

## Country-specific Information Hungary

Beneficial Owner Registry Authority

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The Country-specific Information is intended to help identify and verify the beneficial owners with regard to relevant foreign legal entities. It offers an initial overview of the legal framework, main legal forms and the sources of information available in the respective jurisdictions regarding the identification and verification of beneficial owners.

Please note that the information provided in this document is not intended to provide a complete overview over the legal system of the jurisdictions concerned and does not constitute a binding assessment by the Austrian Federal Ministry of Finance. The responsibility for the assessment of the documentation requirements for each legal form and the identification and verification of the beneficial owners concerned lies with the legal entities and the obliged entities.

### 1.1 General information

Hungary is a parliamentary republic that joined the EU in 2004. Like many other countries in Europe, its legal system is based on **civil law principles**.

The **Civil Code** regulates the structure and operation of the legal entities in Hungary. „Title X“ from the Book Three of Civil Code contains the common provisions relating to the business associations. All partnerships and companies in Hungary have to be **registered with the Register of Companies**.

## 1.2 Registers

### 1.2.1 Company Register

The companies are registered in the register of companies by the competent **Court of Registration**. The registered data (including the data of the members) is collected in the National Company Register and Company Information System (OCCR), provided by the **Company Information Service**.

Various types of company information (e.g. **company register extract**, certificate of effective and non-effective company data, company document) can be requested from the Company Information Service **for a fee**, which provides proof of existence of a company and the **company's members (except companies limited by shares)**. For further details and to order the relevant information, please visit

<https://occsz.e-cegjegyzek.hu/>

The most common documents provided by the Company Information Service are the following:

- **Certificate of effective and non-effective company data ("Cégmásolat")**: contains all the effective and non-effective (deleted) data of the company (e.g. name and seat of the company, tax number, activities, data on representatives and members).
- **Company register extract ("Cégkivonat")**: is similar to the above mentioned Cégmásolat, but only contains all the effective data of the company.
- **Certificate of requested effective and/or non-effective company data ("Cégbizonyítvány")**: contains the same data as Cégkivonat or Cégmásolat, but not all of them. The required data is determined by the customer.
- **Decree ("Végzés")**: This company document contains the data registered by the Court of Registration, based on the company documents that were submitted to the court by the legal representative of the company. The legal representatives have to submit the relevant documents when the new company is registered and when the company's data has changed. In these cases, the Court of Registration registers the changes by a decree every time.

There is some company information (registered company extract), which is available on the website

<https://www.e-cegjegyzek.hu/>

**free of charge**, but this information is only available in Hungarian. This data is based on the court decrees and updated weekly (on the first day of the week).

### **1.2.2 BO register**

Beneficial ownership information is not kept at the Register of Companies. Currently, there is no BO register available.

## **1.3 General information on legal forms**

The following legal forms are available in Hungary:

### **1.3.1 Corporate entities**

- Limited liability company („Korlátolt Felelősségű Társaság” – „Kft”)
- General partnership („Közkereseti Társaság” – „Kkt”)
- Limited partnership („Betéti Társaság” – „Bt”)
- Company limited by shares (private or public) („Zártkörűen Működő Részvénytársaság – „Zrt” or „Nyilvánosan Működő Részvénytársaság – Nyrt”)
- Association

### **1.3.2 Trusts**

Hungarian law does not provide for the creation of trusts.

### **1.3.3 Foundations and similar legal entities**

- Foundation

### **1.3.4 Legal arrangements similar to trusts**

- Fiduciary asset management contract

## 1.4 Detailed information on specific legal forms

### 1.4.1 Limited Liability Company („Kft.”)

The **most common type of company** in Hungary is the limited liability company („Kft.”), as their organisational structure is simple (for example they can be created by **one or more members**, they can be led by **one or more directors**, a supervisory board is only mandatory in specific circumstances). This company type is formed by a share capital of a predetermined amount of ordinary deposits. The **members' liability is limited**, unless otherwise provided by the Civil Code, a member shall not be liable for the obligations of the company. A Kft. is founded with an initial capital of **at least 3 million forint** (Title XIII, Chapter XXIII, Section 3:161 (4) of Civil Code).

#### Proof of existence:

- Company register excerpt

#### Proof of ownership:

- Company register excerpt

### 1.4.2 Company limited by Shares (private or public) („Zrt” or „Nyrt”)

The company limited by shares (private or public) („Zrt” or „Nyrt”) operates based on share capital consisting of shares of a predetermined number and nominal value. Unless otherwise provided by the Civil Code, **shareholders shall not bear liability** for the obligations of companies limited by shares. A company limited by shares whose shares are listed on a stock exchange is a **public company limited by shares** („Nyrt.”), and a company limited by shares whose shares are not listed on a stock exchange is a **private company limited by shares** („Zrt.”).

The share capital of a private company limited by shares may not be less than **HUF 5 million**. The share capital of a public company limited by shares may not be less than **HUF 20 million** (Title XIV, Chapter XXXI, Section 3:212 (2) of Civil Code).

Companies limited by shares have to operate a **shareholder register** of shareholders, which contains the shareholders name and the place of domicile or seat, and the number of shares and ownership ratio of shareholders in each series of shares. The register of shareholders is

**not included in the register of companies.** However, the company has to provide continuous access on their seat for anyone (Title XIV of Civil Code).

**Proof of existence:**

- Company register excerpt

**Proof of ownership:**

- Shareholder register
- Bloomberg-Screenshot et al. (in case of a company listed at stock exchange)

### **1.4.3 Foundation**

A foundation is a **legal person** established by the founder for the continuous implementation of a sustained goal, defined by the **deed of foundation**. A Hungarian foundation **has to be registered** by the Court. The legal personality of the foundation is acquired by its registration. The existence of the foundation is proven by the Court's **order of registration**. The identity of the founder(s) may only be traced from the **memorandum of association** kept in the Court archive.

Legal regulations for foundations are to be found in Section 3:378-3:404 of the Act V of 2013 on the Civil Code. The registration procedure is regulated in the Act CLXXXI of 2011 on the judicial register of non-governmental organizations and related rules of procedure.

**Proof of existence:**

- Order of registration

**Proof of beneficial ownership:**

- Deed of foundation and supplementary deeds/resolutions
- Memorandum of association