

## Local Taxes and Fees Act

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\*Note: An update of the English text of this Act is being prepared

following the amendments in SG No. 110/21.12.2007 (effective

1.01.2008)

Text in Bulgarian: Закон за местните данъци и такси

### Chapter One

(Amended, SG No. 103/1999, amended and supplemented, SG No. 109/2001,

No. 45/2002, No. 56/2002, amended, SG No. 119/2002)

## GENERAL PROVISIONS

### Section I

#### Local Taxes

Article 1. (1) The following local taxes shall accrue to the municipal budgets:

1. immovable property tax;
2. inheritance tax;
3. gift tax;
4. tax on onerous acquisition of property;
5. transport vehicle tax;
6. (Repealed, SG No. 106/2004);
7. any other local taxes as determined by statute.

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

Article 3. Tax returns under this Act shall be submitted by the taxable persons or the legal representatives thereof in a standard form endorsed by the Minister of Finance, which shall be promulgated in the State Gazette.

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

local taxes shall be appealed according to the same procedure.

(2) (Amended, SG No. 105/2005) Any delinquent taxes covered under this Act shall be collected with interest under the Interest on Taxes, Fees and Other Such State Receivables Act according to the procedure established by the Tax and Social Insurance Procedure Code.

(3) (New, SG No. 100/2005, amended, SG No. 105/2005) In the proceedings referred to in Paragraph (1), the municipal administration officers shall have the rights and obligations of revenue authorities.

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

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

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

(7) (New, SG No. 105/2005) The Municipal Council shall be the authority competent to defer and reschedule local taxes in the cases referred to in Item 2 of Article 184 (1) of the Tax and Social Insurance Procedure Code .

Article 5. (1) (Amended, SG No. 100/2005) The assessed value according to the Annexes to this Act shall be updated, where the fair market value index of immovable property has increased or decreased by more than 20 per cent cumulated since the last adjustment of the said fair market value.

(2) The index referred to in Paragraph (1) shall be determined by the National Statistical Institute.

## Section II

### Local Fees

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

(a) for disposal of household waste;

(b) for use of retail markets, wholesale markets, fairs, sidewalks, squares and street roadways;

(c) (Supplemented, SG No. 70/2004) for attendance at creches, provision of cooked take-away meals from baby-food kitchens, attendance at kindergartens, residence at public care homes, camps, dormitories, and use of other forms of municipal social services;

(d) for quarrying;

(e) for technical services;

(f) for administrative services;

(g) for lease of grave plots;

(h) visitor fee;

(i) (new, SG No. 87/2005) for dog ownership;

(j) (redesignated from Letter (i), SG No. 87/2005) other local fees as determined by statute.

(2) The (competent) Municipal Council shall set a price for any service provided or right granted by the municipality with the exception of such covered under Paragraph (1).

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

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

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

1. recovery of the full amount of expenses incurred by the municipality on provision of the service;
2. creation of conditions for expansion of the services provided and for improvement of the quality thereof;
3. achievement of greater fairness in the determination and payment of local fees.

(2) A separate fee shall be determined for each distinguishable activity into which a service can be disaggregated.

(3) The amount of the fee may not recover the full amount of expenses incurred by the municipality for provision of a specific service should the (competent) Municipal Council resolve that this a protection of the public interest so dictates.

(4) In the cases where the amount of the fees does not recover the full amount of expenses incurred for provision of the service, the difference between the said expenses and the amount of the fees shall be for the account of municipal revenues.

(5) By the ordinance referred to in Article 9 herein, the (competent) Municipal Council shall establish the procedure according to which the persons who do not use a service during the relevant year or during a specific period of the said year shall be exempt from payment of the said fee.

(6) The (competent) Municipal Council may exempt certain categories of citizens from full or partial payment of specific types of fees according to a procedure established by the ordinance referred to in Article 9 herein.

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

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

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

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

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

(5) (New, SG No. 105/2006) The [competent] Municipal Council shall authorize a rescheduling or deferral of liabilities for local fees exceeding BGN 30,000 or for a period longer than one year.

Article 9b. (1) (Amended, SG No. 105/2006) Any delinquent fees shall be collected with interest under the Interest on Taxes, Fees and Other Such State Receivables Act according to the procedure established by the Tax and Social-Insurance Procedure Code .

(2) Fees receivable shall be ascertained by a written statement drawn up by the (competent) Municipality Mayor according to the procedure established by the Administrative Procedure Code.

(3) Any written statement ascertaining the receivable shall be appealable according to the procedure established by the Administrative Procedure Code.

(4) (Amended, SG No. 84/2003, repealed, SG No. 105/2005) .

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

Chapter Two

LOCAL TAXES

## Section I

### Immovable Property Tax

Article 10. (1) (Amended, SG No. 106/2004) Immovable property tax shall be levied on the buildings and lots located within the territory of Bulgaria, which are situated within the development limits of the nucleated settlements and the dispersed settlements, as well as the lots outside such development limits, which, according to a detailed plan, have the intended purpose under Item 1 of Article 8 of the Spatial Development Act.

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

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

(4) (New, SG No. 100/2005, amended, SG No. 105/2006) No tax shall be levied on any corporeal immovable whereof the assessed value does not exceed BGN 1,680.

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

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

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

(4) (New, SG No. 36/2006) In cases of concession, the tax liable person shall be the concessionaire.

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

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

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

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

(2) Upon alteration in any circumstance relevant to the assessment of the tax, the taxable persons shall notify the municipality according to the procedure and within the time limit established under Paragraph (1).

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

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

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

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

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

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

Article 17. (1) (Supplemented, SG No. 153/1998, amended, SG No. 103/1999, redesignated from Article 17 and amended, SG No. 102/2000, amended and supplemented, SG No. 109/2001, amended, SG No. 100/2005) Within two months after acquisition of any non-residential property or after creation of a right to use, as the case may be, any enterprise shall submit a declaration to the municipal administration exercising competence over the situs of the said property, stating therein the type of property, the exact location thereof, the book value thereof and any other circumstances as shall be relevant to the assessment of the tax, as well as the amount of the tax due. Upon any change in the particulars as declared, a declaration shall be submitted within two months after the date of the said change.

(2) (New, SG No. 102/2000) In respect of any residential property, the persons referred to in Paragraph (1) shall submit a tax return according to the procedure and within the time limits established by Article 14 herein.

(3) (New, SG No. 102/2000, amended, SG No. 119/2002) In respect of any residential property referred to in Article 11 (2) herein, enterprises shall submit a declaration according to the procedure and within the time limits established by Article 14 (1) herein and, after communication of the assessed value by the municipal administration officer, shall state the said assessed value in the declaration referred to in Paragraph (1).

(4) (New, SG No. 102/2000) The tax shall be paid within the time limits established by Article 28 herein at the municipality exercising competence over the situs of the property according to the particulars as declared.

Article 18. (1) (Redesignated from Article 18, SG No. 153/1998, amended, SG No. 34/2000) The municipal administration officer shall verify the returns as submitted. The said authority may require additional information on the taxable property, to compare the particulars of the return with the books of account, plans, drawings and documents of title or use of the property and, when necessary, through surveying of the said property by the technical authorities.

(2) (New, SG No. 153/1998, amended, SG No. 34/2000) When requested by the municipal administration officers to provide any data and evidentiary material of property status (copies of maps and plans, computer models, registers and other such), the competent public financed services shall be obliged to provide any such data and material gratuitously within seven days.

(3) (New, SG No. 34/2000) Any data of the cadastre, coming under Paragraph (2), shall be provided under the terms and according to the procedure established by the Cadastre and Property Register Act.

Article 19. (1) The tax shall be assessed on the basis of the assessed value of the corporeal immovables covered under Article 10 (1) herein at the 1st day of January in the year wherefor the tax is due.

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

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

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

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

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

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

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

Article 22. The rate of (immovable property) tax is hereby set at 1.5 per mille of the assessed value of the corporeal immovable.

Article 23. (Amended, SG No. 103/1999, SG No. 109/2001)

The amount of tax referred to in Article 14 (1) and (3) herein and in Article 17 (2) herein shall be determined by the municipal administration officer exercising competence over the situs of the corporeal immovable and shall be communicated to the taxable person or to a legal representative thereof.

