WHITE PAPER

Bulgaria SAF-T Compliance: Strategic ROI from Regulatory Readiness

This white paper details how organizations can utilize KGT's SAP add-ons to navigate Bulgaria's SAF-T compliance effectively, ensuring both technical accuracy and audit readiness in an evolving regulatory landscape.

2026–2030

Phased SAF-T Mandate (Large to Micro)

BGN 300M / 3.5M

Revenue / Tax Thresholds for Phase 1

8–12 Weeks

Implementation Time

EXECUTIVE OVERVIEW

Introduction

As Bulgaria prepares for the phased implementation of SAF-T (Standard Audit File for Tax) reporting, organizations face increasing pressures to ensure compliance with local regulations set by the National Revenue Agency (NRA). KGT's SAP add-ons are designed to facilitate this transition, ensuring accuracy and efficiency in SAF-T reporting. The SAF-T mandate represents a significant shift in how Bulgarian businesses manage and report financial data, requiring a robust, integrated solution that can handle the complexity of the NRA's XML schema requirements.

KGT's SAP add-ons are designed to facilitate this transition, ensuring accuracy and efficiency in SAF-T reporting across all phases of the Bulgarian mandate from 2026 through 2030.

Key Figures at a Glance

Jan 2026
Phase 1 Go-Live for large enterprises

Jun 2026
Grace Period Ends for large taxpayers

Jan 2030
Full Implementation for all businesses

Initial maximum fine for non-compliance: BGN 15,000. Repeated violations may attract fines of up to BGN 30,000.

KGT combines expertise in taxation with certified SAP engineering. Official SAP Build and PE Service Partner with exclusive /KGT/ Namespace and deep Central and Eastern Europe expertise.

REGULATION TIMELINE

Meeting the Phased 2026–2030 Mandate

The SAF-T compliance initiative is structured over several phases:

Figure 1: Phased Implementation Timeline

Phase 1 Go-Live (Jan 1, 2026): Mandatory reporting for large enterprises (revenue over BGN 300M or tax payments of BGN 3.5M). Grace Period Ends (Jun 2026): Conclusion of the adaptation window for large taxpayers. Medium and Small Expansion (2027-2029): Gradual integration of medium and small enterprises. Full Implementation (Jan 2030): Comprehensive SAF-T compliance required for nearly all micro-enterprises and VAT-registered businesses.

Navigating Complex XML Reporting Layers

Bulgaria's SAF-T framework mandates three distinct reporting types:

Monthly

Due by the 14th of each month, covering GL, AP/AR, and all invoices

Annual

Fixed Assets by June 30th: acquisitions, disposals, depreciation

On-Demand

Inventory Reports prepared for audits upon NRA request

REPORTING ARCHITECTURE

A Single Source of Truth Inside SAP

KGT's add-ons seamlessly integrate within the existing SAP infrastructure:

Natively Embedded

Operates within the /KGT/ namespace, removing the need for external middleware and maintaining a single digital audit trail.

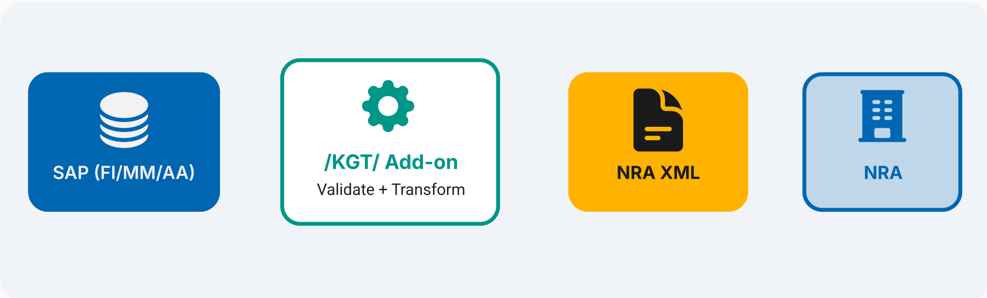
SAP DRC Synergy

Enhances Document Reporting and Compliance using standard SAP modules (FI, MM, AA), minimizing complexity and improving reporting accuracy.

Full Auditability

Every extraction, validation, and submission step is logged within SAP, ensuring a complete and tamper-evident audit trail for NRA review.

Figure 2: SAP to NRA XML Data Flow



Advanced Controls for Inventory and Assets

Preparation for submissions includes:

Annual Asset Reporting

Accurate reconciliation of asset acquisitions and disposals.

On-Demand Readiness

Instant generation of Inventory reports for audits.

Streamlined Workflow via the SAF-T Cockpit

The SAF-T Cockpit automates the compliance process:

Automated Extraction

Extracts data from SAP GL, AP/AR, and Fixed Asset tables.

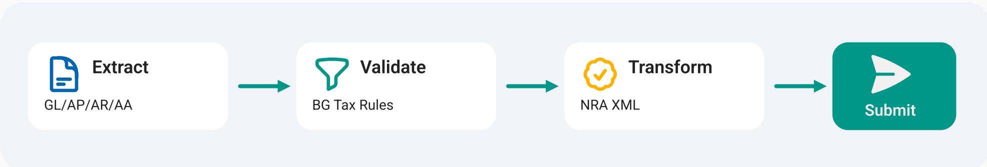
Validation and Transformation

Validates data against Bulgarian tax rules, converting it into the necessary NRA XML format.

Final Review and Audit

Provides a centralized space for review and audit trails of submission-ready files.

Figure 3: Cockpit Workflow Steps



Mitigating High-Stakes Penalty Risks

Non-compliance carries significant penalties which increase for repeated violations:

BGN 15,000

Initial Maximum Fine for first-time non-compliance

Severe Financial Penalty

Repeated Violation Fine

BGN 30,000 for subsequent failures

Error Reduction

KGT's automation is expected to lead to a 25% improvement in data accuracy.

ROI & CALL TO ACTION

Delivering Tangible ROI for Tax Teams

Maximize efficiency and minimize risk through rapid implementation:

8–12 wk
Implementation Time
Rapid deployment to meet the 2026 deadline

15%
Compliance Savings
Reduction in overall compliance operating costs from process automation

80%
Automation Gain
Reduction in manual efforts for file preparation and validation

Secure Your 2030 Roadmap

Prepare for the future by conducting a data gap analysis for 2026 readiness, eliminating compliance uncertainty, and ensuring smooth tax operations. Organizations that act now will be best positioned to meet the full 2030 mandate with confidence.

Initiate a gap analysis and implement the KGT Add-on to prepare your organization for Bulgaria SAF-T compliance across the 2026–2030 mandate phases.