promulgated, SG No. 112 of 1995; amended, No. 28 of 1996, No. 56 of 1997; corrected, No. 57 of 1997; amended, No. 58 of 1997, Nos 60, 66, 111 and 113 of 1999, No. 54 of 2000, No. 22 of 2001, Nos 40 and 53 of 2002, Nos 48 and 70 of 2004, Nos 77, 83 and 103 of 2005, Nos 30, 36, 62 and 108 of 2006, No. 41 of 2007, Nos 13, 43 and 69 of 2008, Nos 42, 74 and 99 of 2009, Nos 38, 50, 56, 63 and 101 of 2010, Nos 61 and 99 of 2011 and Nos 60 and 102 of 2012), the word "autonomous" shall be deleted.

§ 113. Article 520 of the Code of Civil Procedure (promulgated, SG No. 59 of 2007; amended, No. 50 of 2008; Judgement No. 3 of 2008 of the Constitutional Court, SG No. 63 of 2008; amended, No. 69 of 2008, Nos 12, 19, 32 and 42 of 2009; Judgement No. 4 of 2009 of the Constitutional Court, SG No. 47 of 2009; amended, No. 82 of 2009, Nos 13 and 100 of 2010; Judgement No. 15 of 2010 of the Constitutional Court, SG No. 5 of 2011; amended, Nos 45, 49 and 99 of 2012) shall be amended and supplemented as follows:

1. In Paragraph 1, "the budget of the Republic" shall be replaced by "the state budget".

2. Paragraph 2 shall be replaced by:

"(2) No enforcement shall be allowed in respect of European Union funds or other international programmes and agreements of municipalities."

3. The previous text of Paragraph 2 shall be renumbered to Paragraph 3.

§ 114. (Effective 1.02.2013 - SG No. 15/2013) The Customs Act (promulgated, SG No. 15 of 1998; amended, Nos 89 and 153 of 1998, Nos 30 and 83 of 1999, No. 63 of 2000, No. 110 of 2001, No. 76 of 2002, Nos 37 and 95 of 2003, No. 38 of 2004, Nos 45, 86, 91 and 105 of 2005, Nos 30 and 105 of 2006, Nos 59 and 109 of 2007, Nos 28, 43 and 106 of 2008, Nos 12, 32, 42, 44 and 95 of 2009 and Nos 54, 55, 73 and 94 of 2010, No. 82 of 2011, Nos 38 and 54 of 2012) shall be amended and supplemented as follows:

1. Article 5(4) shall be created:

"(4) No liens may be imposed in goods under customs supervision and control in order to securitize debts of other natural or legal persons."

2. Article 10(10) shall be amended as follows:

"(10) Incompatibility under Paragraphs 1 and 2 shall be a reason to terminate the employment or official relations with a customs officer as per the procedure set out in the Labour Code or the Civil Servants Act. The failure of a customs officer, without valid reasons, to submit a statement under Paragraph 6 within the prescribed time limit shall entail liability to disciplinary action."

3. Article 11(3) shall be repealed.

4. In Article 16(4), the phrase "as per the conditions and procedures set out in Article 15(3)" shall be deleted.

5. Article 16(1) shall be amended as follows:

"(1) When information is available that a person has committed a criminal offence under Article 234, 242, 242a and 251 of the Criminal Code, and there is a real danger that the person concerned will run and hide or commit another offence, the customs authorities may detain that individual.

6. Article 16c shall be created:

"Article 16c. (1) In order to discharge the powers conferred to it by law, the Customs Agency shall have the right to access, free of charge, the Population Register (National Population Database) kept by the Ministry of Regional Development and Public Works.

(2) Information referred to in Paragraph 1 shall be accessed in a manner which disables its

disclosure, while complying with the need-to-know principle within the meaning of Article 3 of the Classified Information Protection Act.

(3) The access to the Register shall be regulated in an agreement between the Minister of Regional Development and Public Works and the Director of the Customs Agency."

7. In Article 17:

a) Paragraph 2 shall be replaced by:

"(2) The list of categories of information that is subject to classification as business secret shall be determined by an order of the Director of the Customs Agency.";

b) The previous text of Paragraph 2 shall be renumbered to Paragraph 3.

8. In Article 18:

a) in Paragraph 1, the phrase "including by customs agents" shall be deleted;

b) Paragraph 2 shall be repealed.

