[BG] Prohibition for Offshore Companies to Hold Broadcasting Licences

IRIS 2014-3:1/9

Rayna Nikolova
New Bulgarian University

In January 2014, the Bulgarian Act on the Economic and Financial Relations with Companies Registered in Preferential Tax Regime Jurisdictions, the Persons Related to Them and Their Beneficial Owner (or as it has become well-known by its short title Act on Offshore Companies, the "Act") was promulgated in the State Gazette, issue No. 1 of 3 January 2014.

Article 3 point 20 of the Act provides that companies, which are registered in preferential tax regime jurisdictions, or any person related thereto shall be prohibited from establishing or acquiring direct or indirect shareholding in a legal person which applies for or has been granted a radio and television broadcasting licence under the Radio and Television Act.

This legal provision shall not apply where

1. the shares of a company are traded on a regulated market in a European Union Member State or a country that is a part of the European Economic Area, or other markets, included in the special legislation list including in particular the Social Security Code, the Act on the Public Offering of Securities or the Act on the Activities of the Collective Investment Undertakings and other collective investment undertakings, and where the actual owners and individuals are disclosed under the relevant special legislation;

2. the company registered in preferential tax regime jurisdictions is a part of an economic group whose parent company is tax-resident in the territory of a State, with which the Republic of Bulgaria has concluded an effective double taxation agreement or an effective agreement on exchange of information;

3. the company registered in preferential tax regime jurisdictions is part of an economic group whose parent company or subsidiary is Bulgarian tax resident and its actual owners are disclosed or it is traded on a regulated market in a European Union Member State or a country within the European Economic Area;

4. the company participates directly or indirectly as a publisher of periodical products of the printing industry and has provided information about the actual owners in line with Article 4 of the Act on the Mandatory Deposit of Products of the Printing Industry. Where the exception under Article 4 has been applied on the

© European Audiovisual Observatory (Council of Europe) 2026

basis of false data, the grant of broadcasting licences shall be refused or revoked.

The Act entered into force on 1 January 2014. Any person that lies within the scope of the prohibitions under the Act is required to bring his or her activities in compliance with the provisions of the Act within six months as of its entry into force. Following the expiry of this period and in case this obligation has not been fulfilled, licences shall be revoked.

Закон за икономическите и финансовите отношения с дружествата, регистрирани в юрисдикции с преференциален данъчен режим, свързаните с тях лица и техните действителни собственици, В сила от 01.01.2014 г. Обн. ДВ. бр.1 от 3 Януари 2014г.

http://lex.bg/bg/laws/ldoc/2136014509

Act on the Economic and Financial Relations with Companies Registered in Preferential Tax Regime Jurisdictions, the Persons Related to Them and Their Beneficial Owner, State Gazette, issue No. 1 of 3 January 2014

© European Audiovisual Observatory (Council of Europe) 2026

© European Audiovisual Observatory (Council of Europe) 2026