

Establishing a Montenegro subsidiary is the first step to working in the country. Once you have a registered entity, you're ready to hire team members, start running payroll, and give out compensation and benefits. That said, it could take you anywhere from a few weeks up to a year to complete the Montenegro subsidiary setup process.

Globalization Partners offers an easier way to expand to new locations. As a global PEO, we provide Montenegro subsidiary outsourcing using our existing entity. We'll use our Montenegro PEO to hire employees who work for you, add them to our payroll, and give them the compensation and benefits that meet the country's laws. You won't wake up at night worrying about compliance either, as we'll shoulder all the risk.

## **How to Set up Your Montenegro Subsidiary**

Several considerations can significantly impact the time requirement and nature of the incorporation process. For example, your location can impact costs, availability, and more since different regions or cities can have their own Montenegro subsidiary laws. We recommend working with a consultant who can help you find the best location within the country if you're not familiar with the area.

Another important factor is your type of entity. Montenegro allows you to incorporate as one of several different kinds of entities, including a private limited company, public limited company, branch, and more. However, most companies incorporate as a private limited company, also known as a limited liability company (LLC), for flexibility and benefits.

Establishing your LLC includes the following steps:

- Choosing a unique trade name that's different from your parent company's name
- Verifying your chosen name for authenticity
- Drafting a Memorandum and Articles of Association
- Opening a local bank account and depositing your minimum share capital
- Registering for tax and VAT purposes
- Obtaining an employer number with the Montenegro authorities
- Applying for the necessary licenses with the authorities, agencies, or institutions based

on your applications

## Montenegro's Subsidiary Laws

As a foreign investor, you need to meet Montenegro's subsidiary laws related to LLCs. For example, a business expanding as a joint stock company would need at least 25,000 EUR, but they'd require only 1 EUR to expand as an LLC. Since your subsidiary will get treated as a local company, it must pay 9% in corporate taxes.

You also need one founder to register your company, and you cannot have more than 30 shareholders. Each shareholder is only liable based on their capital contribution.

## Benefits of Completing the Montenegro Subsidiary Setup Process

Once you finish the Montenegro subsidiary setup process, you can start reaping the benefits of working in the country. Your LLC will also protect your parent company, which won't incur any fines or litigation based on the actions of the subsidiary. Plus, your subsidiary can operate independently, using its own culture.

Globalization Partners is here for companies that are ready to expand to Montenegro and beyond. When you choose Montenegro subsidiary outsourcing with us, you can start working in a couple of days. We'll hire employees and onboard them to your team, also handling Montenegro subsidiary laws as we go. As the Employer of Record, we'll be compliant instead of you, so you can focus on building your company.

## Everything You Need to Be Successful

It takes a significant amount of time and money to succeed in the Montenegro subsidiary setup process. However, you can make it easier by working with your accounting department beforehand to figure out how much money you'll need. You should also clear your schedule so that you're free to travel back and forth to Montenegro.

We recommend making sure you have an expert in Montenegro's subsidiary laws. You can

work with one of your existing employees to learn the applicable laws or work with a third party. An accountant, lawyer, or consultant will understand all the applicable laws and ensure you're staying compliant.

### **Choose Montenegro Subsidiary Outsourcing With Globalization Partners**

Globalization Partners is the clear choice for companies looking to expand. Instead of spending months learning how to set up a Montenegro subsidiary, you can count on us to help you start working fast. Contact us today to learn more about Montenegro subsidiary outsourcing and our global expansion solution.