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

1. (supplemented, SG No. 153/1998) the municipalities, in respect of any immovables constituting public municipal property;

2. (supplemented, SG No. 153/1998) the State, in respect of any immovables constituting public state property, except where the immovable has been allocated for use to another person and said person is not exempt from tax;

3. (repealed, SG No. 153/1998);

4. the community centres (chitalishte);

5. the buildings owned by foreign states which house diplomatic missions and consular posts, on a basis of reciprocity;

6. (repealed, SG No. 153/1998);

7. the buildings appertaining to the Bulgarian Red Cross;

8. (amended, SG No. 153/1998, SG No. 119/2002) the buildings of the higher schools and the academies, used for teaching and scientific research;

9. the houses of worship appertaining to lawfully registered religious denominations in Bulgaria;

10. the parks, the sports grounds, the playgrounds and other such immovables for public use;

11. (repealed, SG No. 153/1998);

11a. (new, SG No. 109/2001) the buildings designated as cultural landmarks, where not used for a for-profit purpose;

12. the museums, the galleries, and the libraries;

13. (amended, SG No. 119/2002) the immovables which are directly used for the operation of public transport;

14. the farm buildings appertaining to agricultural producers and used for agricultural activities;

15. the temporary buildings servicing the construction of a new building or facility, until completion and commissioning of the said new building or facility;

16. (supplemented, SG No. 153/1998) the buildings declared according to the established procedure to present a risk of spontaneous collapse or are harmful in terms of sanitation and hygiene, for a period of five years reckoned from the date of issue of the initial certificate;

17. (new, SG No. 153/1998) the corporeal immovables whereof the ownership has been restituted by law and which are unusable, for a period of five years. The tax on any such immovables, which are used by the State, the municipalities, the public organizations or by commercial corporations wherein they hold a participating interest, including privatized commercial corporations, shall be due from the users;

18. (new, SG No. 18/2004, amended, SG No. 55/2007) the buildings which have been commissioned prior to 1 January 2005 and which have received a Category A certificate, issued according to the procedure established by the Energy Efficiency Act, as follows:

(a) for a period of 7 years reckoned from the year following the year of issue of the certificate;

(b) for a period of 10 years reckoned from the year following the year of issue of the certificate, if they apply also measures for utilization of renewable energy sources for production of energy for satisfying the needs of the building;

19. (new, SG No. 18/2004, amended, SG No. 55/2007) the buildings which have been commissioned prior to 1 January 2005 and which have received a Category B certificate, issued according to the procedure established by the Energy Efficiency Act, as follows:

(a) for a period of 3 years reckoned from the year following the year of issue of the certificate;

(b) for a period of 5 years reckoned from the year following the year of issue of the certificate, if they apply also measures for utilization of renewable energy sources for production of energy for satisfying the needs of the building.

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

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

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

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

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

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

Article 26

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

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

Article 28. (1) (Supplemented, SG No. 153/1998, amended, SG No. 102/2000) Immovable property tax shall be payable in four equal installments within the following periods: from the 1st day of February to the 31st day of March, not later than the 30th day of June, not later than the 30th day of September, and not later than the 30th day of November in the year wherefor the tax is due.

(2) Any taxpayer, who or which prepays the amount of tax due for the whole year by the time limit for payment of the first installment, shall enjoy a rate rebate of 5 per cent.

(3) (New, SG No. 100/2005) Upon transfer of a corporeal immovable or upon creation of rights in rem to a corporeal immovable, the tax due until the said transfer or creation, including for the month of the transfer or creation, shall be paid by the transferor or creator prior to the said transfer or creation.

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

## Section II

### Inheritance Tax

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. the corporeal immovables: at the assessed value arrived at according to Annex 2 hereto;
2. the foreign currency and precious metals: at the central exchange rate of the Bulgarian National Bank;
3. the securities: at fair market value or, where the fair market value cannot be established without considerable cost or difficulty, at face value;
4. (Amended, SG No. 109/2001, SG No. 45/2002) the transport vehicles: at the insured value;



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

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

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

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

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

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

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

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

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

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

4. any reliefs provided for by the law.

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

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

Article 36. (Amended, SG No. 106/2004) Inheritance tax shall be assessed separately in respect of each legal or testamentary heir as follows:

1. applicable to siblings and the children of siblings: 0.7 per cent per portion in excess of BGN 250,000;

2. applicable to any persons other than such referred to in Item 1: 5 per cent per portion in excess of BGN 250,000.

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

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

1. the estate of those who fell for the Republic of Bulgaria or in the line of duty, or who died in industrial accidents or natural disasters;

2. (Supplemented, SG No. 109/2001, SG No. 119/2002) the estate settled on the State, the municipalities, the Bulgarian Red Cross, the lawfully registered religious denominations in Bulgaria, the community centres (chitalishte) and other legal persons which are not merchants, with the exception of the non-profit organizations designated for pursuit of private- benefit activities;

3. any ordinary household furnishings;

4. any small farm implements;

5. libraries and musical instruments;

6. any works of art whereof the author is the ancestor, any of the heirs or a lineal relative thereof up to any degree of consanguinity, or a collateral relative up to the fourth degree of consanguinity;

7. the ancestor's pensions payable;

8. the estates of Bulgarian citizens located abroad, in respect of which inheritance tax has been paid in the respective State.

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

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

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

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

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

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

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

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

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

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

### Section III

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

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

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

(3) (New, SG No. 112/2003, amended, SG No. 106/2004) Paragraph (1) shall not apply to any motor vehicles which have been imported into Bulgaria as new.

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

(5) (New, SG No. 106/2004) No tax shall be levied on any properties acquired by donation between lineal relatives and between spouses.

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

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

Article 46. (1) The base for assessment of the tax shall be the assessed value of the property in lev terms at the time of the transfer.

(2) The property shall be valued as follows:

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

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

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

Article 47. (1) Upon donation of property, as well as in the cases covered under Article 44 (2) herein, tax shall be charged on the assessed value of the transferred property at the rate of:

(a) (Repealed, SG No. 106/2004);

(b) (Amended, SG No. 106/2004) 0.7 per cent: on donations between siblings and the children of siblings;

(c) (Amended, SG No. 106/2004) 5 per cent: on donations between any persons other than the persons referred to in Littera (b).

(2) Where property is onerously acquired, the tax shall be at the rate of 2 per cent of the assessed value of the transferred property, and in the case of exchange, of the assessed value of the more valuable property.

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

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

1. any properties acquired by:

(a) the State and the municipalities;

(b) (supplemented, SG No. 153/1998) any Bulgarian public-financed health, educational, cultural and scientific research organizations, as well as any public care homes and care homes for orphaned and abandoned pre-school children;

(c) the Bulgarian Red Cross;

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

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

and cultural landmarks;

2. (amended, SG No. 106/2004) any donations for medical treatment of Bulgarian citizens, as well as of technical aids for people with disabilities;

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

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

5. any customary gifts;

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

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

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

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

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

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

(2) Should any property received under Paragraph (1) be transferred to third parties, the uncollected tax shall become due if it is proven that the transfer is not connected to attainment of the immediate objectives wherefor the respective organization, listed under Paragraph (1), has been established, or where the said objectives have been cited as ground for exemption from tax.

Article 49. (Amended, SG No. 103/1999, supplemented, SG No. 102/2000, amended and supplemented, SG No. 109/2001, SG No. 119/2002, amended, SG No. 112/2003) (1) The tax shall be paid at the municipality exercising competence over the situs of the corporeal immovable, and in the remaining cases, (at the municipality exercising competence over) the permanent address or the registered office of the taxable person, as the case may be. Any person who does not have a permanent address shall pay the tax according to the current address thereof.

(2) The tax shall be paid upon the transfer of the corporeal immovable, the limited real rights to a corporeal immovable and the motor vehicles.

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

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

Article 51. (1) (Amended, SG No. 103/1999, SG No. 36/2004) The recording offices shall notify the competent municipality of any transferred, created, modified or terminated real rights to corporeal immovables within seven days, and the Ministry of the Interior and the other competent authorities shall notify (the competent municipality) of any motor vehicles which have been registered, deregistered and suspended from operation within seven days.

