



## Tax and Legal Newsletter

June 2018

Audit and consulting company, Deloitte Lithuania, is glad to introduce you with Tax and Legal Newsletter. In this edition, you will be presented with the latest tax and legal news prepared by our Managers from Tax and Legal Department.

## Legal News

### Lithuania publishes ICO guidelines

Lithuania is among the first European Union countries that has developed the detailed guidelines to ensure more transparent activities of the initial coin offering (ICO) projects. This will help to attract foreign investments and to create a favourable and more secure environment for *fintech* and *blockchain* business in Lithuania.

Since ICO market has not been regulated yet, the aim of these guidelines is to provide clarity and transparency to investors and entrepreneurs, which operate in this area. ICO guidelines consist of four chapters, which cover different ICO-related aspects such as regulatory, taxation, accounting as well as prevention of money laundering and terrorist financing. The Guidelines also provide a summary of explanations on taxes applicable to ICO projects and activities related to the virtual currency.

More information is available [here](#).

### On 1 June 2018 Law on Legal Protection of Commercial Secrets came into force

On 1 June 2018, new Law on Legal Protection of Commercial Secrets came into force. Until now, legal regulation on the protection of commercial secrets has not been comprehensive enough. Therefore, this new law aims to provide more clarity to businesses and other holders of commercial secrets with regard to their rights, obligations, requirements and legal remedies.

The new Law on Legal Protection of Commercial Secrets shortens the applicable limitation period. Starting from 1 June 2018, claims regarding protection of commercial secrets are subject to specific limitation period of 3 years. Before the law came into force, such claims were subject to the general limitation period of 10 years. Furthermore, the Law on Legal Protection of Commercial Secrets now defines what is considered as unlawful obtainment, use and disclosure of commercial secrets. It is also important to note, that the afore-mentioned law sets a list of legal remedies to protect the rights of an injured party, including the right to claim for compensation of material and non-material damage, or the prohibition on producing, offering, using or placing to the market the goods linked to the infringement of commercial secret as well as importing, exporting or storing them, etc.

More information is available [here](#).

### Amended rules on payment of daily allowance and other business trips' costs

On 1 July 2018, amendments to the Government Resolution on the Payment of Daily Allowance and other Business Trips' Costs came into force.

## Get in touch:



**Kristine Jarve**  
**Partner**  
**Tax**  
+370 5 255 3000  
[kjarve@deloittece.com](mailto:kjarve@deloittece.com)



**Lina Minkė**  
**Senior Manager**  
**Tax**  
+370 5 255 3000  
[lminke@deloittece.com](mailto:lminke@deloittece.com)



**Gintautas Bartkus**  
**Partner-in-Charge, Advocate**  
**Deloitte Legal**  
+370 5 255 3000  
[gbartkus@deloittece.com](mailto:gbartkus@deloittece.com)



**Tomas Davidonis**  
**Legal Partner, Advocate**  
**Deloitte Legal**  
+370 5 255 3000  
[tdavidonis@deloittece.com](mailto:tdavidonis@deloittece.com)

Key novelties introduced by the afore-mentioned Resolution are as follows:

- Changes in maximum daily allowance. For example, the daily allowance for travel to France increases from EUR 57 to EUR 63, to Germany – from EUR 58 to EUR 62. For business trips to several countries (e. g. Norway, Switzerland) the maximum rate of daily allowance was reduced. Several countries were removed from the List of Maximum Rates of Daily Allowance. The latter will be subject to a general rate of EUR 31.
- Employers' ability to reduce daily allowance was restricted. The employer may not reduce the daily allowance by more than 50%.
- Changes in calculating daily allowance on the day of return from a foreign country. The amended Resolution no longer allows reducing the daily allowance by 50% from the maximum rate for the day of return to Lithuania.

More information is available [here](#).

### **The European Data Protection Board started its activities**

On 25 May 2018, the General Data Protection Regulation (GDPR) came into force and on that date, the Article 29 Working Party ceased to exist and was replaced by a new body: the European Data Protection Board (EDPB).

EDPB aims to ensure the consistent application of the GDPR and of the Law Enforcement Directive. The EDPB has a right to adopt general guidance in order to clarify the provisions of the European data protection laws and thus provide the stakeholders with a consistent interpretation of their rights and obligations. EDPB is also empowered by the GDPR to make binding decisions upon national supervisory authorities to ensure a consistent application of the GDPR.

During its first plenary meeting, EDPB has adopted and issued the following relevant documents:

- Final version of the Guidelines on derogations applicable to international transfers of data (Art 49 GDPR). This document aims to provide guidance as to the application of Article 49 of the GDPR on derogations in the context of transfers of personal data to third countries. More information is available [here](#).
- Draft version of the Guidelines on certification. The primary aim of these guidelines is to identify overarching criteria that may be relevant to all types of certification mechanisms issued in accordance with Articles 42 and 43 of the GDPR. A public consultation is available for 6 weeks. More information is available [here](#).
- Statement on the revision of the ePrivacy Regulation. This statement includes a call for a swift adoption of the new ePrivacy Regulation and some suggestions on certain specific issues relating to proposed amendments by the co-legislators. More information is available [here](#).

- Preliminary Opinion on Privacy by Design. This Opinion aims at contributing to the successful impact of the new obligation of “data protection by design and by default” as set forth by Article 25 of the GDPR by raising awareness, promoting relevant debate and proposing possible lines for action. More information is available [here](#).

More information is available [here](#).



#### **About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see <http://www.deloitte.lt> for a more detailed description of DTTL and its member firms.

Deloitte provides audit, tax, consulting, financial advisory and legal services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s more than 245,000 professionals are committed to making an impact that matters.

#### **Disclaimer**

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this communication, rendering professional advice or services. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

© 2018 Deloitte Lithuania