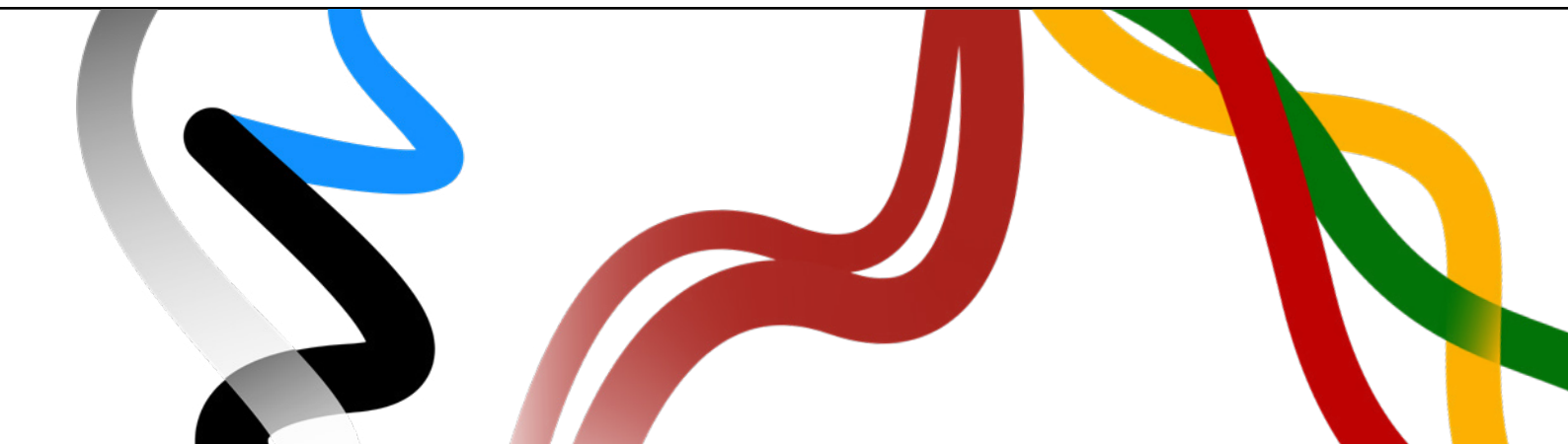


## DISCOVERING POTENTIAL

### 2023 | TAX TABLE – ESTONIA, LATVIA, LITHUANIA



	<i>ESTONIA</i>	<i>LATVIA</i>	<i>LITHUANIA</i>
PERSONAL INCOME TAX	20% for employment income and other type of income (including dividends, interest and capital gain)	<p>Progressive PIT system:</p> <ul style="list-style-type: none"> <li>- 20% up to annual income of 20,004 euro (gross)</li> <li>- 23% to annual income from 20,004 euro to 78,100 euro (gross)</li> <li>- 31% to annual income more than 78,100 euro (gross)</li> </ul> <p>20% on capital income (e.g., interest, capital gains, dividends)</p> <p>0% on dividends (if CIT or PIT applied abroad, or dividends distributed in Latvia from profit earned after 2018)</p> <p>10% on rent of real estate</p> <p>Royalties:</p> <ul style="list-style-type: none"> <li>- 25% to royalties that do not exceed 25,000 euro per annum</li> <li>- 40% to royalties that exceed 25,000 euro per annum (tax includes PIT and Social Security Contributions)</li> </ul>	<p>Employment income:</p> <ul style="list-style-type: none"> <li>- 20% up to annual income of 101,094 euro (gross)</li> <li>- 32% to annual income more than 101,094 euro (gross)</li> </ul> <p>Income from individual business activities – from 5% up to 15%</p> <p>Dividends – 15%</p> <p>Other income:</p> <ul style="list-style-type: none"> <li>- 15% up to annual income of 202,188 euro (gross)</li> <li>- 20% for annual income more than 202,188 euro (gross)</li> </ul>
CORPORATE INCOME TAX	The tax is levied at profit distribution at a rate of 20 / 80 of the net amount (20% of the gross amount). Retained earnings are not taxed until profit distributions are made	The tax is levied at profit distribution at a rate of 20 / 80 of the net amount (20% of the gross amount). Retained earnings are not taxed until profit distributions are made	<p>15%</p> <p>0% for the first year and 5% for the following periods for enterprises with fewer than 10 employees or less than 300,000 euro in gross annual revenues (if the certain conditions are met)</p>

