

Proposal for Business License and Residence Permit in Hungary

I. Executive Summary

This proposal outlines the plan to establish a business presence in Hungary and obtain the necessary legal permits, including a business license and a residence permit. Hungary is an attractive destination for entrepreneurs due to its central European location, business-friendly environment, low corporate tax rate (9%), and access to the European Union market.

II. Objectives

1. Register a Business Entity in Hungary
2. Obtain a Business License for Legal Operations
3. Apply for a Residence Permit for Business Purposes
4. Comply with Local Regulations and Establish Economic Activity

III. Business Setup Process in Hungary

1. Choose a Business Structure
 - Kft (Korlátolt Felelősségű Társaság) – Limited Liability Company
 - * Can be owned 100% by a foreigner
2. Company Registration Steps
 - Reserve a company name via the Hungarian Company Registry
 - Prepare incorporation documents with a lawyer
 - Obtain a Hungarian tax number
 - Register the company at the Court of Registration
 - Open a Hungarian business bank account
 - Register with Hungarian Tax Authority (NAV)

IV. Business License and Operation

Once the company is registered, certain business activities may require additional licenses (e.g., financial services, food handling). General commercial and consultancy businesses can operate without sector-specific licensing beyond registration.

V. Residence Permit Application Process for Business

1. Purpose of Stay:

- “Residence permit for the pursuit of gainful activity”

2. Eligibility Requirements:

- Demonstrate the business is active and sustainable
- Show proof of accommodation and sufficient income

3. Required Documents:

- Valid passport
- Company registration documents
- Business plan
- Proof of income and financial sustainability
- Lease agreement or property ownership
- Health insurance
- Clean criminal record (translated and legalized)

4. Application Submission:

- Apply at a Hungarian Consulate or National Directorate-General for Aliens Policing (NDGAP)
- Submit biometric data
- Processing time: ~70 days

VI. Visa Application (If Visa is Required)

1. Type of Visa:

- Type D Visa (Long-Stay Visa) for business residence

2. Steps:

- Apply at Hungarian Embassy/Consulate
- Submit supporting documents
- Receive visa and finalize residence permit locally

VII. Post-Arrival Obligations

- Register address with the Immigration Office
- Pick up residence card
- File taxes and maintain company bookkeeping
- Renew residence permit before expiration (typically valid 1–2 years)

VIII. Timeline Estimate

Step | Duration

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Company registration | 1–2 weeks

Bank account setup | 3–7 days

Tax and license registration | 1 week

Visa and residence permit processing | 1–2.5 months

Total Estimated Time | ~2–3 months

IX. Legal and Professional Support

It is highly recommended to:

- Work with a Hungarian immigration lawyer
- Hire a business consultant or accountant
- Use a virtual office or co-working space if needed

X. Conclusion

This proposal serves as a roadmap for establishing a legal business presence in Hungary and acquiring a residence permit to oversee and manage business operations. With proper documentation and compliance, Hungary offers a straightforward path to entrepreneurial residency and access to the European market.