

# Citizenship by Investment in Bulgaria

## Overview and advantages

### OVERVIEW

Bulgarian law provides a **fast-track route** to citizenship by investment.

This is an **accessible, transparent and respectable** gateway into the European society, way of life and economy.

The qualifying **investment size is low**, at approx. EUR 500,000 (Standard Track) and approx. EUR 1 million on the Fast Track.

The investment may be financed with borrowed funds.

The requirement is to **invest, rather than donate** to a government fund. The investor expects to get back the principal, together with any return.

A **wide range of qualifying investment classes** are eligible. You are not limited to real estate; there is no requirement to create a minimum number of jobs.

The fast track process leads to citizenship **within approx. 18 months** of investment.

The investments made **must be kept for two years** from the date on which you become a citizen.

### WHY BULGARIA?

Bulgaria joined the European Union in 2007. Its citizens can live, work, study and travel freely in all of the EU's 28 member states.

Bulgarian passport holders can travel visa-free to over 140 countries and territories.

Within the EU, Bulgarian citizens cross borders through priority EU citizen channels and are not subject to immigration control.

Bulgaria has E2 reciprocity with the US, and its citizens can therefore qualify for US permanent residence.

Bulgaria is a mid-sized European country with a beautiful nature, an interesting history and good food. Its economy offers continuing opportunities as it expands faster than the rest of Europe.

Local universities are attractive to international students in a number of areas of study and Bulgarian qualifications are automatically recognised across Europe and beyond.

Bulgarian citizens studying elsewhere in the EU benefit from being treated as domestic students (with free tuition and other privileges).

### STANDARD AND FAST TRACKS TO CITIZENSHIP

On the **Standard Track**, having invested approx. EUR 500,000 or more in one of the qualifying investment classes, an investor acquires a permanent resident status. Having held this status for 5 years, a permanent resident investor qualifies for citizenship.

An investor using the **Fast Track** initially makes a qualifying investment (as above, this needs to be of approx. EUR 500,000 or more), identical to an investor on the Standard Track above. At the end of the first year from acquiring his or her residence, he or she makes a second qualifying investment (once again, of approx. EUR 500,000 or more). This makes the investor immediately eligible for citizenship, without having to wait the 5 years to run out.

# Practical aspects

## Requirements, steps, finances

### REQUIREMENTS

Access to investment funds to complete the investment.

A statement (and sometimes evidence) of the sources of the investment funds (e.g., sales of other investments, sale of business, inherited wealth, etc).

Police check reports from home country (and sometimes others).

Prior to applying for a Residence Permit in Bulgaria, applicants must obtain a visa at a Bulgarian Consulate abroad. The visa application may be lodged depending on the applicant's current citizenship and residence.

As a permanent resident, the applicant must not terminate or convert the investment into an ineligible investment class.

You must retain a qualifying investment for two years after you become a Bulgarian citizen but may be able to switch from one investment into another, as long as each is a qualifying investment.

### ADVANTAGES

Applicants are not expected to spend any time in Bulgaria: it is enough to show available accommodation.

Citizen investors are not required to speak the Bulgarian language.

Obtaining Bulgarian citizenship does not result in additional obligations (such as national service in the army, jury service or others).

By acquiring citizenship, an investor does not automatically become a Bulgarian tax resident. There is therefore no need for tax structuring in advance of becoming a citizen, as there may be when acquiring U.S. citizenship.

Citizenship does enable investors to become resident for tax in Bulgaria, however. This may be attractive: Bulgaria has personal and corporate income tax of 10% – the lowest in the European Union.

Bulgarian law allows for dual citizenship. Clients can thus retain their existing nationality when they acquire a Bulgarian one, and can acquire further ones at a later time.

Bulgarian citizens studying elsewhere in the EU benefit from being treated as domestic students (with free tuition and other privileges).

The investment can be made in secure investment classes (such as government bonds). The investor therefore receives the principal funds invested back in full at the end of the holding period.

### INVESTMENT AMOUNT

An investment of approx. EUR 500,000 (USD 576,000) or more must be made.

An investor may acquire, e.g:

- a) shares of a company admitted to trading on the Sofia stock exchange;
- b) bonds, related instruments or their derivatives, issued by the Government of Bulgaria or by Bulgarian local government, with at least 6 months to maturity;
- c) Bulgarian intellectual property, including patents, trade marks, service marks and industrial designs;
- d) the capital of private Bulgarian corporations (in this case an investment of at least (approx. EUR 3 million, USD 3.5 million) is required).

We would be happy to discuss your investment plans and to help you make an investment that suits your needs, and is eligible.

If you are already considering an investment in Bulgaria – or indeed elsewhere in the EU – you may find that it also qualifies you for citizenship: we are happy to advise.

Most of our existing clients choose government bonds, which are perceived as safe.

# Why NBLO

## How we can help you

### OUR EXPERIENCE

Although we cannot provide investment advice as such, we are in a position to advise on the eligibility of an investor's plans and to help structure the investment you find most suitable.

As a law firm with a strong practice in immigration and nationality law, NBLO deals extensively with applications for citizenship both involving investment and not.

We are the leading Bulgarian law firm in the field of investment-based citizenship.

We have vast experience in dealing with the application process and have built a strong understanding of what is required to advance such applications in the most efficient and timely manner.

NBLO has advised clients from multiple backgrounds and can support clients who speak in Chinese, Spanish, Russian, French and others.

We are aware from our private client experience of the importance of assisting clients in a personal and tailored manner.

### APPOINTING US AS YOUR CITIZENSHIP LAWYERS

Whether you appoint us directly or in conjunction with your other professional service providers, we will: prepare your application, assist you with sourcing the supporting documents, liaise with Bulgarian government, accompany you when attending government offices, etc.

As we are a law firm, our members are regulated and adhere to the highest standards of professionalism and probity. This includes our duties under the EU Anti-Money Laundering directives. In turn, this should assure you that our other clients are worthy associates.

Our work with both individuals and businesses in other areas of law helps us provide a seamless service: we are able to draw on our extensive knowledge and experience from areas ranging from personal taxation to company law (which matters for the realization of investment plans and the assessment of their eligibility under the programme) and from family law (relevant to applications by family members of the main applicant) to real estate law (relevant to investment portfolios incorporating real estate), for example.

# Where to find us

## Our offices and contact details

### CONTACT US

We look forward to advising you further on how to acquire Bulgarian (and therefore European) citizenship, in line with your needs and priorities. Please contact us as follows:

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We have offices in Sofia and London, and our team regularly travel to major international locations in Asia, Europe and the Americas.

We are able to arrange a meeting at any mutually convenient location globally.

NBLO is the legal services business of Legal Services EOOD, a Bulgarian company.

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