(2) The time limit referred to in Paragraph (1) shall begin to run as from the day next succeeding the (day of) recording or registration, deregistration or suspension from operation of the transport vehicle, as the case may be.

Section IV

## Transport Vehicle Tax

Article 52. Transport vehicle tax shall be levied on:

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

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

Article 54. (Amended, SG No. 103/1999) (1) (Redesignated from Article 54 and amended, SG No. 109/2001, amended and supplemented, SG No. 112/2003, SG No. 106/2004) The owners of transport vehicles shall declare the transport vehicles owned thereby to the municipality exercising competence over the permanent address or the registered office thereof, as the case may be, within two months after acquisition of any such vehicles. In respect of any transport vehicles, which have not been registered for operation within Bulgaria, the two-month time limit shall begin to run as from the date of registration of any such vehicles for operation. Upon acquisition of a transport vehicle by succession, the declaration shall be submitted within the time limit established by Article 32 herein.

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

(3) (New, SG No. 119/2002, amended, SG No. 105/2006) The owners of transport vehicles shall claim the right thereof to exemption from tax or to enjoyment of a rate rebate by means of a tax return submitted within the time limit under Paragraph (1). No such return shall be submitted in the event of theft or destruction of a transport vehicle.

(4) (New, SG No. 119/2002, amended, SG No. 105/2006) The municipal administration officer may require presentation of documents certifying facts and circumstances relevant to taxation. Upon theft or destruction of a transport vehicle, the taxable person shall present a document issued by a competent authority and certifying the relevant circumstance.

(5) (New, SG No. 119/2002) The tax return submitted by one of the co-owners shall benefit the rest of the co-owners.

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

(7) (New, SG No. 106/2004, supplemented, SG No. 105/2006) Upon submission of a declaration under Paragraph (1), the owner shall present a documentary proof of the tax paid upon acquisition of the transport vehicle declared, and in the cases referred to in Article 168 of the Value Added Tax Act, a document certifying remittance of the value added tax.

(8) (New, SG No. 100/2005) Where the certificate of registration of the transport vehicles covered under Article 55 (9) herein does not state any data on the permissible maximum weight of the combination of transport vehicles, the permissible maximum weight of the combination of transport vehicles as designated by the manufacturer shall be stated in the declaration referred to in Paragraph (1).

Article 55. (Amended and supplemented, SG No. 153/1998, amended, SG No. 109/2001, SG No. 45/2002) (1) (Amended, SG No. 112/2003) In respect of passenger cars, the amount of tax shall be determined in conformity with the engine power, adjusted by a coefficient depending on the year of manufacture as follows:

1. (amended, SG No. 100/2005) up to 37 kW incl.: BGN 0.34 per kW;
2. (amended, SG No. 100/2005) from 37 kW to 55 kW incl: BGN 0.40 per kW;
3. (amended, SG No. 100/2005) from 55 kW to 74 kW incl.: BGN 0.54/kW;

4. (amended, SG No. 100/2005) from 74 kW to 110 kW incl.: BGN 1.10/kW;

5. (amended, SG No. 100/2005) over 110 kW: BGN 1.23/kW.

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

Number of years since year of manufacture, incl. year of manufacture	Coefficient
More than fourteen years	1
Less than five and more than fourteen years inclusive	1.5
Up to five years inclusive	2.8

(2) The following tax shall be charged in respect of passenger car trailers:

1. cargo trailer: BGN 5.00;
2. camping trailer: BGN 10.00.

(3) A tax of BGN 10.00 shall be charged in respect of mopeds, and the following tax shall be charged in respect of motorcycles:

1. up to 125 cc incl.: BGN 12.00;
2. over 125 and up to 250 cc incl.: BGN 25.00;
3. over 250 and up to 350 cc incl.: BGN 35.00;
4. over 350 and up to 490 cc incl.: BGN 50.00;
5. over 490 and up to 750 cc incl.: BGN 75.00;
6. over 750 cc incl.: BGN 100.00.

(4) In respect of tricars, the tax shall be assessed depending on the total weight:

1. up to 400 kg incl.: BGN 4.00;
2. over 400 kg: BGN 6.00.

(5) In respect of buses, the tax shall be assessed depending on the number of seats:

1. up to 22 seats, incl. the driver's seat: BGN 50.00;
2. over 22 seats, incl. the driver's seat: BGN 6.00

(6) (Supplemented, SG No. 106/2004) In respect of cargo trucks of up to 12 tonnes of legally permissible maximum weight, a tax of BGN 10.00 shall be charged per tonne of load-carrying capacity or fraction.

(7) (Repealed, SG No. 100/2005).

(8) (Repealed, SG No. 100/2005).

(9) (Amended, SG No. 100/2005, SG No. 105/2006) In respect of truck tractors and trailer tractors: depending on the permissible maximum weight of the combination of transport vehicles, of the number of axles and the type of suspension of the tractor, indicated in the certificate of registration of the tractor, as follows:

Number of axles of the truck tractor/ trailer tractor	Permissible maximum weight of the combination of transport vehicles, indicated in the certificate of registration of the tractor		Tax (BGN)	
	equal or greater than	less than	driving axle/axles with pneumatic or pneumatic-equivalent suspension	other suspension systems of the driving axle or axles
(A) two axles		18	8	28
	18	20	28	64
	20	22	64	147
	22	25	190	342
	25	26	342	600
	26	28	342	600
	28	29	331	399
	29	31	399	655
	31	33	655	909
	33	38	909	1,381
	38		1,007	1,369
(B) three and more axles	36	38	640	888
	38	40	888	1,228
	40		1,228	1,817

(10) In respect of special-purpose construction vehicles (concrete delivery trucks, concrete pumps etc.), crane

trucks, special-purpose trailers for transportation of heavyweight or oversize loads and other special-purpose automobiles, excluding electric buses, a tax of BGN 50.00 shall be charged.

(11) In respect of crane trucks of load-carrying capacity exceeding 40 tonnes, special-purpose trailers of load-carrying capacity exceeding 40 tonnes for transportation of heavyweight or oversize loads, a tax of BGN 100.00 shall be charged.

(12) In respect of tractors, the following tax shall be charged:

1. (amended, SG No. 100/2005) from 11 kW to 18 kW incl: BGN 5.00;
2. (amended, SG No. 100/2005) over 18 kW and up to 37 kW incl: BGN 7.00;
3. (amended, SG No. 100/2005) over 37 kW: BGN 10.00.

(13) In respect of any other self-propelled vehicles, a tax of BGN 25.00 shall be charged.

(14) In respect of motor sleds, a tax of BGN 50.00 shall be charged.

(15) (New, SG No. 106/2004, amended, SG No. 100/2005, SG No. 105/2006) In respect of cargo trucks of permissible maximum weight, a tax shall be charged depending on the permissible maximum weight, the number of axles and the type of suspension as follows:

Number of motor vehicle axles	Permissible maximum weight		Tax (BGN)	
	equal or greater than	less than	driving axle or axles with pneumatic or pneumatic-equivalent suspension	other suspension systems of the driving axle or axles
(A) two axles	12	13	30	61
	13	14	61	168
	14	15	168	237
	15		237	536
(B) three axles	15	17	61	106
	17	19	106	217
	19	21	217	282
	21	23	282	434
	23		434	675



(C) axles	four	23	25	282	286
		25	27	286	446
		27	29	446	708
		29		708	1,050

Article 56. (1) (Amended, SG No. 153/1998, SG No. 109/2001) In respect of ships recorded in the registers of small ships at Bulgarian ports and such recorded in the municipal registers for ships operated on the internal waters without contact with the Black Sea and the River Danube, excluding yachts and scooters, BGN 1.00 shall be charged per gross ton or fraction.

(2) (Amended and supplemented, SG No. 153/1998, amended, SG No. 109/2001) In respect of ships excluding yachts, scooters, tug boats and push boats, recorded in the register of large ships at Bulgarian ports, BGN 1.00 shall be charged per gross ton or fraction up to 40 gross tons inclusive, and BGN 0.10 shall be charged per gross ton or fraction in excess of 40 gross tons.

(3) (Amended, SG No. 153/1998) A tax of BGN 100.00 shall be charged in respect of each jetski.

