Short guide to business start in Denmark

Betina Møller, Business Consultant
bem@startvaekst-aarhus.dk
www.startvaekst-aarhus.dk
Phone: 70 15 16 18
The Business Development Center in Aarhus
Business Plan
- Items at business start you should have knowledge about

Business Plan template at: www.startvaekst.dk/forretningsplan

Rules when Starting a Business in Denmark

1) Registration of company
You must have a residence and work permit (www.newtodenmark.dk)
VAT registration / CVR number
Contact www.webreg.dk

2) Permits:
Food: Local Food Control Authorities (www.fvst.dk)
License to trade in food (www.naeringsbasen.dk)
Premises: The municipality's technical department
Trade license, alcohol (restaurant and hotel): Available from police
Authorization (sewer, electrical engineer, certified translator, etc.)
3) Bookkeeping and accounting
Bound to keep records / accounts
Person = Company
Collect VAT (+ 25% of your price)
SKAT (the tax authority) helps and monitor businesses

Legal Forms of Companies

Proprietorship – personally owned business
This type is the less complicated business format. There is no minimum stated capital, however, the owner is personally liable to the full extent of his/her assets. This is the most frequently used business format for minor newly established businesses. You need a residence and work permit to start a sole proprietorship company.

Partnership (I / S)
Partnership (I / S) - this is a personally owned business only with multiple owners. There are no capital adequacy and the owners liable individually and personally liable. It is advisable to have prepared a stakeholder contract.
Anpartsselskab (ApS) – a small limited company
Anpartsselskab (ApS) - ApS may be formed of one or more persons and it must be reported to the Commerce and Companies Agency. There is a capital requirement of min. kr. 80.000,- and we notice with the capital.

Aktieselskab (A/S) Limited company (Ltd.)
There is a capital requirement of min. DKK 500,000

Accounts in Company

Example of a: SHOP CONSULTAN

Turnover / Sales 1,000,000 450.000
- Used Goods/Variable Costs 400,000 0
= Gross profit 600,000 450.000
- Fixed costs 300,000 65.000
- Interest 30,000 5.000
- Depreciation 0 0
= Surplus = your “salary” 270,000 380,000

- Personal tax is paid on the basis of "Surplus"
- You receive an extended income tax form
- Tax on profits should be paid regularly throughout the year
- Budgets and accounts are always without VAT

Economic System in a Company
- Five stages in the management of the economy
Accounting programme: www.startvækst.dk

Moms (VAT) Accounts

You sell:
4 hours of consulting services of 500 kr. 2.000 kr.
+ 25 % moms 500 kr.
To pay 2.500 kr.
You purchase:
A calculator 200 kr.
+ moms 50 kr.
To pay 250 kr.

Settlement of moms:
Sales moms 500 kr.
Purchase moms 50 kr.
To pay SKAT 450 kr.

Insurance to Owner

Health insurance
It covers the holder's absence from work from the third 1.
days at ordinary disease like flu and colds. The higher
premium you can receive benefits from the first day. The
scheme is administered by your local municipality.
Download form to: www.adir.dk
Occupational
As an independent you can be safe from an occupational disease. The coverage allows you to get compensation if you get an occupational disease. Read more about the Labour Market Occupational Diseases: www.aes.dk

Accident insurance
Your private accident insurance covers not work in your own business. It must be changed to full time insurance when it is business-dependent.

Compulsory Insurance to the Company

Work Accident insurance
All involved assisting both business as in private households are required to sign a workers' compensation, as compensation is paid in case of an industrial injury. Signed in a general insurance company.
Statutory liability
If you have registered vehicles in the company a compulsory liability insurance must be taken out.

Occupational insurance
In 1999 the parliament decided to establish the Labour Market Occupational insurance- called AES. Is mandatory for all private and public employers in Denmark.
See more: www.aes.dk
www.StartVaekst-Aarhus.dk
- all about entrepreneurship in Aarhus

www.startvaekst.dk
- Get an answer to a question plus the 20 you did not know to ask about

Guides to Startup 27 Different Businesses
Download at: www.startvejledninger.dk – in Danish only

www.newtodenmark.dk