

Lithuania

Table LT.1: Tax Revenue

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Ranking 2018	Revenue 2018 (billion euros)
A. Structure by type of tax															
as % of GDP															
Indirect taxes	11.5	11.9	11.9	11.8	12.1	11.8	11.4	11.2	11.4	11.9	11.9	11.8	11.8	25	5.3
VAT	7.6	8.0	7.9	7.3	7.8	7.8	7.6	7.5	7.6	7.7	7.8	7.8	7.8	14	3.5
Taxes and duties on imports excluding VAT	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	11	0.1
Taxes on products, except VAT and import duties	3.0	3.0	3.1	3.6	3.3	3.1	3.0	2.9	2.9	3.2	3.3	3.3	3.3	20	1.5
Other taxes on production	0.7	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.6	0.7	0.6	0.4	0.4	27	0.2
Direct taxes	9.6	9.1	9.2	5.9	4.6	4.4	4.8	5.0	5.0	5.4	5.6	5.4	5.7	27	2.6
Personal income taxes	6.8	6.5	6.5	4.1	3.6	3.5	3.5	3.6	3.6	3.9	4.0	3.8	4.1	23	1.8
Corporate income taxes	2.8	2.5	2.7	1.8	1.0	0.8	1.3	1.4	1.4	1.5	1.6	1.5	1.5	26	0.7
Other	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	27	0.0
Social contributions	9.1	9.1	9.5	12.6	11.8	11.1	10.8	10.8	11.1	11.6	12.1	12.2	12.7	11	5.8
Employers'	7.5	7.5	7.9	8.5	7.5	7.2	7.2	7.2	7.5	7.8	8.2	8.3	8.6	6	3.9
Households'	1.6	1.6	1.6	4.1	4.2	3.9	3.6	3.6	3.7	3.8	3.9	3.9	4.1	17	1.9
Less: capital transfers⁽¹⁾	0.1	0.0	0.1	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Total	30.1	30.0	30.6	30.2	28.4	27.2	27.0	26.9	27.5	29.0	29.7	29.5	30.2	25	13.7
B. Structure by level of government															
as % of total taxation															
Central government	67.9	67.8	66.9	56.4	56.4	57.0	57.7	58.0	57.6	57.7	57.1	56.5	55.9	20	7.6
State government⁽²⁾	:	:	:	:	:	:	:	:	:	:	:	:	:		
Local government	1.3	1.2	1.2	1.6	1.8	1.6	1.6	1.2	1.2	1.3	1.3	1.2	1.2	25	0.2
Social security funds	30.1	30.2	30.9	41.3	41.1	40.6	40.0	40.0	40.3	40.0	40.7	41.5	42.1	2	5.7
EU institutions	0.7	0.8	1.0	0.7	0.7	0.7	0.7	0.8	0.9	1.0	0.9	0.9	0.9	3	0.1
C. Structure by economic function															
as % of GDP															
Consumption	10.8	11.2	11.2	11.0	11.3	11.1	10.6	10.6	10.8	11.3	11.3	11.4	11.4	18	5.1
Labour	15.0	14.8	15.0	15.2	14.1	13.5	13.3	13.4	13.7	14.4	15.0	14.9	15.6	18	7.1
of which on income from employment	14.2	14.0	14.2	13.8	12.5	12.1	12.1	12.3	12.6	13.2	13.8	13.7	14.3	18	6.5
Paid by employers	7.5	7.5	7.9	8.4	7.5	7.2	7.2	7.2	7.5	7.8	8.2	8.3	8.6	9	3.9
Paid by employees	6.8	6.5	6.3	5.4	5.0	4.9	4.9	5.0	5.1	5.4	5.6	5.4	5.7	25	2.6
Paid by non-employed	0.8	0.8	0.9	1.4	1.6	1.4	1.2	1.1	1.2	1.2	1.2	1.2	1.3	14	0.6
Capital	4.3	4.1	4.3	4.0	2.9	2.6	3.1	3.0	3.0	3.2	3.3	3.2	3.2	26	1.4
Income of corporations	2.8	2.5	2.7	1.8	1.0	0.8	1.3	1.4	1.4	1.5	1.6	1.5	1.5	26	0.7
Income of households	0.3	0.4	0.5	0.8	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	17	0.3
Income of self-employed	0.5	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.6	0.6	0.6	22	0.3
Stock of capital	0.7	0.7	0.7	0.8	0.8	0.8	0.7	0.6	0.6	0.7	0.6	0.5	0.5	27	0.2

