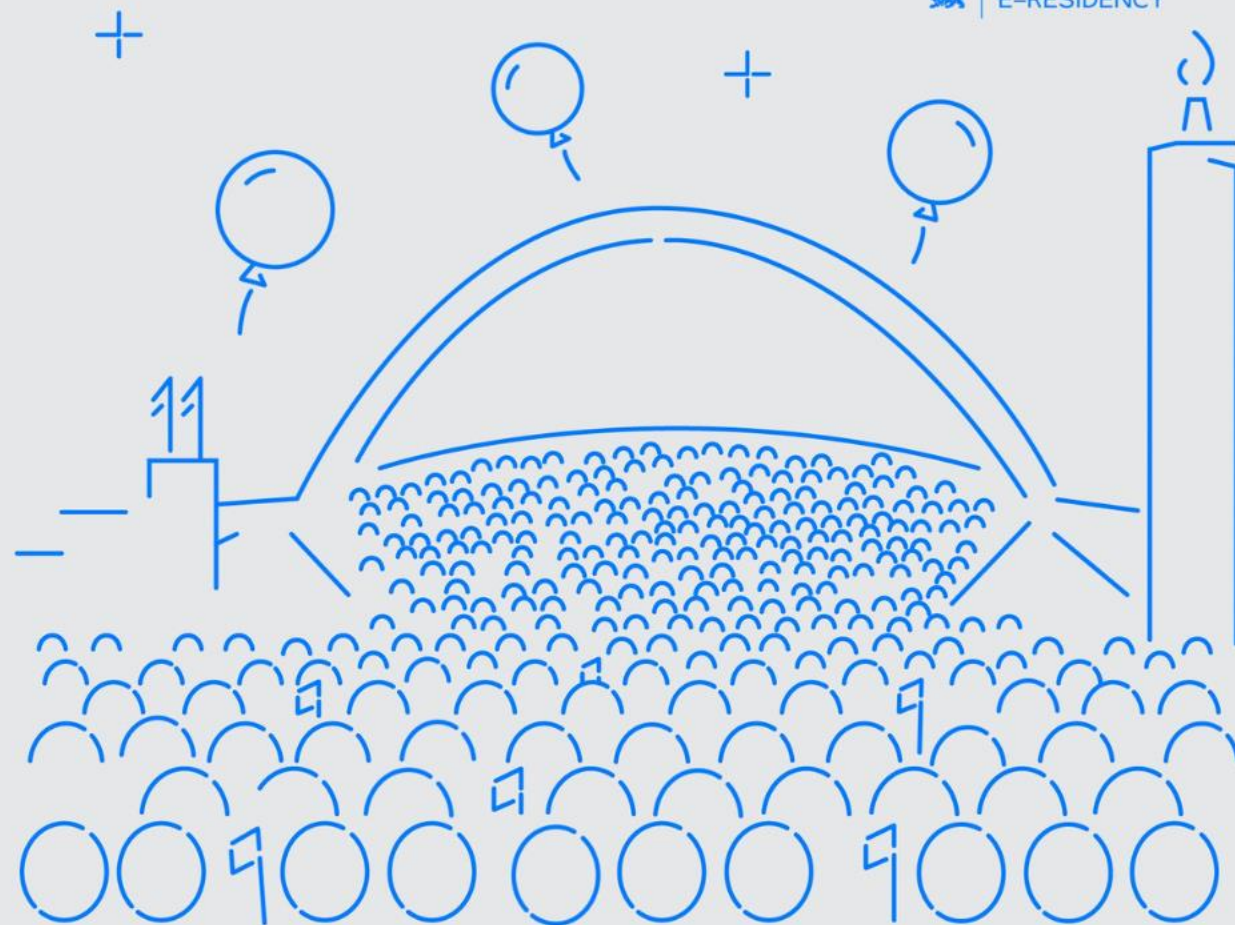




Live Q&A with the e-Residency Team – Ask us Anything!

