

Lithuania Increases Fines for VAT Breaches

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Lithuania has increased fines for value added tax (VAT) breaches (for previous reporting and details, see [Lithuania-2, News 19 September 2022](#)).

According to the adopted amendments, a fine ranging from 20% to 100% of the calculated VAT amount can be imposed. Previously, fines ranged from 10% to 50% of the calculated VAT amounts.

Fines for VAT breaches are imposed if it is determined that:

- the VAT payer has unreasonably reduced the estimated amount of VAT payable to the budget or unreasonably increased the estimated amount of VAT refundable from the budget; and
- the taxable person or any other person who is not a VAT payer but is obliged to pay VAT to the budget in accordance with the procedure established by the Law on VAT has not paid it.

The adopted amendments will come into effect as of 1 May 2023.

The adopted amendments can be found [here](#) (in Lithuanian only).