

e-Residency of Estonia



e-Residency Program Overview
and Remote Company Setup Guide

I. Overview of e-Residency Program

Important notice: e-Residency does not grant any right to enter, stay (temporarily or permanently), or travel in Estonia or the European Union. It only gives access to the digital infrastructure of Estonia and enables foreigners to use government e-services and manage business remotely.

100% Online Setup	Remote Management	Physical Presence Required
Full online registration and management (reference)	Manage from anywhere in the world (reference)	One-time visit to collect e-residency digital ID card (reference)

Estonia's **e-Residency program** is the world's first digital nation initiative, **launched in 2014** ([reference](#)). It provides entrepreneurs worldwide with a government-issued digital identity, allowing them to establish and manage an EU-based company entirely online. With **over 134,500 e-residents** from **185 countries** and **39,300+ businesses** established, it's the most mature e-residency program globally. ([dashboard](#))

Target Audience: foreigners ([reference](#), [reference](#)), digital nomads, freelancers, online entrepreneurs, startups, and anyone looking to establish a legitimate EU business presence without physical relocation. ([purpose and values](#))

Additional info [here](#)

Key benefits

- **100% remote** company establishment (no notary or physical meeting requirement, *provided e-residency digital ID card is owned by applicant*) ([reference](#))
- **No residency requirement** for partners and managers (provided that there is an appointed local contact person, e.g. service provider in Estonia) ([reference](#), also [here](#))
- **0%** corporate tax on retained or reinvested profits ([reference](#))
- Access to EU single market and fintech/banking options ([reference](#), also [here](#))
- Digital signature for fast contract and approval processes ([reference](#))

II. Can You Open & Manage Your Business Fully Online?

Setting Up Your Company Online

100% online company registration is possible once you have your e-residency digital ID card ([reference](#)). You can register an Estonian OÜ (private limited company) completely remotely without visiting Estonia. ([reference](#)) ([e-Business Register](#))

- No notary or physical meetings required for company formation (*provided that all related persons can sign the application digitally*) ([reference](#), [reference](#))
- Register company in **15m-1h** online ([reference](#))
- Company typically approved within **1 business day** ([reference](#))
- Minimum capital requirement for OÜ: **€0.01** ([reference](#))

Physical Presence Requirements

One-time visit required: You must visit an Estonian embassy or designated pickup location once to collect your e-residency card. You'll need to provide fingerprints and receive your digital ID card, USB card reader, and PIN codes. ([reference](#))

After this initial pickup, every other process related to e-services and establishing a company can be done remotely.

Managing Your Business Remotely

100% remote management from anywhere in the world ([reference](#)). As long as you maintain a legal address and licensed contact person in Estonia ([reference](#)) and keep your annual report up to date, you can run everything from your home country or while travelling.

- All accounting, tax filings, and reporting done digitally via e-MTA portal ([reference](#), also [here](#))
- Digital signature for contracts and official documents ([reference](#))
- Online banking and payment processing ([reference](#))
- No requirement to live in Estonia or visit periodically ([reference](#))

Anti Money Laundering and Transparency

Important 2026 consideration: Recent AML and transparency measures mean that Estonia increasingly expects e-resident companies to show real economic activity and substance, not just exist as “on-paper” or mailbox entities. During e-Residency renewals and ongoing supervision, factors like actual turnover, employment and transparent ownership now carry more weight, and passive holding or shell structures can face closer scrutiny and more frequent audits. (*Read about the AML and transparency policy highlights for Estonian businesses [here](#) and [here](#)*)

e-Residency Program Details

Official Program Name

e-Residency of Estonia – a government-issued digital identity and status for non-residents that provides access to Estonia’s e-services and transparent business environment.

