



# DOING BUSINESS IN LITHUANIA

*Lithuania ranks 16th globally in the World Bank's Doing Business report for the ease of starting a business. Lithuanian government supports a modern and dynamic business sector which is fully EU compatible, equipped with Europe's fastest internet connection, recently booming Fintech industry and rapidly growing startup ecosystem. Tax treaties with 53 major markets including the USA, China and Russia make Lithuanian business environment truly global.*

A high quality of life and education and low cost of living has created a great environment for growing startups in Lithuania. They are shaking traditional sectors like e-commerce, transportation, and many others and are booming in a variety of fields from Fintech to 3D printing.

## WHY START A BUSINESS IN LITHUANIA?

You will join one of the most vibrant startup ecosystems in Europe, particularly strong in areas like Fintech, gaming and IT. You will be surprised at how innovative e-government and digital services are in Lithuania and its IT infrastructure is among fastest and most reliable in the world.

### FIVE REASONS YOU SHOULD START YOUR BUSINESS IN LITHUANIA

- ➔ Competitive tax system
- ➔ Low operating costs
- ➔ Excellent infrastructure
- ➔ Rapidly developing country
- ➔ Best educated people in Central and Eastern Europe

## STARTUPS IN LITHUANIA

### STARTUP VISA PROGRAM

If you live and work outside the EU, your startup can still migrate to Vilnius with the assistance of the city and the government. Startup visa (for non-EU entrepreneurs) was approved by the Parliament and introduced back February 2017. To be eligible for a startup visa you must operate in one of the following fields:

- ➔ Biotechnologies
- ➔ Nanotechnologies
- ➔ Information Technologies
- ➔ Mechatronics
- ➔ Electronics
- ➔ Laser Technologies
- ➔ Fintech

You must be at least a part owner of the newly founded legal entity and you must have enough financial resources to achieve your set business goals for one year. There is no set regulated amount, you decide how much capital you need to achieve your one year goals. Financing options are available mostly

through pre-seed/seed funds, some Mezzanine/Bridge and Growth stage funds.

An evaluation committee, comprised of respectable representatives from both state and business organizations, will take the final decision on the project eligibility and the decision is based on the following criteria:

- ➔ How innovative is the idea or business model
- ➔ How scalable is the business model
- ➔ The team's capability of starting and expanding the business
- ➔ Reality of execution of set one year goals and two-year strategy
- ➔ The candidate's role significance in the team

Startup visa aims to attract the most innovative and competitive startups in order to grow and mature the current startup ecosystem.

### FINTECH STARTUPS

The Fintech sector is among the most promising and growing sectors in Lithuania. It is highly supported and promoted by authorities at both national and municipal levels by the introduction of Fintech-friendly regulations, including the regulations on the obtainment of an e-money, payment license or specialized bank license that is 2-3 times faster than in other EU jurisdictions. Direct access to SEPA can be gained via a Bank of Lithuania. It is also possible to issue your own IBANs. Moreover, a one-year sandbox period of friendly regulation without any sanctions is available for start-ups. Up to 10 Fintech start-ups were established in Vilnius only in the last year and planned to open in Vilnius is Europe's first international Blockchain center.

## WHAT WE CAN DO FOR YOU

### OUR SERVICES INCLUDE

**Leading projects and assist in obtaining licenses for:**

**Specialized banks:** Introduced in 2017 this form of a bank has been devised in order to establish a favorable environment for Lithuanian and foreign startups seeking to begin providing various financial services in the European Economic Area. The key feature of a specialized bank is the minimum capital requirement of EUR 1 million, while for a traditional bank it is EUR 5 million. Nevertheless, compared to a traditional bank, a specialized bank may provide somewhat fewer services –it is subject to limitation in investment.

**Electronic money institutions (EMI):** Electronic money means a monetary value as represented by a claim on the issuer which is issued on receipt of monetary funds by the electronic money issuer from a natural or legal person and has the following characteristics: stored electronically (incl. magnetically); is issued for the purpose of making payment transactions; is received by persons other than electronic money issuers.

**Payment Institutions:** A payment institution is not entitled to withhold the funds of a client for a relatively longer time than necessary for the execution of a payment transaction. Therefore, to be able to hold funds in payment cards or other technical instruments such as an 'e-wallet', a payment institution license is not sufficient (in such a case, an electronic money institution or bank license is necessary).

**CIU management companies:** Management companies for collective investment undertakings (CIU) whose main activity is management of investment funds or investment companies.

**Startups legal form:** Setting up a startup in Lithuania is easy. A company can be established in only 3 days' time and Amicorp will assist with everything you might need for your successful start of business in Lithuania. The most common among foreign-based enterprises for startups are considered Private Limited Liability companies (UAB).

**Visa requirements:** A non-EU citizen will require a visa to enter Lithuania, unless a visa-free regime is applied. The procedure and necessary documentation depends on the requirements

of the embassy in question. Amicorp will assist with all immigration and relocation related matters.

**Company setup:** A company can be established in only three days and Amicorp will assist with everything you might need for your successful start of business in Lithuania. Most common among foreign-based enterprises are considered Private Limited Liability companies (UAB) yet we at Amicorp tailor evaluate every case with the client.

**Taxation in Lithuania:** Corporate profit tax -15%; VAT - 21%; dividends (withholding tax) - 0/15%; personal income tax -20% (27% - in case the income exceeds 136,344 EUR per year); social security tax -19.5%; Tier II pension: 2% (option-al); real estate tax - 0.3-3%.

## LIVING IN LITHUANIA

### THE BENEFITS OF RELOCATING TO LITHUANIA

Lithuania is a Member State of the European Union (EU) and a member of the Schengen Area, therefore, the Lithuanian immigration laws were set in accordance with the EU regulations. EU citizens and their family members are free to stay and work in Lithuania. Even if the family members of EU citizens are non-EU citizens, they are issued a residence certificate.

## AMICORP GROUP YOUR BUSINESS IS OUR BUSINESS

Amicorp is a boutique service provider with a dedicated network of international experts and specialists. We offer a wide range of customized solutions to help businesses grow and be successful. Our innovative solutions include cross-border structuring, corporate assurance and regulatory compliance support, and multi-facet business support alternatives for companies wanting to invest or expand locally or globally. In addition, we offer fund administration, financial services and global family office solutions, all addressing the distinct needs of our clients. We collaborate with and support clients in over 100 countries worldwide; we offer them solutions that they are looking for in today's ever-changing macro environment.

*International networking  
and global experience by a team of 700+ knowledgeable experts*

### FOR MORE INFORMATION

**Eugenijus Vilūnas**  
Managing Director  
Tel: +370 5248 7534  
e.vilunas@amicorp.com



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