

Jurisdiction's name:	Lithuania
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Information on Residency for tax purposes
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Section I – Criteria for Individuals to be considered a tax resident

According to Article 4 of the [Law on Personal Income Tax](#) Lithuanian tax resident shall mean:

- 1) any natural person whose permanent place of residence is in Lithuania during the tax period, or
- 2) any natural person whose place of personal, social or economic interests is in Lithuania rather than in a foreign country during the tax period, or
- 3) any natural person who is present in Lithuania for a period or periods in the aggregate of 183 days or more during the tax period, or
- 4) any natural person who is present in Lithuania for a period or periods in the aggregate of 280 days or more during successive tax periods and who stayed in Lithuania for a period or periods in the aggregate of 90 days or more in any of such tax periods, or
- 5) any natural person who is a citizen of the Republic of Lithuania but does not meet the above-mentioned criteria, and who receives remuneration under an employment contract or a contract in its essence corresponding to an employment contract or whose costs of living in another country are covered from the state budget or municipal budgets of Lithuania.

There are some exceptions; a natural person, even though he complies with the above-mentioned provisions, shall not be deemed to be a resident of Lithuania if he is:

- 1) a diplomatic agent of a foreign state, member of the administrative and technical staff or service staff of the diplomatic mission, consular post or international organisation, who is not a citizen of the Republic of Lithuania (except for stateless persons whose permanent place of residence or place of personal, social or economic interests is in Lithuania during the tax period), or
- 2) not a citizen of the Republic of Lithuania who receives only such income that is incidental to employment relations or relations in their essence corresponding to employment relations for performing work in Lithuania from a foreign country, its political or territorial administrative unit or its local authorities, or
- 3) not a citizen of the Republic of Lithuania who only carries on individual activities in Lithuania from a fixed base, which is the sole purpose of his arrival in Lithuania.

Section II – Criteria for Entities to be considered a tax resident

An entity will be treated as a Lithuanian tax resident if it is incorporated in Lithuania. According to the provisions of Article 2(2) of the [Law on Corporate Income Tax](#) Lithuanian taxable entity (Lithuanian tax resident) shall mean a legal person registered in accordance with the procedure prescribed by the legal acts of the Republic of Lithuania, also a collective investment undertaking established in the Republic of Lithuania without a status of a legal person, as well as a Lithuanian hybrid entity. Where the management of a collective investment undertaking is transferred to a management company, the management company shall apply the procedure of taxation of profit earned and/or income received or paid out by a collective investment undertaking as prescribed by this Law. The procedure of taxation of income received by the Lithuanian hybrid entity established by this Law is applied by its participants.

Section III – Entity types that are as a rule not considered tax residents

The tax residency in Lithuania is based on the incorporation principle. An entity not incorporated (not registered) in Lithuania is not treated as a Lithuanian tax resident. No other exemptions are made.

Section IV – Contact point for further information

State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania, address: Vasario 16th str. 14, 01514 Vilnius, Lithuania.

E-mail: vmi@vmi.lt (general).