(4) (New, SG No. 153/1998, amended, SG No. 109/2001) In respect of yachts and motor cruisers, a tax of BGN 20.00 shall be charged per gross ton or fraction.

(5) (New, SG No. 153/1998, amended, SG No. 109/2001, SG No. 100/2005) A tax of BGN 2.70 per kilowatt shall be charged in respect of scooters.

(6) (New, SG No. 153/1998, amended, SG No. 100/2005) A tax of BGN 0.14 per kilowatt shall be charged in respect of tug boats and push boats.

(7) (New, SG No. 109/2001) In respect of river-going non-self propelled navigation vessels, the tax is hereby set at BGN 0.50 per ton deadweight.

Article 57. In respect of civil aircraft, a tax shall be charged as follows:

1. (Amended, SG No. 109/2001) in respect of airplanes in service with a valid airworthiness certificate and in respect of helicopters, a tax of BGN 20.00 shall be charged per ton of maximum take-off weight or fraction;

2. (Amended, SG No. 109/2001) in respect of para gliders: BGN 12.00;

3. (Amended, SG No. 109/2001) in respect of hang gliders: BGN 12.00;

4. (Amended, SG No. 109/2001) in respect of powered gliders: BGN 20.00;

5. (Amended, SG No. 109/2001) in respect of free balloons: BGN 30.00;

6. (Amended, SG No. 109/2001) in respect of gliders: BGN 30.00.

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

1. (Amended, SG No. 153/1998) any transport vehicles owned by state and municipal bodies and by public-financed organizations which enjoy special traffic privileges, as well as ambulances and fire trucks appertaining to other persons;

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

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

4. (amended, SG No. 153/1998, SG No. 112/2003, SG No. 100/2005) any tricar or passenger cars owned by disabled persons who have lost between 50 and 100 per cent of the working capacity thereof, of an engine capacity not exceeding 1,800 cubic centimetres and engine power not exceeding 74 kW.

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

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

(4) (New, SG No. 45/2002, amended, SG No. 105/2006) No tax shall be collected in respect of any transport vehicle which shall not be operated, subject to the condition that the owner of the said vehicle has surrendered the registration certificate and has presented a certificate of dismantling prior to the end of the last preceding year.

Article 59. (1) (Amended, SG No. 100/2005) A rate rebate of 50 per cent shall apply to the tax on passenger cars of engine power not exceeding 74 kW, equipped with operative catalytic converters.

(2) (Amended, SG No. 109/2001, SG No. 45/2002, SG No. 100/2005, SG No. 105/2006) A rate rebate of 50 per cent shall apply to the tax under Article 55 (5), (6), (9) and (15) herein in respect of buses, cargo trucks, trailer tractors and truck tractors equipped with low-emission engines satisfying the Euro 2, Euro 3, Euro 4 and Euro 5 standards.

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

Article 60. (1) (Transport vehicle) tax shall be payable in two equal installments, not later than: the 31st day of March and the 30th day of September in the year wherefor the tax is due. Any taxpayer, who or which prepays the amount of tax due for the whole year by the time limit for payment of the first installment, shall enjoy a rate rebate of 5 per cent.

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

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

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

(5) (Amended, SG No. 102/2000, SG No. 112/2003) In respect of any destroyed or stolen transport vehicle, the tax paid shall be refunded in proportion to the number of clear months remaining until the end of the year, reckoned from the month of occurrence, upon presentation of a (supporting) document issued by the relevant competent authority.

(6) (Amended, SG No. 105/2006) Payment of the tax shall be condition for compliance at the annual inspection of the transport vehicle.

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

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

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

Article 61. (Amended, SG No. 109/2001, SG No. 112/2003) (Transport vehicle) tax shall be credited to revenue of the municipality where the owner of the transport vehicle, who has submitted the declaration, has his, her or its permanent address or registered office, as the case may be, and where no such declaration has been submitted and in the cases under Article 54 (2) herein, to revenue of the municipality where the transport vehicle has been registered.

Section V

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

## Road Tax

Article 61a. (Amended, SG No. 6/2004, repealed, SG No. 106/2004)

Article 61b. (Repealed, SG No. 106/2004).

Article 61c. (Repealed, SG No. 106/2004).

Article 61d. (Amended, SG No. 6/2004, repealed, SG No. 106/2004)

Article 61e. (Amended, SG No. 112/2003, repealed, SG No. 106/2004)

Article 61f. (Supplemented, SG No. 112/2003, repealed, SG No. 106/2004)

Article 61g. (Supplemented, SG No. 112, repealed, SG No. 106/2004).

## Chapter Three

## LOCAL FEES

### Section I

#### Household Waste Fee

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

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

(2) (Amended, SG No. 153/1998) The boundaries of the areas and the type of the services provided under Article 62 herein in the relevant area, as well as the frequency of waste removal, shall be determined by an order of the (competent) municipality mayor and shall be made public on or before the 30th day of October in the year last preceding the year for which the fee is due.

Article 64. (1) (Amended, SG No. 119/2002, effective 1.01.2004) The fee shall be paid by the owner of the immovable or, where a real right of use has been created, by the user, according to the expenses as approved by the Municipal Council for the relevant year for each of the activities covered under Article 62 herein.

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

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

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

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

1. provision of receptacles for storage of household waste: containers, dust bins etc.
2. collection of household waste and transportation of the said waste to sanitary landfills or other facilities and installations for the safe disposal thereof;
3. (Amended, SG No. 109/2001) research, design, construction, maintenance, operation, closure and monitoring of sanitary landfills for household waste or other facilities and installations for safe disposal of household waste;
4. cleaning of street roadways, squares, driveways, parks and other spatial-development areas of settlements assigned for public use.

(2) (Repealed, SG No. 119/2002, effective 1.01.2005) The fee shall be collected by the tax administration.

(3) (New, SG No. 153/1998) Should the Municipal Council fail to determine an amount of the household waste fee

for a relevant current year before the end of the last preceding year, the said fee shall be charged on the basis of the amount effective at the 31st day of December in the last preceding year.

(4) (New, SG No. 106/2004, repealed, SG No. 100/2005) .

(5) (New, SG No. 109/2001, renumbered from Paragraph (4), SG No. 106/2004) Any approved cost estimate for determination of the expenses of municipalities referred to in Paragraph (1) shall be subject to examination by the National Audit Office.

Article 67. (1) (Redesignated from Article 67, SG No. 153/1998, amended, SG No. 109/2001, SG No. 119/2002, effective 1.01.2004) The amount of the (household waste) fee shall be determined in lev terms according to the quantity of household waste.

(2) (Redesignated from sentence two of Item 2, SG No. 153/1998, amended, SG No. 119/2002, effective 1.01.2004) Where the quantity of household waste, referred to in Paragraph (1), is unascertainable, the amount of the fee shall be determined in lev terms per user or as a proportion of a base as shall be determined by the Municipal Council.

(3) (New, SG No. 109/2001, amended, SG No. 119/2002, effective 1.01.2004) The amount of the fee determined depending on the quantity of household waste receptacles shall include the costs referred to in Items 1, 2 and 3 of Article 66 (1) herein.

(4) (New, SG No. 109/2001, amended, SG No. 119/2002, effective 1.01.2004) The fee for sanitation of the spatial-development areas for public use in the nucleated settlements shall be determined in lev terms or as a proportion of a base as shall be determined by the Municipal Council.

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

Article 69. (Amended, SG No. 119/2002, effective 1.01.2004)

(1) (Household waste) fee shall be payable according to a procedure established by the Municipal Council.

(2) The municipality shall notify the persons covered under Article 64 herein of the fees due therefrom for the relevant period and of the time limits for payment.

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

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

1. (Amended, SG No. 103/1999, SG No. 119/2002, effective 1.01.2004) household waste collection and household waste removal, where the service is not provided by the municipality;

2. sanitation of the spatial-development areas for public use: where the service is not provided by the municipality;

3. safe disposal of household waste and maintenance of sanitary landfills for household waste and other facilities for safe disposal of household waste: where no such are available.

Section II

Fees for Use of Retail and Wholesale Markets, Sidewalks, Squares,

Street Roadways, Fairs and Grounds Assigned to Other Uses

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

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

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

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

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

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

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

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

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

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

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

Article 80. The municipal authority, which has issued a licence for use of space, may revoke the said licence where the space is not used for the assigned purpose, where the space is not used by the licensed user, or where public needs so require.