Legal Framework

Residency of Estonia is a government-issued digital identity that allows you to authenticate yourself online, digitally sign documents, access Estonia’s e-services and establish a company fully online; however, it does not confer citizenship, tax residency, physical residency, or any right to live in or enter Estonia or the EU. ([reference](#))

Eligibility Requirements

- Open to anyone from any country (with [restrictions](#) and [exceptions](#))
- Must pass background security check by Estonian Police and Border Guard ([reference](#))
- Must collect card in person at designated location ([reference](#))

Restrictions and Limitations

- First-time applications from Russian and Belarusian citizens are not currently being accepted ([reference](#))
- Does not grant tax residency, citizenship, or right to live in Estonia ([reference](#))
- Does not provide travel privileges to EU ([reference](#))
- Cannot be used as a travel document ([reference](#))

Tax Structure

(Standard for ALL Estonian Companies)

Unlike special IT or tech-park regimes in countries such as Uzbekistan or Kazakhstan, Estonia does not require companies to join any specific program to access this regime; the deferred-tax model applies automatically to all companies under Estonian CIT.

Tax Type	Rate	Reference
Corporate Income Tax (<i>retained profits</i>)	0%	link Income Tax Act
Corporate Income Tax (<i>distributed profits</i>)	22%	link link
VAT	24%(standard) 13% 9% 0%	link
Personal Income Tax	22%	link
Social (or labour) tax (<i>paid by employer</i>)	33%	link link

Key Tax Advantage: 0% on Retained Profits

Estonia's unique system: Companies pay 0% corporate income tax on profits they keep in the business. The 22% corporate tax only kicks in when you *distribute profits* as dividends.

VAT Threshold: If your annual taxable turnover is below **€40,000**, VAT registration in Estonia is not obligatory. ([reference](#))

Special IT Incentives: While there's no specific "IT company" tax rate, all companies benefit from the same 0% retained profits system. Estonia's digital infrastructure and e-services make it particularly attractive for tech companies.

Duration of Benefits: Permanent, as long as you maintain your Estonian company and comply with regulations.

III. From Foreigner to Business Owner

Prerequisite: before starting business in Estonia as a foreigner, you must obtain e-Residency to use government services and register your company.

e-Residency Kit:

- **ID Card: physical smart card with electronic chip (validity period: 5 years)**
- **USB Card Reader: device to read ID card on a PC**
- **PIN1: for authentication**
- **PIN2: for digital signatures**

[\(reference\)](#)

With this kit, you can access: e-Business Register portal, e-Tax portal, e-Banking systems, and digitally sign company formation documents.

Step-by-Step Process

1. Apply for e-Residency

Submit your application online at e-resident.gov.ee

Duration: reviewing application – **30** days, production & delivery – **2-5 weeks**

Cost: **€150** state fee

Required Documents:

- Valid passport or ID card (it should be valid at least for another 2 months since when collecting the e-residency ID card the same document should be with the applicant)
- Recent photo (digital)
- Motivation letter explaining why you want e-residency
- CV file or online link
- Credit card to pay the state fee (€150)
- [reference](#)

2. Collect Your e-Residency Card

Once approved, visit your chosen Estonian embassy or pickup point to collect your digital ID card. You'll provide fingerprints and receive your card, USB reader, and PIN codes.

Duration: Same day (appointment)

Cost: 0

e-Residency Kit:

- Digital ID card (valid 5 years)
- USB card reader
- PIN codes for authentication and signing
- [reference](#)

3. Register Your OÜ

Register a private limited company (OÜ) online through the Business Register portal. The process takes 15-60 minutes.

Duration: 1 business day

Cost: €265 state fee

Required Information:

- Company name (must be unique)
- Business activity codes
- Sign, pay the state fee and submit
- Share capital (minimum **€0.01**)
- Legal address or contact person in Estonia (required by law)
- [Reference](#)

4. Open a Business Bank Account

Apply for a business bank account. Options include Estonian banks (LHV), EMIs (Wise, Payoneer), or specialized fintech.

Duration: 1-4 weeks

Cost: Varies by provider (**€0-100** setup, **€10-50/month**)

Banking Note:

- Banking can be challenging for e-residents
- LHV is the most e-resident-friendly Estonian bank
- Alternative: Wise, Payoneer (EMIs, not full banks)
- May require video interview or additional documentation

[Banking basics](#)

5. Set Up Accounting & Compliance

Engage an accounting service provider or use online accounting software. All tax filings are done digitally.

Duration: Ongoing

Cost: starting from **€50/month** for accounting and other services

[reference](#)