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Company formation in Bosnia and Herzegovina

From CompanyFormationWiki, the free encyclopedia of company formation · Last updated 25 November 2026

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Flag



Coat of arms

Common form	d.o.o. (limited liability company)
Registry	Court register of the Federation, Republika Srpska or Brčko District
Minimum capital	Set by entity law (low in both entities)
Directors	1 director
Local director	Not required
Corporate tax	10% [1]
VAT / sales tax	17% [1]
Typical timeline	Usually 1–3 weeks
Tax treaties	Domestic rates and treaty list [6]
Currency	Convertible mark (BAM)

In short: To set up a company in Bosnia and Herzegovina, most founders form a d.o.o., registered with the court register of the Federation, Republika Srpska or Brčko District. Minimum capital: set by entity law (low in both entities). Corporate tax: 10%. Registration: usually 1–3 weeks (as of November 2026).

Short guide. Tax figures come from PwC Worldwide Tax Summaries (reviewed 23 September 2026); company-law details summarise official guidance and can change. Confirm requirements with the court register of the Federation, Republika Srpska or Brčko District before filing.

Company law in **Bosnia and Herzegovina** is set by its entities: the Federation, Republika Srpska and Brčko District each keep their own court register. Profit tax is 10% throughout, and VAT, at 17%, is levied state-wide by the Indirect Taxation Authority.

Business structures

Most founders in Bosnia and Herzegovina form a d.o.o., registered with the court register of the Federation, Republika Srpska or Brčko District. Other forms are listed below.

- **d.o.o.** – the usual company form for private businesses

Requirements

Minimum share capital in Bosnia and Herzegovina (2026): set by entity law (low in both entities). Directors required: 1 director. Local resident director: not required.

- A company name that is available, checked with the registry.
- Share capital: set by entity law (low in both entities).
- Directors: 1 director.
- Local residency: not required.
- A registered office address in Bosnia and Herzegovina.
- Articles of association signed before a notary.

Registration process

Typical time to register a company in Bosnia and Herzegovina (2026): usually 1–3 weeks. The usual steps are:

1. Choose the company form and check that the name is available.
2. Sign the articles of association before a notary.

3. File the registration with the Court register of the Federation, Republika Srpska or Brčko District.
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the Indirect Taxation Authority (VAT) and the entity tax administrations.

Taxation

The corporate tax rate in Bosnia and Herzegovina in 2026 is 10%. [1] **Standard VAT or sales tax: 17%.** [1]

Tax	Rate and notes
Corporate income tax	10%
VAT / indirect tax	17%
Withholding tax on dividends to non-resident companies	0 to 10%

Ongoing compliance

Annual compliance in Bosnia and Herzegovina: Companies file annual financial statements and tax returns with the Indirect Taxation Authority (VAT) and the entity tax administrations, and keep their details up to date with the Court register of the Federation, Republika Srpska or Brčko District.

Double tax treaties

Bosnia and Herzegovina has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
0 to 10%	10%	10%

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Bosnia and Herzegovina lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Bosnia and Herzegovina?

Typical registration time in Bosnia and Herzegovina: usually 1–3 weeks (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Bosnia and Herzegovina?

Minimum share capital in Bosnia and Herzegovina: set by entity law (low in both entities) (as of November 2026).

What is the corporate tax rate in Bosnia and Herzegovina in 2026?

The corporate tax rate in Bosnia and Herzegovina in 2026 is 10%. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Bosnia and Herzegovina?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in Bosnia and Herzegovina: not required.

What withholding tax applies to dividends paid from Bosnia and Herzegovina?

Bosnia and Herzegovina withholds 0 to 10% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty. See the Double tax treaties section.

Official registries and resources

- Indirect Taxation Authority (VAT) and the entity tax administrations

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in the United Kingdom
- Company formation in Germany
- Company formation in Poland
- Company formation in Ireland
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Indirect Taxation Authority (VAT) and the entity tax administrations . Government of Bosnia and Herzegovina. Accessed November 2026.
2. Bosnia and Herzegovina: Corporate – Taxes on corporate income (reviewed 23 September 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
3. Quick charts: Corporate income tax (CIT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
4. Quick charts: Value-added tax (VAT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
5. Quick charts: Withholding tax (WHT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
6. Bosnia and Herzegovina: Corporate – Withholding taxes . PwC Worldwide Tax Summaries. Accessed November 2026.

Source: https://companyformationwiki.com/company-formation/bosnia-and-herzegovina/
Version: last updated 25 November 2026. Check the online version for later changes.

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