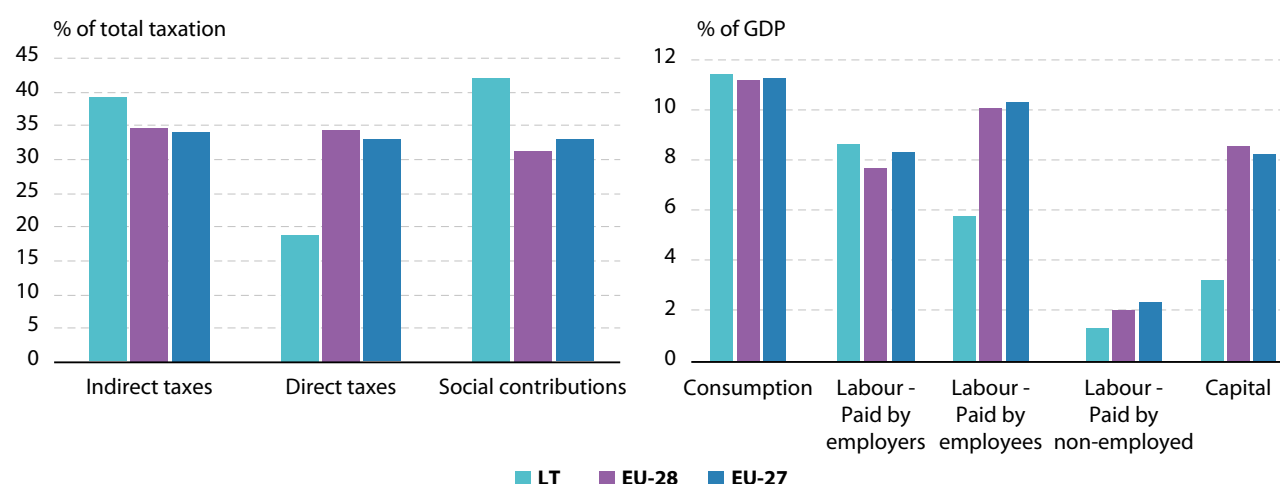
Table LT.1: Tax Revenue (continued)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Ranking 2018	Revenue 2018 (billion euros)
D. Environmental taxes as % of GDP															
Environmental taxes	1.8	1.7	1.6	2.0	1.8	1.7	1.6	1.7	1.7	1.9	1.9	1.9	2.0	24	0.9
Energy	1.6	1.6	1.5	1.9	1.8	1.6	1.5	1.5	1.6	1.7	1.7	1.7	1.8	19	0.8
of which transport fuel taxes	1.6	1.5	1.5	1.8	1.7	1.6	1.5	1.5	1.6	1.6	1.7	1.7	1.8	8	
Transport	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	27	0.0
Pollution and resources	0.07	0.06	0.06	0.07	0.03	0.05	0.05	0.05	0.05	0.10	0.10	0.10	0.11	9	0.1
E. Property taxes as % of GDP															
Taxes on property	0.5	0.5	0.5	0.7	0.7	0.6	0.6	0.4	0.5	0.5	0.4	0.4	0.3	27	0.2
Recurrent taxes on immovable property	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	22	0.1
Other taxes on property	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.0	27	0.0
F. Implicit tax rates %															
Consumption	14.7	15.8	15.6	14.5	15.5	15.6	15.1	15.2	15.5	16.0	16.1	16.5	16.6	23	
Labour	33.4	33.0	32.2	31.0	30.5	30.7	31.0	31.2	31.4	31.5	31.6	31.2	31.8	19	
G. Payable tax credits as % of GDP															
Total payable tax credits	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Tax expenditure component	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Transfer component	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Total tax revenue adjusted for payable tax credits	:	:	:	:	:	:	:	:	:	:	:	:	:	:	

(¹) Representing taxes assessed but unlikely to be collected.

(²) This level refers to the *Länder* in Austria and Germany, the *gewesten and gemeenschappen / régions et communautés* in Belgium, and the *comunidades autónomas* in Spain.

Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Figure LT.1: Tax revenues by main taxes, compared to EU-28 and EU-27, 2018
(in % of total taxation (left graph) and in % of GDP (right graph))

Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Note: EU-27 represents EU Member States without UK

Table LT.2: Latest tax reforms

Description of measure	Change	Date
Personal income tax: Earned income		
A shift of most of the employer's SSC (28.9 p.p.) to the employee, resulting in a gross salary increase by 28.9% (enforced by law), as well as recalculation of SSC, PIT and payroll rates accordingly to neutralize this shift.	Rate decrease; base increase	Legislation: 28-06-2018 In force from: 01-01-2019
Increase of minimum monthly wage from EUR 555 to EUR 607	Base increase	Legislation: 03-07-2019 In force from: 01-01-2020
Increase of coefficient for required salary (from 1.3 to 1.65 MW) in order daily allowance to be tax free	Base increase	Legislation: 16-10-2019 In force from: 01-01-2020
The maximum non-taxable amount increased to: - EUR 350 (for people with min disability - EUR 600 max disability - EUR 645) as of 1 January 2020	Base decrease	Legislation: 12-12-2019 In force from: 01-01-2020
The maximum non-taxable amount increased to: - EUR 400 as of 1 January 2021	Base decrease	Legislation: 12-12-2019 In force from: 01-01-2021
Enlargement of the second bracket for labour income and for the bonuses, salaries from activities on the supervisory board or board of the directors, income under civil (service) contract of managers of small communities who is not a member of those communities, royalties received from the employer income from to 32% PIT rate in 2020 and later on. The threshold for the second bracket: - 84 average wages per year in 2020, - 60 average wages per year in 2021 and later on.	Rate increase; base increase	Legislation: 12-12-2019 In force from: 01-01-2020
Increase of minimum monthly wage from EUR 400 to EUR 430 (EUR 555 in new system).	Base increase	Legislation: 16-10-2018 In force from: 01-01-2019
The basic salary of state politicians, judges, state officials, civil servants and workers of state and municipal budget institutions increased from EUR 132.5 to EUR 134 (EUR 173 in the new labour taxation system).	Base increase	Legislation: 11-12-2018 In force from: 01-01-2019
A two-bracket progressive taxation introduced for other income (excluding individual activities, dividend income and sickness, maternity, paternity, childcare, long-term work benefits). A 15% PIT rate is applied when such income doesn't exceed 120 average wages per year, and 20% PIT rate – when such income exceed 120 average wages per year.	Rate increase	Legislation: 28-06-2018 In force from: 01-01-2019
The maximum non-taxable amount increased to: - EUR 300 (for people with min disability - EUR 308, max disability - EUR 353) as of 1 January 2019	Base decrease	Legislation: 28-06-2018 In force from: 01-01-2019
The application of the regressive non-taxable amount is extended to 2 average wages as of 1 January 2019.		
A two-bracket progressive taxation for labour income introduced. The second bracket for labour income is taxed at 27% PIT rate in 2019. The threshold for the second bracket: - 120 average wages per year in 2019.	Rate increase	Legislation: 28-06-2018 In force from: 01-01-2019
PIT rate reduced by 1 pp, leaving the final PIT rate for labour income at 20% (for the first bracket) after the labour taxation reform.	Rate decrease	Legislation: 28-06-2018 In force from: 01-01-2019
PIT rate increase to cover the basic pension contribution (a transfer of 9.36 pp from SSC to PIT in the new labour taxation system).	Rate increase	Legislation: 28-06-2018 In force from: 01-01-2019
A two-bracket progressive taxation introduced for the bonuses, salaries from activities on the supervisory board or board of the directors, income under civil (service) contract of managers of small communities who is not a member of those communities, royalties received from the employer. A 20% PIT rate is applied when such income doesn't exceed 120 average wages per year in 2019 and 27% PIT rate – when such income exceed 120 average wages per year in 2019.	Rate increase	Legislation: 11-12-2018 In force from: 01-01-2019
Social security contributions: Employee		
Termination of transfers from the State Social Insurance Fund budget to the 2nd pillar of the pension system.	N/A	Legislation: 28-06-2018, 11-12-2018 In force from: 01-01-2019
Increase of minimum monthly wage from EUR 555 to EUR 607	Base increase	Legislation: 03-07-2019 In force from: 01-01-2020
The basic salary of state politicians, judges, state officials, civil servants and workers of state and municipal budget institutions increased from EUR 132.5 to EUR 134 (EUR 173 in the new labour taxation system).	Base increase	Legislation: 11-12-2018 In force from: 01-01-2019
Increase of coefficient for required salary (from 1.3 to 1.65 MW) in order daily allowance to be tax free	Base increase	Legislation: 16-10-2019 In force from: 01-01-2020
The ceilings for SSC contributions introduced: - 120 average wages per year in 2019, - 84 average wages per year in 2020, - 60 average wages per year in 2021.	Base decrease	Legislation: 28-06-2018 In force from: 01-01-2019 01-01-2020 01-01-2021

