

Declaration under Article 2 para. 1 of the Ordinance on the Information and Documents Submitted to Payment Service Providers in Executing Third Party Cross-border Transfers and Payments

The declaration shall be completed in case of executing third party cross-border transfer or payment equal to or exceeding BGN 30,000

The undersigned.....

Personal Identification №....., ID card №....., Issue date.....

Issued by....., Expiry date.....

Domicile:.....

personally/as legal representative/proxy of (cross out the wrong):

.....

Personal Identification №....., ID card №....., Issue date.....

Issued by....., Expiry date.....

Domicile:

(for physical persons),

or Unified Identity Code/data according to document of registration

Seat and managing address:

.....

(for legal entities).

Do hereby declare:

Section I

1. I execute third party cross-border transfer or payment at the amount of:

.....

(it shall be stated the amount of the cross-border transfer and payment in figures and in words and the type of currency)

2. For execution of the transfer or payment I attach the document under Article 2 para. 2 of the Ordinance:

(mark the correct)

Yes

☐

No

☐

In case it is marked "yes", state the name, number and/or date of the document:

.....

Note. If the person does not dispose with document listed in Article 2 para.2 of the Ordinance, shall complete respectively Item 2.1 and/or 2.2 and/or 2.3 of the declaration.

2.1. The grounds for the execution of the transfer or payment are not among the listed in Article 2 para.2 of the Ordinance and I attach another document, which certifies the grounds for and the amount of the transfer or payment:

.....

(it shall be stated the type of document, number and/or date of the document)

2.2. I attach an electronic document reproduced on personally verified hard cotype, which certifies the grounds for and the amount of the transfer or payment:

.....

(it shall be stated the type of document, number and/or date of the document)

2.3. I do not have on my disposal a document which certifies the grounds for and the amount of the transfer or payment, and I declare the following purpose of the transfer or payment:

.....

.....

3. I execute third party cross-border transfer or payment, representing an income, subject to taxation pursuant to Articles 37 and 38 of the Income Taxes on Natural Persons Act (ITNPA) or pursuant to Articles 194 and 195 of the Corporate Income Tax Act (CITA)

(mark the correct)

Yes

☐

No

☐

Note. In case it is marked "yes", the person shall complete the next section II of the declaration.

Section II

(This section shall be completed only in case that the person has declared in section I, Item 3 of the declaration, that he/she orders an execution of third party cross-border transfer or payment, representing an income, subject to taxation pursuant to Articles 37 and 38 of the of Income Taxes on Natural Persons Act or pursuant to Articles 194 and 195 of the Corporate Income Tax Act.)

1. Type and gross amount of the income charged

.....
.....

2. Amount of the withheld tax pursuant to Articles 37 and 38 of ITNPA or Articles 194 and 195 of CITA:

.....
.....
.....

3. A covenant for exemption of double taxation is applied (CADT), concluded with

.....
.....

(mark the correct) Yes ☐ No ☐

4. An opinion of the National Revenue Agency is issued for presence of grounds for application of the CADT.

(mark the correct) Yes ☐ No ☐

I am aware of the criminal liability born under art.313 of the Penal Code for declaring false data.

Date:

Signature of the declarer:

Instructions for completing the declaration under Article 2 para. 1 of the Ordinance on the Information and Documents Submitted to Payment Service Providers in Executing Third Party Cross-border Transfers and Payments

Section I of the declaration shall be completed in all cases of executing third party cross-border transfer or payment equal to or exceeding BGN 30,000 or its equivalent in another currency:

- In Item 1 shall be stated the amount of the cross-border transfer or payment in figures and words and the type of currency.
- In Item 2 shall be stated if some of the following documents under Article 2 para.2 of the Ordinance are attached to the declaration:
 - for imports of goods: a contract, an invoice, a customs declaration (EAD) or another document on imports;
 - for supply of goods and services: a contract, an invoice, a declaration or another document certifying the grounds for and the amount of the transfer or payment;
 - for labour remuneration or income under non-labour relations: an employment contract, a management contract, a civil contract, an invoice or another document certifying the grounds for and the amount of the transfer or payment;
 - for royalties and license remuneration: a contract, an invoice or another document certifying the grounds for and the amount of the transfer or payment;
 - for personnel, education, training, qualification and pre-qualification costs: a contract, an invoice or another document certifying the grounds for and the amount of the transfer or payment;
 - for pension payments: a document certifying the grounds for the payment;
 - for the financial support of diplomatic and consular representations of the Republic of Bulgaria, as well as representations of ministries and administrations or representations of resident entities abroad: a document certifying the grounds for the transfer or payment;
 - for membership in international organisations: a document issued by relevant international organisations;
 - for dividends and liquidation shares: a decision of the company's general meeting;
 - for establishment, acquisition or transfer of undertakings: a decision of the company's competent body and a contract;
 - for acquisition of securities, shares, interest, compensatory instruments, investment bills and other financial assets: a document certifying the grounds for the transfer or payment;
 - for extending or repaying credit or a cash loan, including interest: a contract on the credit or cash loan;
 - for acquisition of movable or immovable property, road, aircraft or waterway vehicles: a contract, an invoice or another document certifying the grounds for and the amount of the transfer or payment;
 - for fines, penalties and indemnities for lost opportunity costs: a contract, an invoice or an effective decision by a judicial authority certifying the grounds for and the amount of the transfer or payment;
 - for subscription to print and electronic publications: a contract, an invoice or another document certifying the grounds for the payment;
 - for all types of collateral, profits or gambling awards, for participation in international contests, competitions, conferences, festivals, fairs or other similar events: a document certifying the grounds for and the amount of the transfer or payment;
 - for financial support or other costs due under decisions of domestic or foreign judicial authorities: an effective decision by the relevant judicial authority;
 - for transfers of foreign currency, the amount of which does not exceed the amount of foreign currency imported in this country via bank: a verified copy of the document certifying the receipt of the transfer;
 - for transfers of foreign currency acquired from a legator's deposit: an inheritance certificate and a bank statement of the legator's account.