17 May 2023



Dream big, dream digital. Celebrating

100 000

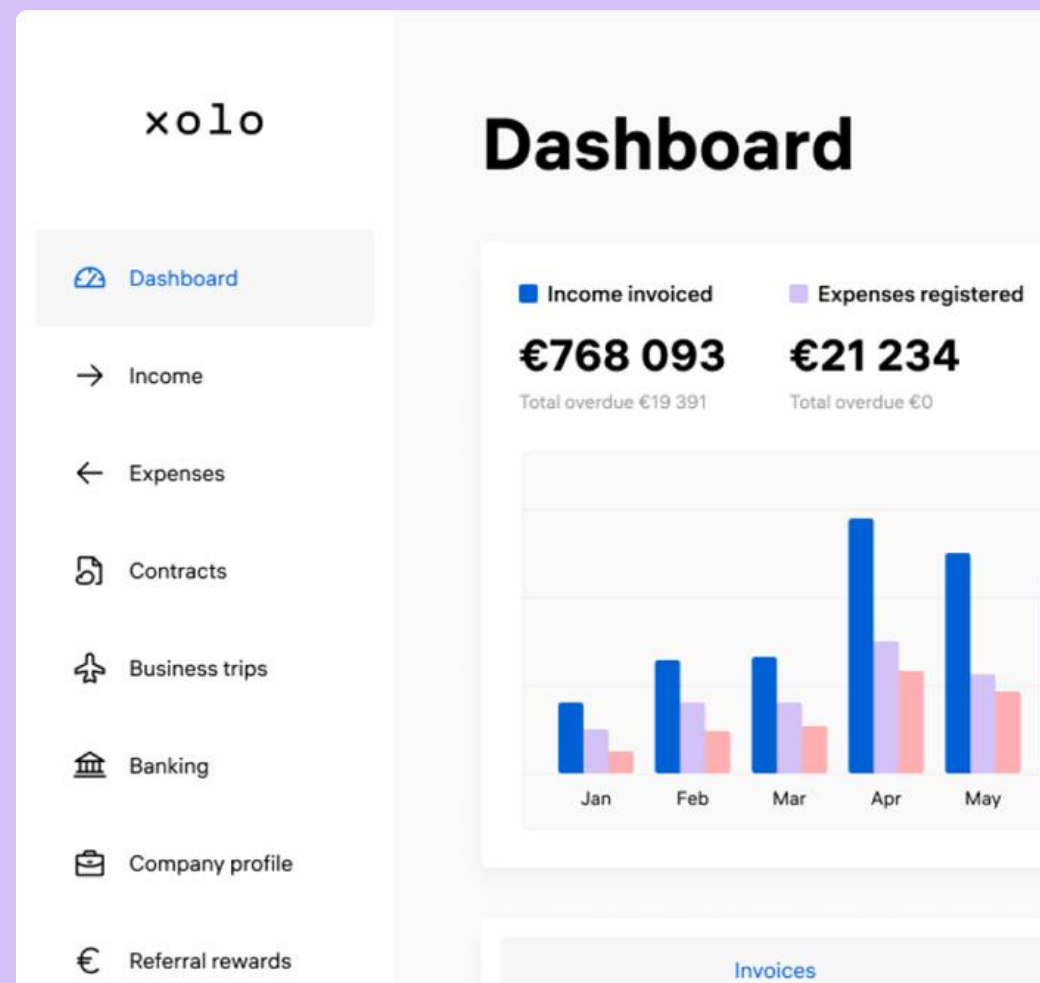
Estonian e-residents!

Xolo Leap

Start an e-Residency company
from anywhere on
the planet

xolo.io/leap

xolo



All-in-one solution for solopreneurs

Incorporation – All it takes, is a few clicks and some simple forms to register your e-Residency company.

Accounting – We're proud to employ some of the best accounting and compliance experts in Estonia right here at Xolo.

Taxes and reporting – VAT, TDS, Annual reporting.

Banking – Integrate your company bank account with Xolo self service.

5 ★★★★★ (151)



e-Residency
marketplace
member



—Part 1: What is e-Residency?



What is e-Residency?



E-Residency is....

- + **Digital identity**
- + Access to Estonian e-services
- + Secure digital signature
- + A digital key to do business in Estonia
- + A global community of e-residents



E-Residency is not....