### Section III

Fees for Creches, Kindergartens, Public Care Homes, Camps and

Other Municipal Social Services

(Heading amended, SG No. 119/2002)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Section IV

(Amended and supplemented, SG No. 71/1998, amended, SG No. 153/1998,

supplemented, SG No. 102/2000, amended, SG No. 109/2001, SG No. 56/2002)

### Visitor Fee

Article 93. (1) (Amended, SG No. 94/2005) A fee shall be paid for use of a collective tourist accommodation establishment, a supplementary tourist accommodation or a hikers' chalet within the meaning given by the Tourism Act.

(2) (Amended, SG No. 119/2002) The proceeds from the visitor fee shall be credited to the on-budget account of the municipalities.

(3) (New, SG No. 112/2003, amended, SG No. 94/2005) The proceeds from the visitor fee from the collective tourist accommodation establishments, the supplementary tourist accommodations and the hikers' chalets shall be expended according to a municipal programme for development of tourism, which shall be adopted annually, solely on:

1. construction and maintenance of the infrastructure servicing tourism within the territory of the municipality, including local roads connecting resorts with airports, railway stations and bus stations, as well as with cultural landmarks and historical heritage sites;

2. establishment of tourist information centres and arrangement of information services;

3. conservation, maintenance and development of greenspaces;

4. sanitation and hygiene measures;

5. promotion at home and abroad of tourism establishments located within the territory of the municipality.

Article 93a. (1) The amount of the fee shall be determined by resolution of the Municipal Council not later than the 30th day of June in the last preceding year.

(2) Should the Municipal Council fail to determine the fee within the time limit established by Paragraph (1), the amount of the fee effective during the last preceding year shall continue in effect for the next succeeding year.

(3) (New, SG No. 112/2003) In the cases covered under Article 93 (1) herein, the Municipal Council shall determine the amount of the fee after advance consultation with the Municipal Tourist Board in the process of adoption of the annual programme for development of tourism.

Article 94. (Amended, SG No. 94/2005) The fee shall be paid by each person using a collective tourist accommodation establishment, a supplementary tourist accommodation or a hikers' chalet simultaneously with the payment for the service.

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

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

Article 97. (Amended, SG No. 119/2002, SG No. 94/2005) The fee shall be collected by the natural or legal persons who or which supply the service of overnight accommodation at a collective tourist accommodation establishment, a supplementary tourist accommodation or a hikers' chalet, and shall be credited to the on-budget account of the municipalities not later than the 15th day of the month next succeeding the month wherein the fee was collected.

## Section V

### Quarrying Fees

Article 98. Fees shall be charged for extraction of pit run, including such recovered from the bottom of water bodies.

Article 99. (1) The fees shall be charged from the natural or legal persons who or which extract the pit run.

(2) Any persons, who have been awarded a concession including extraction from the relevant deposit, shall not owe any fees under this Section.

Article 100. The fees shall be determined separately in respect of each type of material according to the gross output determined:

1. according to the production records mandatorily kept by each quarry;

2. according to the quantities specified in the temporary or one-time permit for extraction of pit run.

Article 101. (Amended, SG No. 119/2002) The amount of the fees shall be determined according to Articles 8, 8 and 9 herein:

1. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of bank sand and pit sand, gravel and ballast;

2. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of quartz sand used in glass-making and cutting sand;

3. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of sandy loam material used for manufacture of bricks, roof tiles and ridge tiles, interior and exterior plastering;

4. in respect of clay:

(a) (Amended, SG No. 109/2001, repealed, SG No. 119/2002);

(b) (Amended, SG No. 109/2001, repealed, SG No. 119/2002);

5. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of foundry sand;

6. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of rubble, crushed stone and mosaic of sedimentary, eruptive, arenaceous and other rocks;

7. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of common stones of calcareous sandstone, limestone, travertine, dolomite, marble, aragonite, coquinoïd limestone, conglomerate etc. used for interior and exterior facing;

8. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of limestone, marl and calcite used for production of lime;

9. (Amended, SG No. 109/2001, SG No. 119/2002) in respect of limestone, marl, and sandy loam material used for production of cement;

10. in respect of stone for manufacture of:

(a) (Amended, SG No. 109/2001, SG No. 119/2002) paving blocks;

(b) (Amended, SG No. 109/2001, SG No. 119/2002) rolls, millstones, grindstones and whetstones;

(c) (Amended, SG No. 109/2001, SG No. 119/2002) baseboards, eaves, steps and other such of sandstone, trochoid, marl and other of sedimentary rocks;

(d) (Amended, SG No. 109/2001, SG No. 119/2002) baseboards, eaves, steps and other such of granite, syenite, basalt, diorite, rhyolite, andesite and other of hard eruptive rocks;

(e) (Amended, SG No. 109/2001, SG No. 119/2002) sidewalk flagstones and roof slabs.

Article 102. The fees shall be paid:

1. every month: in the cases referred to in Item 1 of Article 100 herein;

2. before extraction of the pit run in the cases referred to in Item 2 of Article 100 herein.

Article 103. (Supplemented, SG No. 102/2000) The fees shall be credited to revenue of the budget of the municipality exercising jurisdiction over the place of extraction of the pit run not later than the 15th day of the month next succeeding the month of extraction.

Section VI

## Technical Service Fees

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

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

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

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

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

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

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

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



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

## Section VII

### Administrative Service Fees

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

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

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

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

8. issuance of a survivor benefit certificate.

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

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

Article 113. (Amended, SG No. 109/2001, amended and supplemented, SG No. 119/2002, amended, SG No. 106/2004) (1) Fees shall be charged for issuance of permits and for practice of activities in amounts determined by the (competent) Municipal Council, in compliance with the following principles:

1. the amount of the fees shall be determined on the basis of the expenses incurred by the municipality for the handling of the documents and for verification of compliance with the requirements set for practice of the activity;

2. upon discontinuance of the operation of a distributive trade establishment, the municipality shall refund part of the annual fee in proportion to the period during which the activity is not performed;

3. in the case of seasonal work, the annual fee shall be paid in an amount proportionate to the period of performance of the said work.

(2) The following fees shall be collected under Paragraph (1):

1. an initial fee: for issuance of a permit for trade under Article 30 (1) of the Tobacco and Tobacco Products Act;

2. an annual fee: for verification of compliance with the requirements for practice of the following activities:

(a) trade in tobacco products under Article 30 (1) of the Tobacco and Tobacco Products Act;

(b) storage, keeping, seasoning and wholesale trade in grape products, alcohol, distillates and spirit drinks;

(c) retail trade in grape products, alcohol, distillates and spirit drinks;

(d) trade in spirit drinks at mass-catering and amusement establishments;

3. a daily fee: for a temporary stall for sale of grape products, alcohol, distillates and spirit drinks at fairs, local community festivals, corporate promotional campaigns and other such.

(3) In respect of the year of issuance of the permit or of commencement of practice of the activity, the annual fee shall be paid in the amount of one-twelfth of the annual fee for each clear month remaining until the end of the year, including the month of issuance.

(4) A person may not commence the relevant business prior to the issuance of a permit. A permit shall be issued upon presentation of a document certifying that there are no outstanding tax liabilities as well as other financial obligations to the municipality, whether declared or ascertained by a written statement of a competent authority at the date of issuance of the certificate.

Article 114. (Supplemented, SG No. 109/2001, amended, SG No. 106/2004) The initial fee referred to in Item 1 of Article 113 (3) herein shall be paid by the persons upon submission of the request for issuance of a permit, and the annual fee referred to in Item 2 of (Article 113) (3) shall be paid on or before the 31st day of January.

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

## Section VIII

### Dog Ownership

(Amended, SG No. 109/2001, repealed, SG No. 119/2002,

new, SG No. 87/2005)

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

registered office, as the case may be.

