

Lithuania Transposes Public Country-by-Country Reporting Directive into Legislation

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The amendments and rules transposing the requirements of the [Amending Directive to the Accounting Directive \(2013/34\) as regards the Disclosure of Income Tax Information by Certain Undertakings and Branches \(2021/2101\) \(the Public Country-by-Country Reporting \(CbCR\) Directive\)](#) were adopted (for previous reporting and details, see [Lithuania Prepares to Transpose Public Country-by-Country Reporting Directive into Legislation \(23 March 2023\)](#) and [Lithuania Notes Required Information Under Domestic Implementation of Public Country-by-Country Reporting Directive \(6 April 2023\)](#)).

According to the adopted amendments to the Law on Company Financial Statements, legal entities will be required to disclose information related to corporate income tax by preparing a report on income tax information, submitting it to the administrator of the Register of Legal Entities and by publishing it on the website of the legal entity.

The requirements apply to:

- ultimate parent undertaking or standalone undertaking whose annual consolidated or annual income in each of the last 2 consecutive financial years on the last day of the financial year exceeded EUR 750 million and which are established or have a permanent place of business in more than one tax jurisdiction. In order to avoid duplication of reporting in the credit institution sector, the requirement does not apply if such legal entities report information in accordance with article 89 of the Directive on Banking Prudential Requirements (2013/36) and include all relevant information;
- medium and large subsidiaries controlled by the ultimate parent undertaking (which is not subject to the legislation of Lithuania or another Member State) and whose annual consolidated income in each of the last 2 consecutive financial years on the last day of the financial year exceeded EUR 750 million. When the information needed to prepare the report is not available, the subsidiary is required to request its ultimate parent undertaking to provide it with all the required information. If the ultimate parent undertaking fails to provide all the requested information, the subsidiary company prepares and publishes the report on income tax information containing all the information it has or has received and a statement stating that the ultimate parent undertaking has not provided the requested information; and
- branches established in Lithuania by legal entities not established in Lithuania or in another Member State, whose net sales revenue in each of the last 2 consecutive financial years exceeded EUR 8 million. Such affiliates are subject to a corresponding requirement to publish the report on income tax information of the ultimate parent undertaking or standalone undertaking. Additional requirements are foreseen in the legislation.

The legislation also contains definitions and other applicable requirements.

For information on the required content of the report, see [Lithuania Notes Required Information Under Domestic Implementation of Public Country-by-Country Reporting Directive \(6 April 2023\)](#).

According to the amendments to the Law on the Audit of Financial Statements, when auditing companies, the auditors shall assess whether a report on income tax information was prepared.

The amendments came in force as of 22 June 2023. The legislation states that the requirements apply to the preparation of reports on income tax information for reporting periods starting 22 June 2024 and later.

Amendments to the Law on Company Financial Statements can be found [here](#) (in Lithuanian only).

Rules regarding the approval of the description of the procedure for the preparation of the report on income tax information can be found [here](#) (in Lithuanian only).

Amendments to the Law on the Audit of Financial Statements can be found [here](#) (in Lithuanian only).

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