

ABSTRACT: New tax and corporate horizons: Bulgaria

Bulgarian tax system has undergone significant changes and the underlying motivation for this is the entrance into the European Union on 2007. Low inflation, due to the increase of wages, is expected to rise in order to avoid deflation and strengthen the internal economy of Bulgaria. To have a company in Italy involves the well-known problems:

- 1) High labor costs;
- 2) High cost of pension benefits and insurance;
- 3) High tax burden;
- 4) Complex bureaucracy.

So to overcome these problems, entrepreneurs have been considering the possibility of decentralizing certain operational functions of their business or even in some cases the entire production structure. In the case of companies with industrial production it can be really beneficial to opt for outsourcing or transfer. Bulgaria looks like a very good chance because of its strategic position at the crossroads of Eastern Europe and Russia. The fixed exchange rate regime with the euro has also made it possible to not have to suffer the exchange rate fluctuations. To open a business or a company in Bulgaria today it's enough just **one week**, and in any case **within two weeks** you can perform all the necessary paperwork, including registration at the Bulgarian Chamber of Commerce and the issue of the emission of Bulgarian VAT number.