9. Article 26a shall be repealed.

10. Article 233(3) shall be amended as follows:

"(3)) When the violation referred to in Paragraph 1 is committed by using a passenger or carriage vehicle with a secret compartment, or when the smuggling entails goods subject to excise duties or goods prohibited to import or export, the fine shall range between 200 and 250 per cent of the customs value of the goods. In the case of smuggling tobacco products, the fine shall range between 200 and 250 per cent of their selling price.

11. Article 234(4) shall be amended as follows:

"(4) In the event of (i) attempted or successful evasion of the full payment or securitization of customs duties or other public state claims collected by the customs authorities, or (ii) prohibitions or restrictions on the importation or exportation of goods, or (iii) the enforcement of trade policy measures, the goods concerned with the violation shall be confiscated in favour of the state, regardless of their ownership. If the goods are not available or have been expropriated, their equivalent (customs value) shall be granted to the state.

12. In Article 235(1), the phrase "for natural persons, or a pecuniary sanction for legal persons and sole traders, of up to BGN 1,000" shall be replaced by "ranging between BGN 300 and BGN 1,500 for natural persons and between BGN 500 and BGN 2,000 for legal persons and sole traders."

13. Article 238c shall be created:

"Article 238c. (1) Whoever crosses the state border while using a passenger or carriage vehicle which is found to contain a secret compartment shall be liable to a fine of up to BGN 1,000.

(2) In the event of a repeated violation under Paragraph 1, the vehicle shall be confiscated in favour of the state, regardless of its ownership.

14. In Article 239:

a) the previous text shall be renumbered to Paragraph 1;

b) Paragraphs 2 and 3 shall be created:

"(2) The customs administration shall dispose of excise goods confiscated and abandoned to the state pursuant to this Act, while observing the conditions and procedures set out in a regulation issued by the Minister of Finance.

(3) The custom authorities shall destroy any goods confiscated and abandoned to the state pursuant to this Act in respect of which a statement has been furnished by the holder of an intellectual property right that the goods concerned were produced without the holder's consent or authorisation."

15. In § 1 of the Additional Provision:

a) Item 24 shall be amended as follows:

"24. "Official secrecy" shall mean any information which is not state secrecy but is related to the customs authorities' discharging their functions and duties in order to implement the customs, currency and excise law or which has been obtained as a result of such implementation activities and which, if subjected to unlawful access, will adversely affect the interest of the Customs Agency or any other interest that enjoys judicial protection.";

b) Items 33, 34 and 35 shall be created:

"33. "Secret compartment" shall mean a chamber specially made or adjusted in the passenger or carriage vehicle other than the chambers which form part of the original design of the manufacturer.

34. "Selling price of tobacco products" shall mean the price entered in a tobacco price register kept by the Ministry of Finance or the price determined pursuant to the excise legislation.

35. "A repeated" violation shall be any violation committed within one year from the date of entry into force of the penal decree sanctioning the person concerned for the same type of offence.

§ 115. (Effective 1.01.2013 - SG No. 15/2013) The Corporate Income Tax Act (promulgated, SG No. 105 of 2006; amended, Nos 52, 108 and 110 of 2007, Nos 69 and 106 of 2008, Nos 32, 35 and 95 of 2009, No. 94 of 2010, Nos 19, 31, 35, 51, 77 and 99 of 2011 and Nos 40 and 94 of 2012) shall be supplemented as follows:

1. In Article 75(3), the phrase "within 30 days of receiving the notification" shall be added after the word "who", separating the phrase by commas.

2. Article 219(4) and (5) shall be created:

"(4) The tax on ancillary and auxiliary activities within the meaning of the Gambling Act shall be reported in an annual tax return, as per a model form, which shall be submitted-prior to 31 March of the following year-to the regional directorate of the National Revenue Agency which has jurisdiction over the registered address of the taxable person.

(5) Taxable persons referred to in this Chapter shall submit an annual activity report-prior to 31 March of the following year-to the regional directorate of the National Revenue Agency which has jurisdiction over the registered address of the taxable person."

