

An Introduction to Company Formation

Sorts of Bulgarian Businesses

There are several kinds of businesses for conducting business, suitable. In accordance with the Commercial Law entrepreneurs can pick between five principal kinds of company. Chapter 10, Article 64, division 3, mentions their general features.

a) Bulgarian General partnership (subiratelno druzhestvo)

A general partnership is a business formed by two or more individuals for the purpose of conducting commercial transactions by profession, under a combined trade name. This form of enterprise doesn't need a minimum quantity of capital. The associates produce unlimited and joint liability, beyond the sum invested by each one. Profits are shared equally, and every general partner has an equal right to engage in control and the management of the business.

b) Bulgarian Limited partnership (komanditno druzhestvo)

This organization is established by one or more general partners who manage the project, and limited partners who invest money, but have limited liability in conformity with the amount of the contribution that was agreed upon. Typically limited partners receive income, capital gains, and tax benefits, like a dividend. The typical partner collects fees plus a portion of the income and benefits, previously created.

c) Bulgarian Limited liability company (drujestvo s ogranichena otgovornost)

The limited liability company is a flexible form of business enterprise, combining elements of partnership and corporate structures. It's founded or owned by one or more individuals, including foreign or legal persons. The stockholders are liable for the business's obligations using their contributions to the capital of the organization. Each partner needs to pay up, or contribute its interest, and also the failure to accomplish that, represents grounds for the expulsion of the partner. Partners share the rights to take part in the distribution of gains, in the management of the company, to be told of the business 's issues, to review the company's novels and to liquidation procedures. This kind of business entity must possess the absolute minimum of 2 BGN (Bulgarian Lev, the money of Bulgaria) authorized capital. More information you can found at <http://intercompanysolutions.com/>

d) Bulgarian Joint-Stock Company (aktsionerno druzhestvo)

The capital stock of this type of company is broken up into shares, and can't be less than 50,000 BGN. A share has a minimum nominal value of 1 lev and it is not divisible. The company filed for this sort of business can increase its capital stock by issuing new shares, or reduce it by using shares with a lower nominal value, or by cancellation of the shares. The investors are obligated to provide for the shares and in case this stipulation isn't honored, the investor owes interest. The organization's organs are divided in the board of directors, and also two: the meeting of the shareholders. The joint-stock company is liable before its lenders with its assets and needs to run full accounting. The registered auditors appointed by the General Meeting audit the annual financial statement.

e) Bulgarian Partnership limited by shares (komanditno druzhestvo s aktzii)

This form of partnership is described by a transitional entity between a joint-stock company and also a limited partnership. While a minimum of three limited partners possess an indebtedness influenced by their share contribution, the general partners have unlimited liability. The general partners have the right to select their partners that are limited from subscribers and form the business. The organs of the partnership and the provisions are employed as in the joint-stock company. Our [Twitter](#).