- + Travel document
- + Citizenship, Visa or Residence permit
- + Tax residency
- + Business bank account
- + Personal bank account

Who can apply?

- + E-Residency is only granted to **individuals**
- + Substantial interest in using e-services & starting a company in Estonia
- + Not open for Estonian citizens or residents of Estonia
- + Restrictions on new applications from Russians or Belarussians



Nevena, Serbia/US
Founder of Recrooit

Why become an e-resident?

- + Register an EU based company 100% online from anywhere
- + Run business remotely with 24/7 secure access to Estonian e-services
- + Digitally sign documents to highest eIDAS standards (as strong as handwritten)
- + Join a community of 100,000 like-minded people from 170+ countries



Patrick Heneise, Cyprus / Germany
Zentered

Timeline



Apply online in
~30 minutes

Choose pickup location

Pay the state fee
(€100-120)



Estonian Police &
Border Guard Board
reviews application
within 30 days of
submission



E-Residency kit will
reach your pickup
location within
2-5 weeks

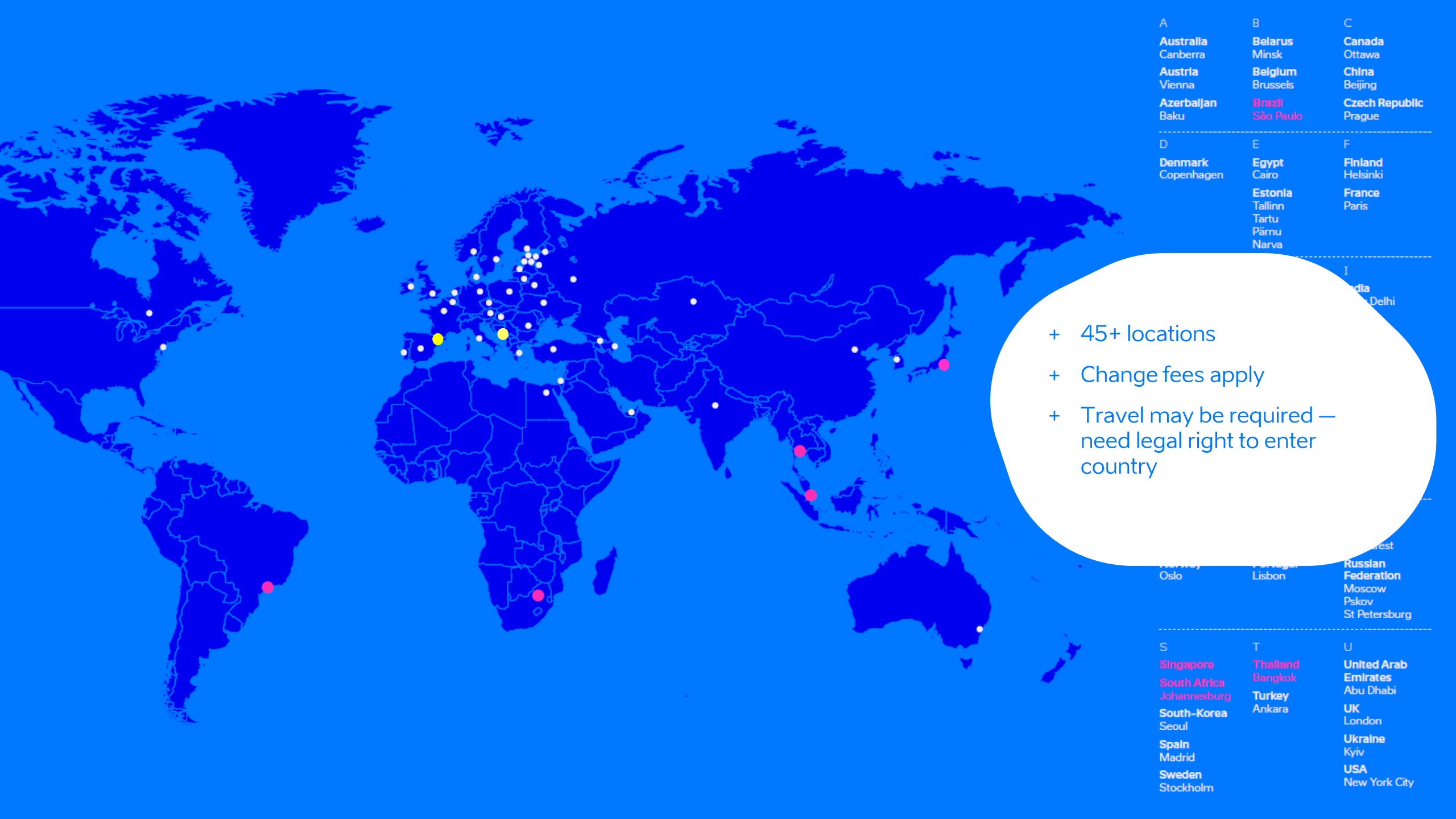
Pay a service fee in cash
at certain PUPs