In case it is marked "yes", state the name, number and/or date of the document.

If the person does not have a document listed under Article 2 Par.2 of the Ordinance, shall complete respectively Item 2.1 and/or 2.2 and/or 2.3 of the declaration.

- Item 2.1 shall be filled in, if the person presents another document certifying the grounds for the transfer or payment, other than the documents stated in Article 2 para. 2 of Ordinance. It shall be stated the type of document, number and/or the date of document.
- Item 2.2 shall be filled in, if the person presents electronic document under the Law on Electronic Document and Electronic Signature or confirmation for conclusion of contract under the Electronic Commerce Act certifying the grounds for and the amount of the transfer or payment. In presence of such documents, a verified hard copy of them by the person shall be submitted. It shall be stated the type of document, number and/or the date of document.
- Item 2.3 shall be filled in, if the person does not have a document certifying the grounds for and the amount of the transfer or payment, as stating the purpose of the transfer or payment, for example:
 - on own account;
 - maintenance of spouses, relatives in descending and ascending lines, brothers and sisters, in absence of a judicial act;
 - other.

- In Item 3 shall be stated if the income is subject to taxation pursuant to Articles 37 and 38 of Income Taxes on Natural Persons Act or pursuant to Articles 194 and 195 of the Corporate Income Tax Act.

Section II of the declaration shall be completed, when the cross-border transfer or payment represents an income which is subject to taxation under Articles 37 and 38 of Income Taxes on Natural Persons Act or under Articles 194 and 195 of the Corporate Income Tax Act.

1. Income under Article 37 of ITNPA represents:
 - 1.1 – any compensations for lost profit and damages of such nature;
 - 1.2 – any scholarships for study in Bulgaria and abroad;
 - 1.3 – any interest payments, including interest within payments under a lease contract;
 - 1.4 – any income from rent or from other onerous provision for use of movable or immovable property, including any payments under a lease contract which does not expressly provide for transfer of the right of ownership to the property;
 - 1.5 – any payments received under franchising agreements and factoring contracts;
 - 1.6 – any copyright and licence royalties;
 - 1.7 – any technical assistance fees;
 - 1.8 – any remunerations for activity performed within the territory of the country by non-resident natural persons who are public figures, or such active in science, art, culture and sports, including where the income has been paid/charged through a third party, such as a performer-management agency, a production company and other intermediaries;
 - 1.9 – any income from management and control, from participation in management and supervisory bodies of enterprises;
 - 1.10 – any income from sale, exchange or other onerous transfer of immovable property;
 - 1.11 – any payments under a lease contract which expressly provides for transfer of the right of ownership to immovable property;
 - 1.12 – any income from sale, exchange or other onerous transfer of shares, interests, compensation instruments, investment vouchers and other financial assets, with the exception of the income from exchange covered under Article 38 para.5 of ITNPA.
 2. Income under Article 38 of ITNPA represents:
 - 2.1 – dividends in favour of a sole trader;
 - 2.2 – dividends and liquidation shares in favour of any resident or non-resident natural person, where accruing thereto from a source inside Bulgaria or of any resident natural person, where accruing thereto from a source outside Bulgaria;
 - 2.3 – any taxable income acquired from exchange of shares and interests in connection with transformation of corporations under Section II of Chapter Nineteen of the Corporate Income Tax Act:
 - a) by resident natural persons upon the exchange of shares and interests in domestic commercial corporations for shares and interests in domestic commercial corporations or in commercial corporations abroad;
 - b) by resident natural persons upon the exchange of shares and interests in commercial corporations abroad for shares and interests in commercial corporations abroad or in domestic commercial corporations;
 - c) by non-resident natural persons upon the exchange of shares and interests in domestic commercial corporations for shares and interests in domestic commercial corporations or in commercial corporations abroad;
 - 2.4 – the taxable income from supplementary voluntary social insurance, from voluntary health insurance and life assurances;
 - 2.5 – the income acquired by the person upon the sale or exchange of movable property under Item 2 (d) of Article 13 para.1 of ITNPA;
 - 2.6 – the taxable income acquired by a member of the cooperative from interest on loans granted to the cooperative;
 - 2.7 – any income from rent or other onerous provision of property having a condominium project status, managed in the form of a general meeting of owners, which has been charged/paid by enterprises and self-insured persons.
 3. Incomes under Articles 194 and 195 of CITA represent:
 - 3.1 – income from any dividends and shares in a liquidation surplus;
 - 3.2 – income of non-resident legal person.
- In Item 1 the payer of income from source inside Bulgaria shall state the gross amount and type of the taxable income which has been charged/paid.
 - In Item 2 the payer of the income shall state the amount of the final tax pursuant to Articles 37 or 38 of ITNPA or Articles 194 or 195 of CITA, if such is withheld.
 - In Item 3 the payer of the income shall state the provisions and the name of the covenant for exemption of double taxation in case that such is applied and the State, with which is concluded.
 - In Item 4 the payer shall state the presence or absence of an opinion from the National Revenue Agency for the application of the CADT.