Lithuania - Information on residency for tax purposes

Section I – Criteria for Individuals to be considered a tax resident

According to the Article 4 of the Law on Personal Income Tax (No.IX-1007) Lithuanian 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 which 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 Lithuanian tax resident if it is incorporated in Lithuania.

According to the provisions of Law on Corporate Income Tax (No IX-675) 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.

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

Entity not incorporated (not registered) in Lithuania is not treated as Lithuanian tax resident.

Section IV – Contact point for further information

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