Collect your
e-Residency kit
in-person

Access Estonian
e-services &
start your company

3-8 weeks



A	B	C
Australia Canberra	Belarus Minsk	Canada Ottawa
Austria Vienna	Belgium Brussels	China Beijing
Azerbaijan Baku	Brazil São Paulo	Czech Republic Prague
D	E	F
Denmark Copenhagen	Egypt Cairo	Finland Helsinki
	Estonia Tallinn Tartu Pärnu Narva	France Paris
		I
		India Delhi
		Ireland Dublin
		Israel Tel Aviv
		Italy Rome
		Japan Tokyo
		Korea Seoul
		Latvia Riga
		Lithuania Vilnius
		Netherlands Amsterdam
		Norway Oslo
		Poland Warsaw
		Portugal Lisbon
		Romania Bucharest
		Russian Federation Moscow Pskov St Petersburg
S	T	U
Singapore	Thailand Bangkok	United Arab Emirates Abu Dhabi
South Africa Johannesburg	Turkey Ankara	UK London
South-Korea Seoul		Ukraine Kyiv
Spain Madrid		USA New York City
Sweden Stockholm		

- + 45+ locations
- + Change fees apply
- + Travel may be required — need legal right to enter country

—Part Two: Company formation



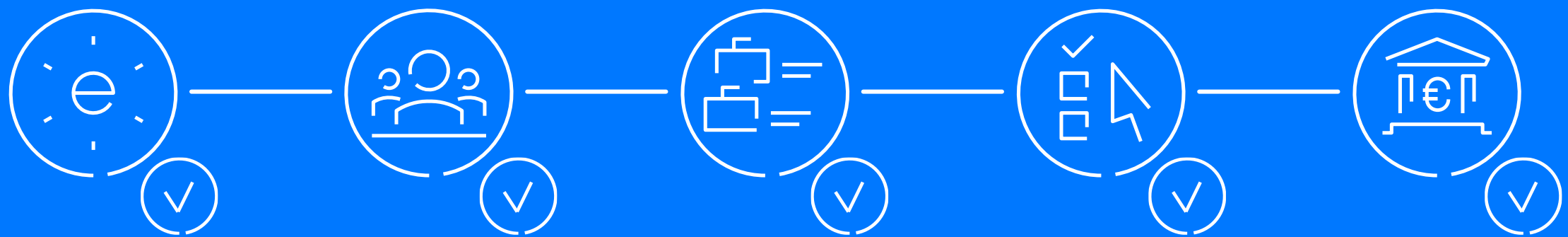
Open a ltd company in Estonia, 100% digitally, and from anywhere

- + 24/7 remote access, so be free to work anytime, anywhere
- + Make more time for your clients, creative work and doing what you love
- + Don't do it alone with advice & support from a huge global business network
- + Protect credibility in the eyes of clients & partners, & limit your liability with an OÜ