§ 116. Article 52 of the Municipal Property Act (promulgated, SG No. 44 of 1996; amended, No. 104 of 1996, No. 55 of 1997, Nos 22 and 93 of 1998, Nos 23, 56, 64, 67, 69 and 96 of 1999, No. 26 of 2000, No. 34 of 2001, No. 120 of 2002, No. 101 of 2004, Nos 29, 30 and 36 of 2006, Nos 59, 63 and 92 of 2007, Nos 54, 70 and 100 of 2008, Nos 10, 17, 19 and 41 of 2009, No. 87 of 2010, Nos 15 and 19 of 2011 and Nos 45 and 91 of 2012) shall be amended as follows:

1. In Paragraph 1, the phrase "or from the extra-budgetary accounts and funds" shall be deleted.

2. In Paragraph 5,"appropriations" shall be replaced by "a budget".

§ 117. In § 1(1) of the Additional Provision of the Act Conferring Certain Rights on Persons Who Have Served as Presidents of the Republic of Bulgaria (promulgated, SG No. 59/2003; amended, No. 95/2006), "the budget of the Republic" shall be replaced by "the state budget".

§ 118. The Asylum and Refugees Act (promulgated, SG No. 54/2002; amended, No. 31/2005, No. 30/2006, Nos 52 and 109 of 2007, No. 82/2009 and No. 39/2011) shall be amended as follows:

1. Article 55 shall be repealed.

2. Article 56(2) shall be repealed.

§ 119. In Article 35b(1), second sentence of the Independent Financial Audit Act

(promulgated, SG No. 101 of 2001; amended, No. 91 of 2002, No. 96 of 2004, Nos 77 and 105 of 2005, Nos 30, 33, 62 and 105 of 2006, No. 67/2008, No. 95/2009, No. 54/2010, No. 99/2011, Nos 38, 60 and 102 of 2012), "appropriations" shall be replaced by "a budget".

§ 120. (Effective 1.02.2013 - SG No. 15/2013) Article 34 of the Local Self-government and Local Administration Act (SG No. 77/1991; amended, No. 24, 49 and 65 of 1995, No. 90/1996, No. 122/1997, No. 33, 130 and 154/1998, No. 67 and 69/1999, No. 26 and 85/2000, No. 1/2001, Nos 28, 45 and 119 of 2002, No. 69/2003, Nos 19 and 34 of 2005, Nos 30 and 69 of 2006, Nos 61 and 63 of 2007, Nos 54 and 108 of 2008, Nos 6, 14, 35, 42 and 44 of 2009, Nos 15 and 97 of 2010, Nos 9 and 32 of 2011; Judgement No. 4 of 2011 of the Constitutional Court, SG No. 36/2011; amended, No. 57/2011, No. 38/2012) shall be amended and supplemented as follows:

1. Paragraph 1 shall be amended as follows:

"(1) Municipal councillors shall be remunerated for their participation in sessions of the Municipal Council and its commissions. The remuneration amount shall be determined by a Judgement of the Municipal Council adopted by a majority of more than half of the total number of councillors."

2. Paragraph 8 shall create:

"(8) The remuneration referred to in Paragraph 2 shall not include the remuneration that Municipal councillors may receive for their participation in specialised bodies of the Municipal Council."

§ 121. (Effective 1.02.2013 - SG No. 15/2013) Article 34(8) of the Local Self-government and Local Administration Act shall apply only to remunerations for participation in specialised bodies of the Municipal Council created before the date of promulgating this Act in the State Gazette.

§ 122. (Effective 1.02.2013 - SG No. 15/2013) The budget procedure governing the establishment of budgets and the estimates of accounts for European Union funds for 2014 shall be implemented in compliance with the rules set out in this Act.

§ 123. This Act shall enter into force on 01 January 2014, excluding § 115 which shall enter into force on 01 January 2013 and § 18, § 114, § 120, § 121 and § 122 which shall enter into force on 01 February 2013.

This Act was adopted by the 41st National Assembly on 31 January 2013 and stamped by its official seal.

FINAL AND TRANSITIONAL PROVISIONS
to the Act for Amendment and Supplementation of the Public Finances Act
(SG No. 43/2016)

§ 32. During 2016, the assessment of the variables under Article 130a shall be made on the basis of the data from the reports of the municipalities as of 31 December 2015.

§ 33. Within a 1-month time limit from the entry into force of this act, the Minister of Finance shall issue the instructions under Article 130d (1).

.....