



Tax&Legal Highlights

Lithuania

Amendments to order "Regarding the rules on electronic reporting of trade with European Union Member States performed by VAT payer of the Republic of Lithuania"

On 7 June 2017 Customs Department under the Ministry of Finance of the Republic of Lithuania issued Order No 1B-432 „ Regarding the rules on electronic reporting of trade with European Union Member States performed by VAT payer of the Republic of Lithuania". The order lays down the grounds for an updated Intrastat system as well as terminates the previous agreements on online Intrastat data submission.

Accordingly, VAT payers which have an obligation to report Intrastat data must be registered within the "Electronic services" portal as the service recipient.

New functionalities of e-invoicing subsystem presented

As of 8 June 2017 users of e-invoicing services subsystem (i.SAF) of smart tax administration system (i.MAS) enjoy a possibility not only to submit VAT invoice registers, issue and receive electronic VAT

invoices (service provided to small business only), but also to order preliminary VAT return service.

Preliminary declaration is formed by using the data provided by VAT taxpayer and uploaded to e-declaration system (EDS) for review/amendment/approval by i.SAF user.

As of 15 June 2017 users of e-invoicing services subsystem (i.SAF) of smart tax administration system (i.MAS) are subject to VAT invoices cross-checking function.

The i.SAF will notify VAT invoices cross-checking data and lack of conformity related to VAT invoices after submitting VAT invoices up until the deadline provided for data submission. It will allow comparing VAT invoice data submitted to i.SAF among taxpayers.

New Labour Code adopted

On 6 June 2017 the Parliament adopted new wording of the Labour Code.

The main novelties are introduced in the following areas:

- Employment termination: amendments include new grounds for employment termination, shortened notice periods, lower amount of severance pay;
- New rules for calculation of working time, overtime and annual leave;
- New types of employment contracts: the law establishes apprenticeships contracts, project based employment contracts, employment contract for several employers, etc.

The adopted Labour Code will come into effect on 1 July 2017.

The Article 61 of the Lithuanian Law on Tax Administration was amended

On 23 May 2017, the amendment of the Article 61 of the Lithuanian Law on Tax Administration setting an obligation for taxpayers that meet certain requirements to provide information concerning the participants of multinational enterprise groups to the STI was adopted.

The amendment came into force as of 5 June 2017.

You can read more about this amendment in our Tax and Legal Newsletter [April edition](#).

Amendments to the Law on Legal Status of Foreigner adopted

On 25 May 2017 the Lithuanian Parliament adopted amendments to the Law on Legal Status of Foreigners and thus replaced former regulation on temporary residence permit issue for intra-group secondment cases.

Main novelties include the following:

- Possibility for the host company in Lithuania to submit documents on behalf of seconded employee;

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- Shorter examination period: application for temporary residence permit shall be examined and decision adopted within 2 months (ordinary procedure) or within 1 month (urgent procedure);
- Short term intra-group mobility option (possibility to transfer seconded employee within the group of companies in EU for up to 90 days period), etc.

Amendments will come into effect on 1 September 2017.

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