25,000+
companies
established by
e-residents

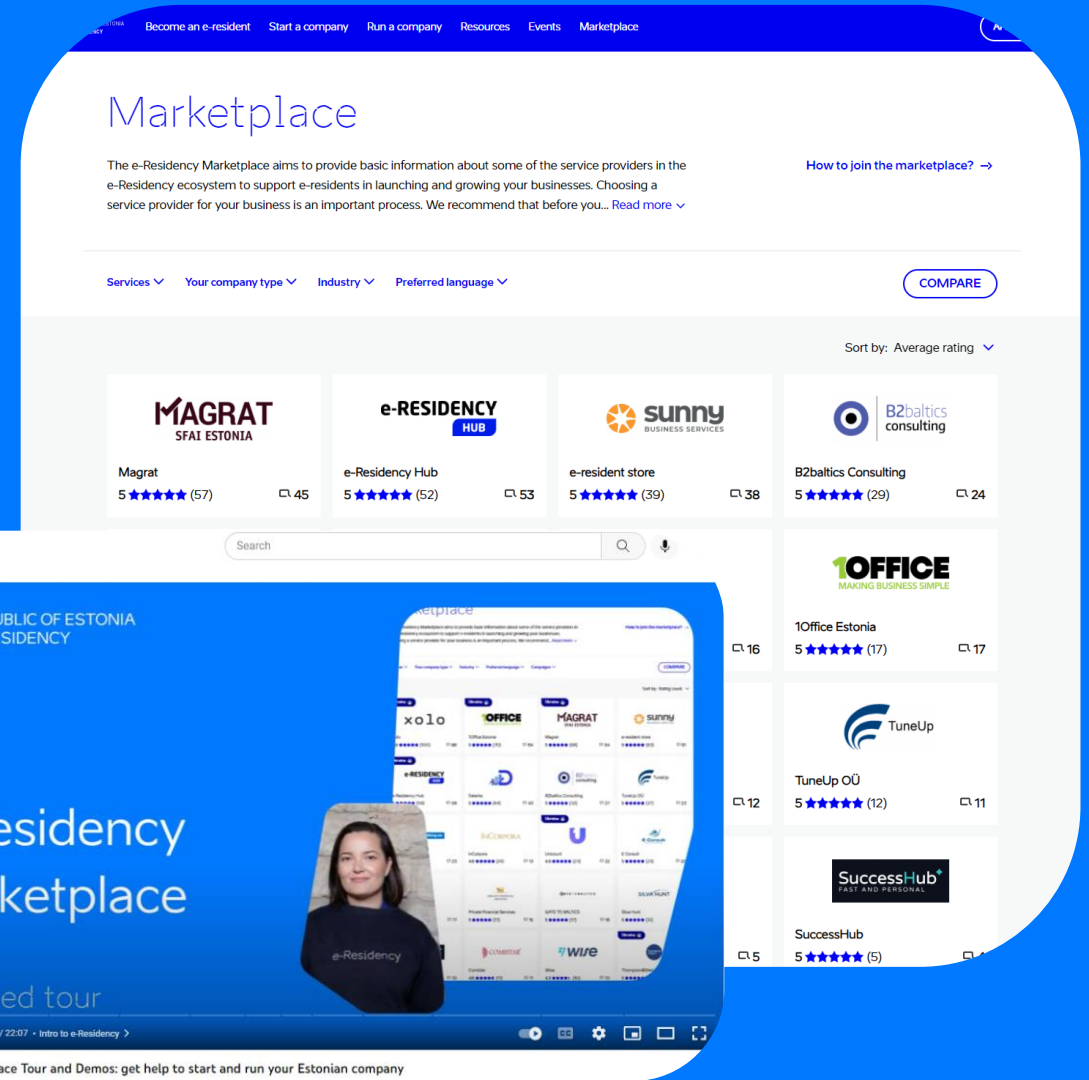
Company registration in a nutshell



- + Apply for e-Residency and collect your digital ID card
- + Choose a business service provider
- + Log in to the e-Business Register (or API formation services) to register your company
- + Check if your company needs a license or a notice of economic activity (*very limited areas of activity*)
- + Apply for a business banking account

Who can help — me with my business?

