

Before you can begin working in Ukraine, you must establish a subsidiary that will allow you to work in the country legally. The Ukraine subsidiary setup process differs by location and entity and can take anywhere from a few weeks to a few months. On top of running a company and going through this process, you'll also have to learn Ukraine's subsidiary laws.

Globalization Partners can help you get through the lengthy process in a few days without having to set up a subsidiary. As the Employer of Record, we can handle all matters of compliance, hire employees that work for you, and handle your payroll and benefits. With us, your only concern should be growing your company in Ukraine.

How to Set up a Ukraine Subsidiary

Understanding how to set up a Ukraine subsidiary starts with answering questions about your company and business goals. Different regions in Ukraine can operate under separate laws and processes that impact your incorporation process. You should research the area where you want to base your physical location to ensure the culture and regulations work for your company.

Your Ukraine subsidiary setup process also depends on the type of entity you incorporate as. While a limited liability company (LLC) is the most popular type of subsidiary, you can also incorporate as a joint stock company, a representative office, and more. The steps to incorporate as an LLC include:

- Submitting appropriate documentation to the registrar, including an application, company charter, and beneficiary owner information
- Opening a permanent bank account in the country
- Registering with the state tax authority or the district tax office
- Obtaining a VAT number

Ukraine Subsidiary Laws

Ukraine's economic volatility and constant legislature changes are often challenges for companies that need to adjust to Ukraine's subsidiary laws. Since Ukraine's bureaucracy

features both complex laws and frequent corruptions, we recommend spending a significant amount of time learning the laws and resources necessary to set up a subsidiary successfully.

Although the laws vary by the entity, LLCs need one director and one individual shareholder to complete the process. The minimum paid up capital requirement is a little over \$1, but it's a good idea to budget anywhere from \$5-6,000 just to cover the fees associated with setting up a subsidiary in Ukraine.

Every director of the company needs to be able to work in Ukraine and must obtain a work permit before you can promote them. You can either promote an existing company executive or hire a Ukrainian native who is already able to work in the country. Despite this requirement, an LLC offers the most simple setup process. You do not have to comply with any auditing requirements as an LLC, which can save you time when filing taxes.

Benefits of the Ukraine Subsidiary Setup Process

The biggest benefit of setting up a Ukraine subsidiary is that you can start working in a new country. If you choose to incorporate as an LLC, both the subsidiary and parent company can benefit. The subsidiary will be able to operate independently from the parent company and create its own company culture and policies, while the parent company will not have to worry about taking on liability from the subsidiary.

Instead of learning all of Ukraine's subsidiary laws, you can choose to outsource through Globalization Partners for even more benefits. We're a global PEO with subsidiaries all over the world, including Ukraine. When you choose Ukraine subsidiary outsourcing with us, you won't have to go through the lengthy and expensive subsidiary process. Plus, we can ensure that you stay compliant, so you can focus on growing your company.

What Do You Need to Set up Your Subsidiary?

If you choose to establish your Ukraine subsidiary alone, you'll need to set aside plenty of time to complete the process. Make sure you have time to fly back and forth to Ukraine, or

appoint another company executive to handle the travel time for you. You also have to budget the right amount of money for an expansion. It's a good idea to work with your finance team ahead of time to figure out how much an expansion will cost.

Why Choose Globalization Partners?

Globalization Partners makes a difference from the start with our Ukraine subsidiary outsourcing services. Contact us today to learn more.