

A Green Light for Growth:

Large-Scale Investors in Lithuania benefit from the new legislative package

A new package of laws offers significant tax incentives and dramatically cuts red tape, making it quicker and easier for international businesses to establish and grow large-scale operations in Lithuania.



What has changed for large-scale investors?

The Lithuanian parliament has adopted a new package of laws which will come into force on 1st January 2021. The package offers significant new tax incentives, including 0% corporate tax for 20 years, and streamlines key processes in land acquisition, planning and migration for large scale projects.



Eligible projects



≥ €20^M
CAPEX*



≥ 150
full-time jobs*



Manufacturing



Data centers

* Please note different criteria apply for investments in Vilnius: 1. Creating a minimum of 200 new full-time jobs and maintaining these jobs for at least 5 years; 2) making a CAPEX investment of at least EUR30 million.

What incentives will be on offer for Large-Scale Projects (LSPs) under the new laws?

Investors that qualify as an LSP will be eligible for the following incentives:

0% corporate tax for 20 years

All LSPs who meet the requirements of investing €20 million CAPEX and creating 150 new full-time jobs will enjoy 0% corporate income tax for up to 20 years provided both requirements are kept.



Recognition as a Project of State Importance

All LSPs will be given the status of Project of State Importance once the project has been added to an official list of LSPs. This status ensures additional state support for territorial planning and environment assessment procedures.



Faster decision-making from public authorities

In general, public authorities will be required to decide on matters regarding LSPs within 3 working days. For matters where this turnaround time is not possible, public authorities will have to give priority to matters regarding LSPs.



Simplified planning requirements cutting set up time by 6-months

Territories dedicated to LSPs will be developed under municipality territorial master plans. This means LSPs will not have to prepare detailed plans, which will cut 6 months off implementation time for the project.



Access to land plots

Servitudes necessary for the LSP's operation, including private land plots, can be arranged under the administrative act. This will ensure faster planning for large territories.



Leasing of state land

LSPs will be able to lease state land without having to go through an auction.



Streamlined migration process for employees

The LSP contract will define the number of foreign employees to be brought in for the project. These employees will have the right to start working in Lithuania from the day they apply for their Temporary Residence Permit, and decisions on whether an employee is necessary and suitably qualified will rest with the investor.



Direct communication channel with the government

The Ministry of Economy will appoint an LSP coordinator responsible for overseeing LSP contracts and ensuring cooperation between investors and the relevant institutions. A consultative committee (comprised of Ministers and Vice-Ministers) will be established to address key inter-institutional questions regarding LSPs.



Tailored educational and training programmes

The government will consider the training needs of LSPs when planning government-funded study places in vocational schools and distributing scholarships. Study programmes in vocational schools can be adjusted to meet the needs of LSPs.



No mandatory environmental assessment programme

It will not be mandatory for LSPs to carry out an Environmental Impact Assessment Programme.



Invest Lithuania

Contact us:

+370 5 262 7438

info@investlithuania.com

investlithuania.com

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- Intros and meetings with key market players and relevant governmental institutions
- Sourcing of governmental financial support

Business Development

- Assistance with one-off problems
- Lobbying for greater governmental support