Table LT.2: Latest tax reforms (continued)

Description of measure	Change	Date
The SSC rate for labour income reduced by 0.55 percentage points (from 13.07% to 12.52% in the new labour taxation system).	Rate decrease	Legislation: 28-06-2018, 11-12-2018 In force from: 01-01-2019
A shift of most of the employer's SSC (28.9 pp) to the employee, resulting in a gross salary increase by 28.9% (enforced by law), as well as recalculation of SSC, PIT and payroll rates accordingly to neutralize this shift.	Rate increase; base increase	Legislation: 28-06-2018, 11-12-2018 In force from: 01-01-2019
SSC rate decrease to transfer the basic pension contribution to PIT (a transfer of 9.36 pp from SSC to PIT in the new labour taxation system).	Rate decrease	Legislation: 28-06-2018, 11-12-2018 In force from: 01-01-2019
Increase of minimum monthly wage from EUR 400 to EUR 430 (EUR 555 in new system).	Base increase	Legislation: 16-10-2018 In force from: 01-01-2019
Social security contributions: Employer		
A shift of most of the employer's SSC (28.9 pp) to the employee, resulting in a gross salary increase by 28.9% (enforced by law), as well as recalculation of SSC, PIT and payroll rates accordingly to neutralize this shift.	Rate decrease; base increase	Legislation: 28-06-2018, 11-12-2018 In force from: 01-01-2019
The rate of unemployment insurance increased to 1.7% (1.31% in the new labour taxation system).	Rate increase	Legislation: 11-12-2018 In force from: 01-01-2019
Employer's contribution to the Long-Term Work Benefit Fund reduced to 0.2% (0.16% in the new labour taxation system).	Rate decrease	Legislation: 28-06-2018 In force from: 01-01-2019
Social security contributions: Self-employed		
Reduction of SSC rates for self-employed due to the labour taxation reform.	Rate decrease	Legislation: 11-12-2018 In force from: 01-01-2019
The increase of a tax base for self-employed from 50% to 90% of taxable revenue; increase of tax base from 28 to 43 average wages per year.	Base increase	Legislation: 11-12-2018 In force from: 01-01-2019
Corporate income tax		
Increase of coefficient for required salary (from 1,3 to 1,65 MW) in order daily allowance to be tax free	Base decrease	Legislation: 16-10-2019 In force from: 01-01-2020
Introduction of additional (in addition to general rate) CIT rate of 5% for taxable profits of credit institutions (non-taxable amount of EUR 2 000 000 is applied)	Rate increase	Legislation: 17-12-2019 In force from: 01-01-2020
Introduction of general anti-abuse rule (transposition of EU Council Directive (EU) 2016/1164 laying down rules against tax avoidance practices that directly affect the functioning of the internal market).	Base increase	Legislation: 06-12-2018 In force from: 01-01-2019
Intensity of corporate income tax relief supporting film production was increased (private investments up to 30% (instead of 20%) of all expenses related to the film production).	Base decrease	Legislation: 11-12-2018 In force from: 01-01-2019
Amendments to the taxation of income of non-profit organisations (repeal of a 0% tax rate for the profit (not exceeding EUR 7 250) of small non-profit organisations). However the profit used for financing public interests remains untaxed.	Rate increase	Legislation: 28-06-2018 In force from: 01-01-2019
Introduction of interest limitation rule (up to 30% of EBITDA or EUR 3 000 000 whichever is higher) (transposition of EU Council Directive (EU) 2016/1164 laying down rules against tax avoidance practices that directly affect the functioning of the internal market).	Base increase	Legislation: 06-12-2018 In force from: 01-01-2019
Amendments to the national CFC rules extending the scope of CFC rules to the PE's, changing the comparison of nominal tax rates to the effective taxation (difference higher than 50%), abolishing the white and grey lists, etc. (transposition of EU Council Directive (EU) 2016/1164 laying down rules against tax avoidance practices that directly affect the functioning of the internal market).	Base increase	Legislation: 06-12-2018 In force from: 01-01-2019
Value-added tax		
Reduced VAT rate for newspapers, magazines and other periodicals further reduced to 5% (was 9% previously).	Rate decrease	Legislation: 11-12-2018 In force from: 01-01-2019
Reduced 9% VAT rate introduced for firewood and wood products for burning for residential purposes.	Rate decrease	Legislation: 11-12-2018 In force from: 01-01-2019
Environmentally-related taxes		
Increase of excise duty rate for diesel used in agricultural activities by 7.1% from EUR 56 to 60 per 1000 litre	Rate increase	Legislation: 03-12-2019 In force from: 01-01-2020
Introduction of pollution tax on vehicles	New tax	Legislation: 17-12-2019 In force from: 01-07-2020
Increase of excise duty rate for unleaded petrol by 7.3% from EUR 434.43 to 466 per 1000 litre.	Rate increase	Legislation: 03-12-2019 In force from: 01-01-2020
Increase of excise duty rate for gas oil (diesel fuel) by 7.2% from EUR 347 to 372 per 1000 litre	Rate increase	Legislation: 03-12-2019 In force from: 01-01-2020
Health-related taxes		
Excise rate for ethyl alcohol increase by 10% from EUR 1 665.04 to EUR 1 832 per hectolitre of pure alcohol.	Rate increase	Legislation: 11-12-2018 In force from: 01-03-2019