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

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

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

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

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

#### Section IX

#### Grave Plots Lease

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

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

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

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

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

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

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

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

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

#### Section X

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

#### Properties

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

#### Chapter Four

#### ADMINISTRATIVE PENALTY PROVISIONS

Article 123. (1) (Amended, SG No. 102/2000) Any person, who or which fails to submit a tax return under Article 14 herein in due time, or who fails to state or misstates any particulars or circumstances leading to underassessment of the tax or to exemption from tax, shall be liable to a fine of BGN 10 or exceeding this amount but not exceeding BGN 400 (if a natural person) or, if a legal person, to a pecuniary penalty of BGN 100 or exceeding this amount but not exceeding BGN 1,000, unless subject to a severer sanction.

(2) (Amended, SG No. 102/2000) Any manager and accountant of an enterprise shall be liable to a fine of BGN 20 or exceeding this amount but not exceeding BGN 200 for any failure to submit a tax return referred to in Article 17 herein in due time, as well as for stating untrue particulars which have led to underassessment of the tax.

(3) (New, SG No. 109/2001, amended, SG No. 119/2002) Any person, who or which shall declare any particulars

and circumstances leading to reduction of or exemption from fee, will be liable to a fine of BGN 50 or exceeding this amount but not exceeding BGN 200 (if a natural person) or, if a legal person, to a pecuniary penalty of BGN 100 or exceeding this amount but not exceeding BGN 500.

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

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

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

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

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

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

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

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

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

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

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

#### SUPPLEMENTARY PROVISION

§ 1. Within the meaning given by this Act:

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

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

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

4. "Agricultural producers" shall be natural or legal persons, who or which produce agricultural produce for sale on the market.

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

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

7. (Amended, SG No. 153/1998, supplemented, SG No. 109/2001) "Household waste" shall be waste resulting from

the life activities of people at home, yards, and at office, social and public buildings. Waste from distributive- trade establishments and accessory handicraft activities, enterprises, recreational and entertainment establishments shall be subsumed under household waste where not having the nature of hazardous waste and where, concurrently, the amount or composition thereof will not impede their treatment with household waste.

8. "Bulky household waste" shall be the household waste which, on account of the size or weight thereof, cannot be deposited in the receptacles provided for deposition of household waste, or presents difficulty upon loading.

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

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

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

(a) (Amended, SG No. 119/2002, SG No. 112/2003) the assisted living supplement, paid to persons who have lost more than 90 per cent of the working capacity thereof and who are entitled to assisted living;

(b) the sums which the residents of public care homes receive as remuneration in occupational therapy;

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

(d) the humanitarian donations made to residents of public care home and beneficiaries of other forms of social services;

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

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

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

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

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

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

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

18. (New, SG No. 112/2003) "Destroyed transport vehicles" shall be the transport vehicles accepted for dismantling and storage at the places designated for this, and the transport vehicles which are not subject to reconditioning.

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

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

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

22. (New, SG No. 106/2004) "Motor vehicles imported as new", within the meaning given by Article 44 (3) of this Act, shall be the motor vehicles in respect of which the following conditions are simultaneously fulfilled:

(a) not more than six months have lapsed since the date of the initial registration thereof (including the initial registration abroad);

(b) the said vehicles have covered not more than 6,000 kilometres.

#### TRANSITIONAL AND FINAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

repealed.

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

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

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

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

Act to Amend and Supplement the Local Taxes and Fees Act

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

#### FINAL PROVISION

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

Tax Procedure Code

Promulgated, SG No. 103/30.11.1999 (effective 1.01.2000)

#### TRANSITIONAL AND FINAL PROVISIONS

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

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

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

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

Act to Amend and Supplement the Local Taxes and Fees Act

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

No. 45/2002 (effective 1.01.2002)

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

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

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

Act to Amend and Supplement the Tax Procedure Code

Promulgated, SG No. 45/30.04.2002 (effective 30.04.2002)

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§ 93. (1) Any fines imposed under Article 186 of the Road Traffic Act shall be collected according to the procedure established by the Tax Procedure Act.

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

Tourism Act

Promulgated, SG No. 56/7. 06. 2002 (effective 1.10.2002)

#### TRANSITIONAL AND FINAL PROVISIONS

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

Act to Amend and Supplement the Local Taxes and Fees Act

Promulgated, SG No. 119/27.12.2002 (effective 1.01.2003)

#### TRANSITIONAL AND FINAL PROVISIONS

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

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

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

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

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

Act to Amend and Supplement the Code of Civil Procedure



## FINAL PROVISIONS

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

Act to Amend and Supplement the Local Taxes and Fees Act

Promulgated, SG No. 112/23.12.2003 (effective 1.01.2004),

supplemented, SG No. 6/23.01.2004 (effective 1.04.2004)

## TRANSITIONAL AND FINAL PROVISIONS

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

§ 21. (1) The tax administration authorities shall calculate, update and notify the persons referred to in Article 64 (of the Local Taxes and Fees Act) of the household waste fees owed thereby for 2004 and of the time limits for payment, together with the notices of the immovable property tax, in the cases where the methods for assessment of the said fees have not been changed.

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

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

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

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

Act to Amend and Supplement the Cadastre and Property Register Act

Promulgated, SG No. 36/30.04.2004

## TRANSITIONAL AND FINAL PROVISIONS

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

Act to Amend and Supplement the Local Taxes and Fees Act

Promulgated, SG No. 106/3.12.2004 (effective 1.01.2005)

#### TRANSITIONAL AND FINAL PROVISIONS

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

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

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

Lev Re-denomination Act

Promulgated, State Gazette No. 20/5.03.1999,

amended, SG No. 65/20.07.1999 (effective 5.07.1999).

#### TRANSITIONAL AND FINAL PROVISIONS

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

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

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

Veterinary Practices Act

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

#### TRANSITIONAL AND FINAL PROVISIONS

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

§ 24. Within six months after the entry of this Act into force, the Council of Ministers shall lay before the National

Assembly a Bill on a National Professional Organization of Veterinary Practitioners and the Procedure for Practising Veterinary Medicine.

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

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

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

Act to Amend and Supplement the Local Taxes and Fees Act

Promulgated, SG No. 100/2005, effective 1.01.2006

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#### SUPPLEMENTARY PROVISION

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

#### TRANSITIONAL AND FINAL PROVISIONS

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

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

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

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

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

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

#### TRANSITIONAL AND FINAL PROVISIONS

of the Administrative Procedure Code

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

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

Act to Amend and Supplement the Local Taxes and Fees Act

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

## TRANSITIONAL AND FINAL PROVISIONS

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

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

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

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

Annex 1

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

Annex 2

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

### Immovable Property Tax Assessment Rates

#### I. General Provisions

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

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

**Article 3.** (1) (Amended, SG No. 100/2005) The assessed value shall be determined by the officers of the municipal administration exercising competence over the situs of the property within two weeks after submission of a declaration completed in a standard form.

(2) (New, SG No. 100/2005) A tax assessment certificate shall be issued for the purposes of levy of inheritance tax and tax on acquisition of property, for determination of the stamp duties and notarial fees in the proceedings under the Code of Civil Procedure and in other cases provided for by the law.

(3) (Renumbered from Paragraph (2) and supplemented, SG No. 100/2005) Where no declaration for the purposes of immovable property taxation of the property has been submitted or where intervening alterations have occurred in the particulars as declared, an application shall be submitted, enclosing therewith a declaration completed in a standard form. Where an issuance of a tax assessment certificate for construction in progress is applied for, a memorandum of ascertainment, issued by the municipal (or borough) administration, certifying the stage of completion of the construction work, shall be attached to the application.

(4) (Amended, SG No. 112/2003, supplemented, SG No. 106/2004, renumbered from Paragraph (3), SG No. 100/2005, amended, SG No. 105/2006)

Any tax assessment certificates, issued until the 30th day of June in the relevant current year in pursuance of Article 264 (1) of the Tax And Social-Insurance Procedure Code, shall be valid until the said date, and any tax assessment certificates issued after the said date and until the end of the current year shall be valid until the end of the said current year. Where the tax liabilities in respect of the immovable have been paid for the full year and this circumstance has been entered in the certificate, the said certificates shall be valid until the end of the relevant current year regardless of the date of issue of the said certificate. Any tax assessment certificates on undeveloped agricultural land tracts shall be valid until the end of the relevant current year.

