Information Note on Legal Address, Lease Agreement, and Tax Obligations

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- **Subject:** Address Provision and Lease Amount Determination in North Macedonia Company Formation
- **Addressee:** Company Founder / Board of Directors
- **Date:** August 2026
- **Legislation:** North Macedonia Law on Trade Companies & Personal Income Tax Law

Below is a summary of the legal requirements, tax obligations, and recommended practices regarding the registration process of a limited liability company (DOO or DOOEL) in North Macedonia and the provision of a company address (legal address/official notification address).

1. Mandatory Legal Address and Lease Agreement

Pursuant to the Law on Trade Companies of North Macedonia, a company must possess an official notification and tax address to complete its registration with the Central Register (*Centralen Registar*). The key documents required in the incorporation dossier are as follows:

- **Lease Agreement or Property Title Deed:** A notarized lease agreement for the property designated as the company address (or the *Imoten List* if the property is owned by the company owner).
- **Notarization:** For the agreement to be considered valid, it must be notarized before an authorized notary public in North Macedonia.
- **Accounting Services Agreement:** Along with the address document, it is a legal requirement to submit a service agreement executed with a certified accountant/accounting firm.

2. Minimum Rent Threshold and Public Revenue Office (PRO) Practices

North Macedonian legislation does not prescribe a statutory minimum (lower limit) rental amount for company formation. However, with respect to audits and benchmark valuations by the Public Revenue Office (PRO - *Ured za Javni Prihodi*), the following points are of critical importance:

- **Benchmark Value Principle:** Declaring a symbolic rent amount (e.g., 1–10 EUR) increases the risk of a tax audit. The Tax Office applies a reasonable benchmark value based on the region where the real estate is located.
- **Withholding Income Tax (10%):** If the real estate is leased from a private individual, a 10% Withholding Income Tax must be paid on the rental amount. Declaring a reasonable rent amount prevents issues regarding the tax base.

Recommended Practice: To avoid tax audit risks with the Tax Office, complete notarization processes smoothly, and ensure compliance with market rates, it is recommended to set the monthly rent at **a minimum of 100 EUR**.

3. Alternative Solution: Use of Virtual Office (Legal Address)

For business activities that do not require renting a physical shop or office, it is possible to obtain virtual office (legal address rental) services. Under the virtual office option, accounting and consulting firms provide official notification address services, with market rental fees ranging between **50 and 100 EUR per month**.

4. Summary Obligations Table

Requirement / Parameter	Description	Recommended / Legal Status
Lease Agreement	Mandatory document for Central Register registration.	Must be Notarized
Minimum Rent Limit	No statutory minimum threshold in legislation.	At least 100 EUR / Month
Withholding Tax	Tax rate paid when leasing from private individuals.	10%
Complementary Agreement	Mandatory agreement required along with address submission.	Certified Accountant Agreement

This information note has been prepared as a guide for company owners and managers who will establish a company in North Macedonia.

Best Regards / Saygılarımla

Barış Yurttutan

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