- + 129 expert business service providers on the e-Residency Marketplace
- + A local contact person is the only mandatory local service needed
- + For companies with a foreign management board address
- + Only certain professionals or licensed representatives
- + Company's address, mailbox & messenger service in Estonia
- + Contact person is NOT a local director
- + Other services: company formation, accounting, legal, tax consulting, etc

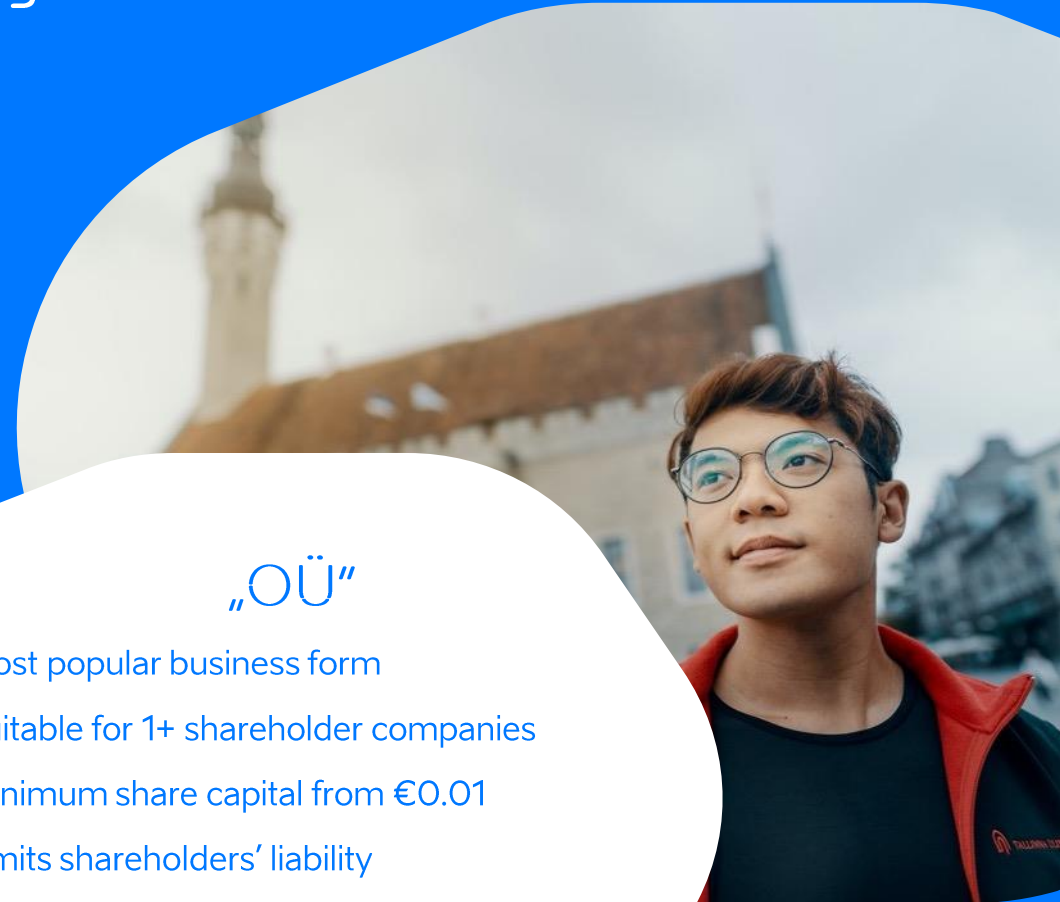


—How much will company incorporation cost?

- + E-Residency application fee: 100-130 euros
 - + State fee to register „OÜ“ company = 265 euros
 - + Local contact person: 200-400 euros/year
 - + Accounting: from 50 euros/month
 - + Other: travel costs to pickup points, fees for extra services, banking fees, business licenses, software licences
- + TOTAL (1st year), from:
- = €565 (DIY)
 - = €1 265 (With accounting support)

„OÜ“

- + Most popular business form
- + Suitable for 1+ shareholder companies
- + Minimum share capital from €0.01
- + Limits shareholders' liability
- + Easy registration process



3 options to open a business bank account

Payment institutions & fintechs in the EU/EEA

- + Can be opened entirely online
- + Widest choice
- + Do not provide business loans

Banks in other EU/EEA countries

- + Based on your existing client relationship

Banks in Estonia

- + Companies with "strong connection to Estonia"
- + Personal visit to the bank is required