#### II. Tax Valuation of Buildings

**Article 4.** The assessed value of any building or part of buildings shall be arrived at proceeding from the base tax value per square metre, adjustment coefficients and space using the following formula:  $AV = BV \times Cl \times Ci \times Cc \times Ch \times Cw \times S$  where: AV is the assessed value in leva; BV is the base tax value per 1 square metre in leva; Cl is a coefficient of location; Ci is a coefficient of infrastructure; Cc is a coefficient of individual characteristics; Ch is a coefficient of height; Cw is a coefficient of wear and tear S is the space of the building or of part thereof in square metres.

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

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

Table 1

Structure Type Codes

Code	Structure
<i>1</i>	<i>2</i>
BN	brick nogged timber-framed structure
SS	semi-solid structure
S1	solid structure without reinforced-concrete members or of prefabricated asbestos-cement or other panels (bungalows), solid with partial use of reinforced-concrete members
S2	solid, large-panel
S3	solid with bearing brick walls and entirely cast-in-situ or prefabricated reinforced-concrete floor structures, solid or prefabricated skeleton and framed structure, lift-slab structure, large-panel and sliding forms, skeleton-beamless structures, special structure (steel etc.)

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

Table 2

Structure	Residential buildings		Non-residential buildings
	flats	houses	
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>

BN	4.40	3.70	4.80
SS	7.50	6.40	8.20
S1	11.00	9.40	12.10
S2	14.00	12.00	15.40
S3	17.00	14.50	18.70

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

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

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

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

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

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

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

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

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

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

Table 3

(Amended, SG No. 100/2005,  
amended, SG No. 105/2006)

Grade	Zone					Within development limits	Outside development limits	Country-house zone	
	I	II	III	IV	V			Grade 1	Grade 2
Sofia	62,4	49,9	42,1	28,1	18,7	17,2	15,6	43,7	25,0

Varna	59,3	46,8	37,4	28,1	18,7	17,2	15,6	40,6	21,8
as	45,2	39,0	34,3	23,4	15,6	14,0	12,5	34,3	15,6
a	42,1	35,9	29,6	22,6	15,6	14,0	12,5	29,6	15,6
v	39,0	32,8	25,0	21,8	15,6	14,0	12,5	25,0	15,6
I, Group 1	32,8	25,0	20,3	15,6	14,0	12,5	10,9	18,7	14,0
I, Group 2	21,0	15,0	10,6	7,6	-	6,0	4,6	9,0	7,6
II	14,4	8,6	7,2	5,8	-	4,3	3,6	5,8	4,3
III	7,9	5,8	4,3	-	-	3,6	2,9	4,3	3,6
IV, V	4,3	2,9	-	-	-	2,9	2,2	3,6	2,9
VI, VII, VIII	2,2	-	-	-	-	1,6	1,4	1,9	1,7

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

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

Table 4

(Amended, SG No. 100/2005,  
amended, SG No. 105/2006)

Grade	Location			
	favourable		Unfavourable	
	manufacturing	farm	manufacturing	Farm
Sofia	15,6	10,9	11,5	7,2
Varna	14,8	10,5	10,9	6,9

Bourgas	14,0	9,8	10,4	6,5
Stara Zagora	13,7	9,6	10,1	6,3
Plovdiv	13,3	9,4	9,8	6,0
I, Group 1	10,9	7,6	8,1	5,0
I, Group 2	9,4	6,6	7,0	4,3
II	7,8	5,5	5,8	3,6
III	4,7	3,3	3,5	2,2
IV, V	3,1	2,2	2,3	1,4
VI, VII, VIII	1,6	1,1	1,2	0,7

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

(b) "farm works" means buildings for livestock breeding and poultry breeding, buildings for crop husbandry, artificial insemination stations, incubator houses, feed preparation rooms, veterinary filters, warehouses and sheds for storage of farm produce, silos and incinerators;

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

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

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

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

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

- Group 1: Blagoevgrad, Veliko Turnovo, Kurdjali, Pernik, Pleven, Rousse, Sliven, Haskovo, Shoumen, Bansko, Nessebur, Sozopol;
- Group 2: Vidin, Vratsa, Gabrovo, Dobrich, Lovech, Montana, Pazardjik, Silistra, Smolyan, Razgrad, Turgovishte, Yambol, Aytos, Karnobat, Nova Zagora, Sevlievo, Harmanli, Troyan, Panagyurishte, Peshtera, Asenovgrad, Radomir, Samokov, Kazanluk, Radnevo, Chirpan, Popovo, Kozloduy, Kranevo, Balchik, Byala (Varna Region), Velingrad, Kyustendil, Sandanski, Kiten, Obzor, Pomorie, Primorsko, Sveti Vlas, Hissarya, Tsarevo.

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

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



an order of the Municipality Mayor.

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

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

Table 5

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

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

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

$$C_c = 1 + cc_1 + cc_2 + cc_3$$

where:

1. cc1 is an adjustment for height location of items in residential and predominantly residential buildings:

Table 6

Item located on	Adjustment (cc1)
-----------------	------------------

	in buildings of six and more stories without elevator		in any other buildings	
	non-residential	flats	non-residential	flats
1. First floor	+0.10	-0.05	+0.10	-0.05
2. Second to fifth floor	-0.03	+0.03	0.00	+0.03
3. Sixth and upper floor	-0.10	-0.03	-0.08	0.00

(a) where the items covered under Item 1 are located on the uppermost floor of a building of two and more stories, the adjustment cc1 shall be reduced by 0.05;

(b) applicable to studios, garages, basements and attics, the adjustment cc1 shall be nil;

2. cc2: adjustment for physical condition of the item:

Table 7

Physical condition	Value of cc2
No interior overhaul for more than 20 years	-0.05
Bad physical condition	from -0.10 to -0.60

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

(b) in the rest of the cases, cc2 shall be equal to nil;

3. cc3: adjustment for improvements of items:

$$cc3 = A + B + C + D + E + F$$

Table 8

Type of improvement	Value of cc3	
	available	not available

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

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

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

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

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

**Article 9.** (1) The coefficient of height (Ch) shall be arrived at in respect of any distributive-trade establishment, manufacturing or farm work, where the floor height exceeds 4 metres, using the following formula:  $Ch = (H - 3) \times 0.05$  where H is the actual floor height in metres, accurate to 0.5 metre. (2) The coefficient shall be calculated to three-place accuracy. (3) Applicable to any other item, the coefficient shall have a value of 1.

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

$$Cw = (100 - (NY - 5) \times PC) / 100$$

where:

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

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

Table 9

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

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

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

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

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

1. thirty per cent of the gross area thereof, where adjoining residential items;

2. sixty per cent of the gross area thereof, where adjoining non-residential items.

(3) The space as arrived at under Paragraph (2) shall be added to the space of items which the basements or attics adjoin.

(4) Where any basement or attic must be valued as self contained items, the space arrived at according to Paragraph (2) shall qualify as the space.

#### III. Tax Valuation of Construction in Progress

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

1. (amended, SG No. 100/2005) up to grade level: 37 per cent;

2. (amended, SG No. 100/2005) up to rough construction work: 63 per cent;

3. (repealed, SG No. 100/2005).

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

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

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

$$AV = BV \times C1 \times Ci \times Cz \times Cd \times SL + VI$$

where: AV is the assessed value in leva; BV is the base tax value per 1 square metre in leva;

C1 is a coefficient of location according to Table 3; Ci is a coefficient of infrastructure;

Cz is a coefficient of spatial development zone; Cd is a coefficient of building development;

SL is the surface area of the land, inclusive of the floor area, in square metres; VI is the tax value of improvements.

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

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

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

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

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

2. by 5 per cent, where located within 15 km from a nucleated settlement of Grade Two.

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

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

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

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

Table 10

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

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

**Article 16.** (1) The coefficient of spatial-development zone (Cz) shall be determined depending on the assigned use of the ground according to the detailed urban-development plan, as follows: 1. central zone, Cz = 1.10; 2. manufacturing, predominantly manufacturing and specifically manufacturing zones, Cz = 0.90, and land occupied by farmsteads, Cz = 0.80; 3. any other zone (residential, public service, parks, green spaces, sports facilities and other such), Cz = 1.00. (2) The coefficient under Paragraph (1) shall have the value of 1 applicable to any land outside the development limits of the nucleated settlement and applicable to any land within an unzoned nucleated settlement.

