Today, 20 September 2016, the Amending Act to the Not-for-profit Legal Entities Act (the Amending Act to the NFPLEA) was promulgated in The State Gazette and it will enter into force on 1 January 2018.

The Amending Act to the NFPLEA introduces substantial changes in the existing legal framework regulating the activities of not-for-profit organizations.

In accordance with the new legislation, an entirely new register of not-for-profit legal entities will be established at the Registry Agency. Their initial registration and all subsequent changes will be entered into this register. Another new feature is the obligation to declare any new developments for the purpose of registration within a month of their occurrence or change.

As to the legal regime applicable to not-for-profit legal entities for public benefit they will no longer be required to register with the special Central Register at the Ministry of Justice and they will be considered duly established as of the date of their registration in the Register of Not-for-profit Legal Entities which is kept by the Registry Agency.

The transitional and final provisions of the Amending Act to the NFPLEA regulate the procedure which will apply to the reregistration of persons registered with regional courts and which is similar to the procedure which was applied to companies when their registration was transferred to the Commercial Register. Thus not-for-profit legal entities will be subject to reregistration by 31 December 2020. The procedure will not entail the payment of state fees and it will be completed upon the submission of a certificate on the current legal status of the legal entity and the entry into the new register at the Registry Agency. In the course of the procedure, legal entities will be deleted from the BULSTAT Register and the BULSTAT number which they were assigned will be transformed into a single identification code (SIC) of the not-for-profit legal entity.

The explanatory memorandum containing the reasons of the Amending Act to the NFPLEA emphasizes that the new legal arrangements are expected to reduce the administrative burden in the registration of not-for-profit legal entities and to provide sufficient safeguards for the transparency and accountability of these organizations.