Business bank comparison

	LHV	Coop	Airwallex (1Office)	OuiTrust	Wise	Juni	ConnectPay	Payhawk	Paysera	Intergiro
Fintech			✓	✓	✓	✓	✓	✓	✓	✓
Traditional bank	✓	✓								
IBAN	EE	EE	EE	EE	BE	DK, GB	LT	LT	LV	SE
Application online			✓	✓	✓	✓	✓	✓	✓	✓
Credit/ debit/ pre- paid card	Business Debit Mastercard	Business Debit MasterCard	Business Debit VISA	Business Debit MasterCard	Business Debit Mastercard	Business Debit MasterCard	Business Debit VISA	Business Debit VISA	Business Debit VISA	Prepaid Mastercard
International payments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business loans	✓	✓								

Country comparison

	Estonia (e-Residency)	US (Delaware)	Ireland	UK	Singapore
State fee to register business	€265	from \$89 (€81)	€150	£12 (€14)	SGD300 (€200)
Time to register business	2 hours	5-15 business days	3-7 business days	24 hours	1-3 business days
First year costs	from €200	from \$2,500	from €2,000	from £600	From €4,000
Visa, local agent or director?	x	Local agent	Director from EEA for non-EU founders	x	Local director
Digital ID card	✓	x	x	x	✓
Online Set-up	Yes	Yes, partially	Yes, partially (need to upload physical documents)	Yes	Yes
Minimum Share Capital	€0.01 per s/h	nil	nil	nil	from SGD1
E-services	Yes	Yes, partially	Yes, partially	Yes	Yes



REPUBLIC OF ESTONIA
E-RESIDENCY

We're reimbursing e-Residency fees for Ukrainians!

Apply for e-Residency and register a company in Estonia with an eligible business service provider, and we'll cover the application fee.



Part Three: Taxation

What are the taxes to be aware of?

Personal Taxes → Declared in country of tax residence

Company Taxes → Declared where company is tax resident and/or has a Permanent Establishment

Payroll taxes & Social contributions → Declared where employees are located / registered

Value Added Taxes (VAT) → Online sellers can declare in the EU country where they are VAT-registered

Where will I pay my company taxes?

ESTONIAN COMPANIES
=
ESTONIAN TAX RESIDENTS

Companies are registered as tax residents in **Estonia** by Estonian Tax & Customs Authority when established in Estonia.

BUT ↓

If your company is also considered a tax resident, or your activities create a permanent establishment, in **another country**, your company may also have tax liabilities there.

You should not be double-taxed!

Contact a local tax consultant for professional advice regarding your specific situation.

E-RESIDENCY
≠
TAX RESIDENCY


E-Residency **doesn't exempt** companies from dual tax residency and foreign tax liabilities.

BUT ↓

Estonia has signed treaties with 60+ countries to avoid **double taxation**, so dividends distributed in Estonia may be exempted in full from corporate income tax here.

The most competitive tax code in the world

- + Estonia has minimal tax regulation & low rates
- + No annual corporate income tax
- + Corporate tax:
 - + 0% on reinvested profits
 - + 20% on distributed profits (14% for regular distributions)
- + 20% VAT
 - + Mandatory registration > 40k EUR per year
 - + OSS & IOSS regimes in EU simplify VAT procedures
- + Taxes can be declared and paid online
- + Get help from the friendliest tax authority in the world!



Estonia #1 on the
Tax Competitiveness
Index for 9 years

Substance in Estonia

- + Rent an office
- + Hire employees
- + Hold Board Meetings in Estonia
- + Register assets and IP in Estonia
- + Become a digital nomad
- + Relocate

<https://www.e-resident.gov.ee/bringing-business-to-estonia/>



Chris, Estonia / UK
Haus of Hiatus

Thank you and a few final things...

What's next?

- + Give us your FEEDBACK!
- + Ask QUESTIONS in our Subreddit:
<https://www.reddit.com/r/eResidency/>
- + Contact SUPPORT: e-resident@gov.ee
- + APPLY NOW: <https://eresident.politsei.ee/>





REPUBLIC OF ESTONIA
E-RESIDENCY