

**SUPPLEMENTATION REGARDING RULING No 24-00-7/25.02.2010
OF THE EXECUTIVE DIRECTOR OF NRA**

We would like to hereby inform you that a Supplementation to Ruling No 24-00-7 dated 26 February 2010 issued by the Executive Director of the National Revenue Agency (NRA) regarding the **statutory state social security contributions due on non-accrued remunerations of persons exercising activity under agreements for management and control of commercial companies**, sole traders, non-personified entities as well as insolvency administrators and liquidators (socially secured by means of Art. 4, para 1, item 7 of the Social Security Code (SSC)) was published on the Internet website of NRA on 10 March 2010.

Taking into consideration the compulsory rules provided for with the Supplementation, in our opinion, in case that in a document prepared in compliance with the effective legislation (e.g. management agreement, general meeting decision, sole owner's decision) it is stipulated that no remuneration is due to the general manager for his/her management and control functions, then there is no liability for accruing remuneration as well, and respectively – no liability for payment of statutory social security contributions for the management/control activity as per the Bulgarian legislation.

Should you have any questions or need any assistance, please do not hesitate to contact us.

The information in this material is not exhaustive. Should any questions on the application of the said provisions arise, please do not hesitate to contact us at tel.: 02/943 37 00, fax: 02/943 37 07, e-mail: office@afa.bg or at 38, Oborishte Str., Sofia 1504.