



Tax and Legal Newsletter

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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.

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Tax News

Tightened Requirements Applied for Denatured Ethyl Alcohol Contained in Non-Food Products Brought From another European Union Member State

Seeking to mitigate the risk of potential abuses, when denatured ethyl alcohol contained in non-food products, which were brought from another European Union member state and are not taxed with excise duties, is sold and used as beverage leading to intoxication, on 2 May 2016 the Government of the Republic of Lithuania (hereinafter – the Government) adopted a Resolution no. 437 (hereinafter – the Resolution) amending the Resolution no. 902 adopted on 13 June 2002 by the Government regarding denatured ethyl alcohol, which is not subject to excise duties.

The Resolution tightens requirements, which are applied in respect of denatured ethyl alcohol contained in non-food products, which were brought from another European Union member state: in order to exempt from excise duties denatured ethyl alcohol contained in non-food products, which were brought from another European Union member state, should be additionally denatured using the formula, in which the quality of denatured isopropyl alcohol is more than 10 litres per hectolitre of pure ethyl alcohol. If otherwise, denatured ethyl alcohol will be subject to excise duty rate, which is determined in Paragraph 1 of Article 26 of the Lithuanian Law on Excise Duties and is equal to EUR 1,353.69 per hectolitre of pure ethyl alcohol.

The Resolution shall enter into force on 1 June 2016.

More information is available [here](#).

Supplemented Rules Regarding Issuance and Recognition of Accounting Documents Used For Calculating Taxes

On 2 May 2016 the Government adopted a Resolution no. 487 amending the Rules regarding issuance and recognition of accounting documents used for calculating taxes (hereinafter – the Rules), which on 29 May 2002 were approved by the Resolution no. 780 of the Government.

Paragraph 19 of the Rules was supplemented with Subparagraph 19.7, according to which it is no longer required to document supply of telecommunication, radio and television broadcasting services and (or) services supplied electronically outside the territory of Lithuania, which are covered by the special tax (so called “Mini One Stop Shop”) scheme, determined by Section V of Chapter XII of Lithuanian Law on Value Added Tax, by issuance of an invoice, provided that the herein mentioned services are provided to natural persons, who are non-taxable persons.

More information is available [here](#).

Legal News

Average Salary of I Quarter of 2016 Is Approved

On May 2016 the average salary of the I quarter of 2016 was approved, which amounts to EUR 748.

The Lithuanian Statistics Department announces employees' average monthly salary (gross), which is important for foreign citizens, who apply for temporary residence permit in Lithuania as highly qualified employees.

In order to receive a temporary residence permit on this ground, the salary of employee must be not less than 2 announced average monthly salaries in Lithuania (i.e. EUR 1,496).

In case salary is more than 3 announced average monthly salaries (i.e. EUR 2,244), a simplified temporary residence permit procedure applies.

More information is available [here](#).

New Basis for the Issue of a National Visa (D)

On 18 March 2016 an order establishing new basis for national visa (D) issue was adopted.

Foreigners arriving to Lithuania for business purposes can be issued with national visa (D) if the following requirements are met:

- A company was established in Lithuania at least one year prior to applying for national visa (D) and company's equity amounts to at least EUR 28,000;
- Applicant is a managing director of the company or a shareholder who has invested not less than EUR 14,000 to the company.

The order entered into force on 27 March 2016.

More information is available [here](#).



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