Registration of natural person as self-employed person

Before starting business activities, all self-employed persons must apply for their entry in the **commercial register**. Self-employed persons are entered in the commercial register based on the application submitted by the person concerned (**§ 3 of the Commercial Code**).

To register a self-employed person with the commercial register, an application for entry in the register must be submitted (digitally signed or certified by a notary) to the commercial register. The application must contain the following information:

- business name (requirements for a business name in **sections 7 to 15 of the Commercial Code**), in case a name of farm is used, the reference to the number of the registered immovable property in the land register should be added;
- postal address of self-employed person (number of apartment and house; name of street or farm, name of settlement, local government, county and postal code);
- details of self-employed person (first name and surname, Estonian personal identification code or the birth date);
- beginning and end of the financial year (please note that irrespective of the self-employed person's financial year, a period of taxation is still a calendar year);
- if needed, information on the suspension of business activities, seasonal or temporary activity (**§ 3 (3) of the Commercial Code**);
- means of communication (phone, fax, e-mail, website etc.);
- information on the planned principal activity. Unlike other self-employed persons, farmers may have two activities registered in the commercial register (for example, in a tourism farm the farmer may be engaged in production of agricultural products and accommodation services at the same time).
- receipt of the payment of state fee.

More information can be found on the website of the Ministry of Justice and Digital Affairs on the page **“Füüsilisest isikust ettevõtja” (“Self-employed person”)** (in Estonian).

Notaries are registered by the Estonian Chamber of Notaries whereas bailiffs are registered by the Estonian Chamber of Bailiffs and Trustees in Bankruptcy.

The tax authority uses the information on self-employed persons obtained from the commercial register, the Estonian Chamber of Notaries and the Estonian Chamber of Bailiffs and Trustees in Bankruptcy. Therefore, it is important that the information on self-employed persons entered in the register be correct. Hereby it should be borne in mind that self-employed persons must perform their tax liabilities as long as they are entered in the register as a self-employed person.

SELF-EMPLOYED PERSON AS A SALARIED WORKER

Being a self-employed person does not exclude working under an employer. Whereas a self-employed person and a natural person is the same person, the natural person may earn income in various ways (for example, income from employment, income from transfer of securities, business income, etc.), but they must differentiate their different kinds of income on the income tax return of natural person.

REGISTRATION OF A SELF-EMPLOYED PERSON IS PUBLIC INFORMATION

All interested persons may check out via the **Information System of the e-Commercial Register** whether the person has been registered as a self-employed person.

FOR YOUR INFORMATION

- ✓ The obligations arising from the tax legislation shall also extend to self-employed persons who have not registered themselves with the commercial register;
- ✓ the rights provided for in the tax legislation apply to self-employed persons as from the date of their registration in the commercial register. Thus, only the persons registered in the commercial register as a self-employed person may make deductions from their business income as specified in **Chapter 6 of the Income Tax Act** .
- ✓ Transfer of securities owned by a natural person does not constitute business. Purchase-sale of securities and gains therefrom shall always be taxed as gains from transfer of property.
- ✓ Taxpayers may, at their own discretion, include also rent and royalties in their business income.

Last updated on 08.01.2025