Table LT.2: Latest tax reforms (continued)

Description of measure	Change	Date
Increase of excise duty rate for ethyl alcohol by 10.5% from EUR 1 832 to 2 025 per hecto-litre of pure alcohol.	Rate increase	Legislation: 03-12-2019 In force from: 01-03-2020
Increase in specific excise duty rate for cigarettes: - of 5.5% from EUR 59 up to EUR 62.25 per 1 000 cigarettes from 01-03-2019; - of 5.5% from EUR 62.25 up to EUR 65.7 per 1 000 cigarettes from 01-03-2020; - of 5.6% from EUR 65.7 up to EUR 69.4 per 1 000 cigarettes from 01-03-2021; The minimum excise duty rate increase: - of 6.3% from EUR 96 up to EUR 102 per 1 000 cigarettes from 01-03-2019; - of 6.4% from EUR 102 up to EUR 108.5 per 1 000 cigarettes from 01-03-2020; - of 6.5% from EUR 108.5 up to EUR 115.5 per 1 000 cigarettes from 01-03-2021.	Rate increase; base increase	Legislation: 28-06-2018 In force from: 2019-03-01
Increase of excise duty rate for cigars and cigarillos: - of 13.5% from EUR 37 up to EUR 42 per kg from 01-03-2019; - of 14.3% from EUR 42 up to EUR 48 per kg from 01-03-2020; - of 14.6% from EUR 48 up to EUR 55 per kg from 01-03-2021.		
Increase of excise duty rate for smoking tobacco and heated tobacco products: - of 13.9% from EUR 60.24 up to EUR 68.6 per kg from 01-03-2019; - of 14.4% from EUR 68.6 up to EUR 78.5 per kg from 01-03-2020; - of 14.6% from EUR 78.5 up to EUR 90 per kg from 01-03-2021.		
Introduction of excise duty on liquids of electronic cigarettes from 01-03-2019. The tax rate is EUR 0.12 per millilitre of product.		
Increase of excise duty rate for heated tobacco by 65% from EUR 68.6 to 113.2 per 1 kg (instead of EUR 78.5, or 14.4%).	Rate increase	Legislation: 05-12-2019 In force from: 01-03-2020
Recurrent taxes on immovable property (business and residential)		
Increase of the minimum tax rate for immovable property used for commercial purposes from 0.3% to 0.5%.	Rate increase	Legislation: 12-12-2019 In force from: 01-01-2020
Reduction of the threshold for non-taxable amount of tax for natural persons, who owned or acquired non-commercial immovable property, from EUR 220,000 to EUR 150,000.	Base increase	Legislation: 12-12-2019 In force from: 01-01-2020
Other taxes		
One-time opportunity for paying forgotten taxes without any fines and interest for late payments (6-month window).	N/A	Legislation: 28-06-2018 In force from: 01-01-2019
Increase in lottery and gambling tax: - when operating bingo, totalisators and bets – from 15% to 18%; - when organizing remote gambling, lottery and gaming – from 10% to 13%; - fixed rate imposed on gaming machines and table games - from 232 to 260 EUR per month for a gaming machine of Category A; from 87 to 130 EUR per month for a gaming machine of Category B; from 1,738 to 2,300 EUR per month for a roulette, card or dice table.	Rate increase	Legislation: 10-12-2019 In force from: 01-01-2020