**Article 17.** The coefficient of building development (Cd) shall be determined in the following manner: 1. applicable to a degree of building development not exceeding 40 percent, as well as to undeveloped land, the said coefficient shall have the value of 1. The degree of building development shall be arrived at by dividing the floor area by the area of the property (parcel of land); 2. applicable to a degree of building development exceeding 40 percent, the following formula shall be used:  $C_d = 2 - 1.01 \cdot DB$  where DB is the degree of building development; 3. applicable to a degree of building development equal to 100 percent, Cd = 0.10; 4. the coefficient shall be calculated to two-place accuracy.

**Article 18.** (1) The tax value of improvements (VI) shall represent a sum total of the assessed values of the individual improvements. (2) The assessed value of each improvement shall be arrived at by multiplying the quantity thereof by the following values: 1. applicable to de luxe surfacing (excluding ordinary mosaic, concrete and clay and other flagging): BGN 35.00 per square metre; 2. applicable to solid fences (brickwork, concrete, metal, mixed) and retaining walls: BGN 8.00 per square metre (length by height); 3. applicable to permanently paved sports grounds: BGN 15.00 per square metre; 4. applicable to swimming pools durably affixed to the ground: BGN 23.00 per cubic metre; 5.

applicable to parking lots for public use, per square metre:  
 permanently paved: BGN 8.00; (b) any other: BGN 15.00.  
 Agricultural Land

(a) grassland and  
 V. Tax Valuation of

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

$$AV + BV \times CI \times SL$$

where:

AV is the assessed value in leva;

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

CI is the coefficient of location;

SL is the space of the land in square metres.

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

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

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

Grade of agricultural land	Forest site type	Prevailing characteristics	Forest zone, richness and moisture
1	2	3	4
III	3, 5, 7, 90, 92, 93, 106	Flood plain and riparian, rich	I-1, CD-23
IV	4, 8, 9, 6, 52, 53, 69	Flood plain and riparian, leaner	
V	10, 14, 16, 37, 40, 41, 42, 44, 46, 54, 62, 73, 74, 76, 77, 78, 79, 81, 82, 84, 105, 111, 112, 114, 116, 118, 136	Rich mountain	CD-23 (21*II, 6*I)

VI	1, 2, 11, 12, 13, 17, 18, 20, 22, 24, 25, 27, 29, 30, 31, 34, 35, 38, 43, 45, 47, 51, 55, 56, 58, 59, 60, 63, 64, 65, 67, 68, 70, 71, 72, 80, 83, 85, 86, 87, 94, 95, 97, 98, 99, 100, 101, 102, 104, 107, 109, 110, 113, 115, 117, 119, 121, 124, 125, 127, 133, 135, 140, 141, 142, 144, 145	Rich valley, leaner mountain	10*I-I-21  CD-23  (21* I, 4*II) 17*II B-12 3*III B-2 2*III C-23
VII	21, 23, 26, 28, 32, 33, 36, 61, 66, 75, 108, 120, 122, 128, 131, 138, 139, 143, 146, 147	Leaner valley	5*AB-1, 2, BC-12,  (8*I, 7*II)
VIII	15, 19, 48, 50, 57, 89, 96, 137	Dry non-lean, certain high-mountain	2*Ib-12,  2*IC-1  3*III-2 BC-3
IX	49, 88, 126, 129, 148, 149, 150	Dry and lean, certain high-mountain	4* A-1, 1*I, II B-12,  2*III BC-23
X	130, 103, 123, 132, 134	Very dry and lean	A-01  (2* AB-1, 3* A-01)

where:

the Roman numerals indicate forest zone;

\* - forest site;

A - very lean land; B - lean; C - medium rich; D - rich;

The numerals: 0 - very dry; 1 - dry; 2 - fresh, and 3 - wet.

Article 20. The base tax value (BV) shall be determined in Bulgarian lev terms per square metre of agricultural land depending on land classification and the manner of permanent use:

1. where not under irrigation according to the following table:

Table 11

Manner of permanent use	Base tax value by grade (BGN per square metre)
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	I	II	III	IV	V	VI	VII	VIII	IX	IX
1	2	3	4	5	6	7	8	9	10	11
Per manent crops	0.2 25	0.2 04	0.1 80	0.1 56	0.1 20	0.0 98	0.0 60	0.042	0.026	0.0 09
Fiel ds	0.1 25	0.1 12	0.0 98	0.0 86	0.0 65	0.0 54	0.0 33	0.023	0.015	0.0 06
La wns	0.0 81	0.0 74	0.0 65	0.0 56	0.0 44	0.0 36	0.0 21	0.015	0.009	0.0 03
Pas tures	0.0 48	0.0 44	0.0 39	0.0 33	0.0 26	0.0 21	0.0 12	0.009	0.005	0.0 02

2. where under irrigation: the base tax value under Item 1, multiplied by 1.20.

Article 21. The base tax value of agricultural land shall be adjusted by a coefficient of location (C1), which shall be arrived at by adding to 1 the following adjustments ( $C1 = 1 + c1 + c2 + c3$ ):

1. an adjustment for location in respect of the development limits of the nucleated settlement, in the land-use area whereof the property is located (c1):

Table 12

Distance from development limits of settlement (km)	c1
abutting	+0.25
under 1	+0.15
from 1 to 3	0.00
from 3 to 6	-0.10
from 6 to 8	-0.15
over 8	-0.20

2. adjustment for location in respect of the permanently paved road network (c2):

Table 13



Distance from road network (km)	c2
abutting on road network	+0.10
under 1	0.00
over 1	-0.10

3. (amended, SG No. 100/2005) adjustment for the grade of the nucleated settlement, in the land-use area whereof the property is located (c3):

Table 14

(Amended, SG No. 100/2005)

Grade of settlement in land-use area whereof property is located	c3
Zero	+0.30
I	+0.20
II	+0.15
III	+0.10
IV and V	0.00
VI, VII and VIII	-0.10

**Article 22.** (Amended, SG No. 153/1998) The assessed value of any building right (AVBR) shall be determined in Bulgarian lev terms, using the following formula:  $AVBR = GFA \times 0.25 \times BV \times C1 \times Ci \times Cp$  where: GFA is the gross floor area of the building in square metres; BV is the base tax value depending on the structure and assigned use of the building. Should the structure be unknown, S2 shall be presumed. The prevailing assigned use (over 50 per cent) shall apply; C1 is a coefficient of location depending on assigned use; Ci is a coefficient of infrastructure, determined according to Section IV; upon creation of a building right affecting agricultural land, Ci shall be determined in an identical manner; Cp is a coefficient accounting for the period wherefor the right has been created, displayed to the third decimal place.  $Cp = (1 - 1.05^{-n})$  where "n" is the number of years wherefor the right has been created. Where n is greater than 100 years, Cp shall be presumed to have the value of 1. VII. Tax Valuation of Right of Use

**Article 23.** (1) The assessed value of any real right of use (AVRU) shall be determined in Bulgarian lev terms using the following formula:  $AVRU = AV \times Cp$  where: AV is the assessed value in lev terms of the property or the part thereof affected by the right as created; Cp is a coefficient accounting for the period wherefor the right has been created, displayed to the third decimal place.  $Cp = (1 - 1.05^{-n})$  where "n" is the number of years wherefor the right has been created. The coefficient

may not be greater than 0.900. (2) Where the right of use is created for an indeterminate duration, the number of years wherefor the said right has been created shall be arrived at by subtracting the age of the user from 70 or, where there are multiple users, the age of the youngest user. Where the user is older than 70, the number of years shall be presumed to be 5.

(3) (New, SG No. 100/2005) Where a right of use of an enterprise is created for an indeterminate duration, the coefficient accounting for the period shall be 0.900. (4) (Renumbered from Paragraph (3), SG No. 100/2005) Where a current valuation of the right of use is required, the number of years "n" shall be determined as the residual period reckoned at the date wherefor the valuation is required.

**Article 24.** The assessed value of a right of ownership, where a real right of use has been created, shall be reduced by the assessed value of the right of use for the residual period, reckoned at the date wherefor the valuation is required.

Annex 3 to Article 55 (1) (New,  
SG No. 109/2001, effective 1.01.2002, repealed, SG No. 45/2002,  
effective 1.01.2002)