

Disclaimer: This factsheet has not been subject to the full Eurofound evaluation, editorial and publication process.

Factsheet for case **LT-2020-12/329**

Tax deferral for companies and self-employed

Factsheet generated on 27 April 2020, 17:55

Country	Lithuania, applies nationwide
Time period	Temporary, 16 March 2020 - 27 April 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Direct or indirect financial support
Case created	07 April 2020 (updated 17 April 2020)

Background Information

After the Government of the Republic of Lithuania declared an emergency situation and quarantine, many companies and self-employed persons had to discontinue or partially restrict their activities. In such a situation, a number of businesses do not have the opportunity not only to pay salaries to employees, but are also unable to pay social insurance contributions and other taxes. On 17 March 2020, Law No. XIII-2812 amending Article 88 of Law No. IX-2112 on Tax Administration of the Republic of Lithuania was adopted to increase the ability of taxpayers with temporary financial difficulties to stabilise their financial situation through deferral or arrangement of tax arrear payments.

Content of measure

Taking into account the restrictions/prohibitions on activities set up during quarantine, the State Tax Inspectorate has announced economic activities in which taxpayers may have suffered a direct negative impact as a result of the reason above and has published a list of specific taxpayers to whom the following assistance measures will automatically apply: non-recovery of declared taxes (other than customs duties), exemption from the payment of default interest and no interest accruing on concluded tax loan agreements. These taxpayers are subject to analogous measures to facilitate the payment of state social insurance contributions. This principle shall apply to taxes that are due after 16 March 2020 (i.e. after the declaration of quarantine) until the state of emergency is lifted.

Use of measure

No information to date.

Actors, target groups and funding

Actors	Target groups	Funding
Employers' organisations Company / Companies Social insurance	self-employed All companies	No special funding required

Social partners

Role of social partners	Consulted
Form of involvement	Direct consultation

Social partners consulted only ad hoc, the tripartite meeting was not held.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 17 March 2020: Lietuvos Respublikos mokesčių administravimo įstatymo Nr. IX-2112 88 straipsnio pakeitimo įstatymas (2020-03-17) (e-seimas.lrs.lt)