

Establishing a subsidiary in a foreign country is usually the first step of any expansion. You will need to learn Serbia's subsidiary laws, set up your payroll, hire employees, and give out the right level of compensation and benefits. This is all on top of running a new company location in an unfamiliar country.

Globalization Partners strives to make your expansion easier through our Employer of Record services. You don't have to set up a Serbia subsidiary when you work with us. We use our existing subsidiary to help you work quickly, without all the stress of establishing a business entity in Serbia.

## How to Set up a Subsidiary in Serbia

If you decide to go through the Serbia subsidiary setup process alone, you need to research where you would like to incorporate and what entity is best for your business. Serbia's subsidiary laws can change by location and region, occasionally making it difficult to incorporate in certain locations. Always research the physical office space you have lined up to see what the subsidiary process is like there.

Serbia has several different business structures available for incorporation, including a limited liability company (LLC), public limited company, branch office, and representative office. Many companies choose to incorporate as an LLC because it can benefit the parent company and the subsidiary. The steps to set up a Serbia subsidiary as an LLC include:

- Completing an incorporation application online or by visiting the Serbian Trade Register
- Appointing at least one natural-born Serbian representative
- Receiving official registration data through the Republic Statistical Agency
- Registering with the Pension, Employment, and Health Fund in Serbia
- Completing the required capital and paperwork
- Opening a Serbian bank account
- Registering with tax authorities either online or in-person

The entire Serbia subsidiary setup process can be time-consuming, as opening a bank account takes about four to five weeks on its own. If no one from your company is a native

Serbian speaker, we recommend hiring one, outsourcing, or choosing a global PEO.

## **Serbia Subsidiary Laws**

Serbia's subsidiary laws vary based on which structure you choose. LLCs require at least one director and one shareholder who can be of any nationality. You will need a little over \$1 in minimum paid-up share capital to set up your Serbia subsidiary, and you also need to appoint a company secretary.

In addition to appointing a natural-born Serbian representative, you need a registered auditor who will carry out an annual audit. Another mandatory requirement is a physical office space before incorporation. Your LLC's statutory and accounting records must be available at that physical location in Serbia to stay compliant with Serbia subsidiary laws.

## **Benefits of the Serbia Subsidiary Setup Process**

The biggest benefit of going through the Serbia subsidiary setup process is legally working in the country. LLCs are the most popular business structure because they offer limited liability for both subsidiaries and parent companies. As a subsidiary, you can operate in a way that makes the most sense for your Serbia location. The parent company doesn't have to worry about incurring liability or a lawsuit from the subsidiary's actions either.

Choosing Serbia subsidiary outsourcing can make a difference in how quickly and efficiently you start operating in the country. Globalization Partners offers this service to companies looking to expand in Serbia, so you can start hiring employees and adding them to your payroll. You don't have to incorporate — you can use our existing subsidiary to stay compliant and focus on growing your business.

## **What You Need to Establish a Subsidiary**

If you're ready to establish a subsidiary in Serbia, we recommend sitting down with other company executives and developing a plan. You will need to set aside time to travel back and

forth to Serbia and complete the incorporation process. Since certain steps require fees, we also recommend creating a budget, so you're not caught off guard by any hidden fees.

### **Work With Globalization Partners Today**

Globalization Partners' Serbia subsidiary outsourcing services will help make your expansion easier so you can focus on building a great new location. Contact us today to learn more.