	<i>ESTONIA</i>	<i>LATVIA</i>	<i>LITHUANIA</i>
CORPORATE INCOME TAX	<p>Rate of 14 / 86 (14 % of the gross amount) is levied on regular profit distribution</p> <p>Dividends paid to natural persons are subject to additional 7 % income tax (if dividends were taxed at the rate of 14 %)</p>		<p>0% for the first 10 years from establishment and 7.5% for the 6 subsequent years for companies established in free economic zones when the capital investment has reached:</p> <ul style="list-style-type: none"> <li>- 1 million euro; or</li> <li>- 100,000 and the average number of employees is no less than 20 and at least 75 % of the annual income is received from the provision of services</li> </ul> <p>20% for profits of banks, exceeding the threshold of 2 million euro</p>
VALUE ADDED TAX	<p>20%</p> <p>5% for press publications, both on a physical medium and electronically</p> <p>9% for:</p> <ul style="list-style-type: none"> <li>- books and workbooks used as learning materials</li> <li>- medical products, medical devices for personal use of disabled persons, technical aid for the purpose of the Medical Devices Act</li> <li>- accommodation services</li> </ul>	<p>21%</p> <p>12% for:</p> <ul style="list-style-type: none"> <li>- particular pharmaceuticals and medical devices for disabled persons</li> <li>- infant food</li> <li>- domestic public transportation services</li> <li>- supply of heating and gas to inhabitants</li> <li>- accommodation services</li> </ul> <p>5% for supplies of certain fresh fruit, berries and vegetables typical to Latvia</p> <p>5% for supply of books and publications in printed or electronic format, including online supplies or downloading, as well as for supplies and subscription fee of newspapers, magazines and other periodic publications (including online)</p>	<p>21%</p> <p>9% for:</p> <ul style="list-style-type: none"> <li>- passenger transport services on regular routes</li> <li>- books and non-periodic information publications</li> <li>- specific accommodation services</li> <li>- heating and hot water for residential premises</li> <li>- firewood and wood products for heating supplied to household energy consumers</li> <li>- catering services provided by restaurants, cafés and similar catering establishments and takeaway food (excluding alcoholic beverages) (until 31 December 2023)</li> <li>- the supply of all types of arts and cultural establishments, arts and cultural events, sporting events</li> <li>- performance services supplied by performers (until 30 June 2023)</li> </ul> <p>5% for:</p> <ul style="list-style-type: none"> <li>- pharmaceuticals and medical aid under certain circumstances</li> <li>- equipment for disabled persons' technical assistance and their repairs</li> <li>- periodical publications (with some exceptions)</li> </ul>
SOCIAL SECURITY CONTRIBUTIONS	<p>33% employers contribution</p> <p>The rate of unemployment insurance premium for insured persons is 1.6% (employee's contribution)</p> <p>The rate of unemployment insurance premium for employers is 0.8% (employer's contribution)</p> <p>Payments of social insurance and payments in pension funds are applied also to self-employed persons</p>	<p>34.09% (23.59% the employer's contribution and 10.5% the employee's contribution)</p> <p>31.07% for self-employed</p> <p>Additional 10% for pension insurance by self-employed</p> <p>Various other rates are applied to individuals with different statuses</p>	<p>19.5% employee's contribution (social insurance contributions of 12.52% and health insurance contributions of 6.98%)</p> <p>1.77% or 2.49% employer's contribution (including 0.32% for the Guarantee Fund and the Long-Term Unemployment Fund)</p> <p>19.5% rate of tax is also imposed on 90% of income earned by self-employed persons</p> <p>Special rules and rates are applied for sportsmen, performers, persons working under authorship agreements, farmers, owners of individual enterprises, members of micro companies and partners of partnerships</p>

	<i>ESTONIA</i>	<i>LATVIA</i>	<i>LITHUANIA</i>
SOLIDARITY TAX	Does not apply	25% to annual income exceeding 78,100 euro	Does not apply
IMMOVABLE PROPERTY TAX	Does not apply	0.2% – 3% of cadastral value depending on the regulations of the municipality  If the municipality has not stipulated the tax rates, then depending on the cadastral value the tax is: 1.5% for land, certain buildings and engineering structures, 0.2% – 0.6% for dwellings	0.5% – 3% of the taxable value  For individuals – 0.5% – 2% of the taxable value; the real estate up to 150,000 euro is tax exempt
LAND TAX	0.1% – 2.5% of the assessed value of land	0.2% – 3% of cadastral value or 1.5% if the municipality has not stipulated the tax rates  Additional 1.5% for unused agricultural land	0.1% – 4% of the taxable value  Lessors of the state land pay the land lease tax equal to 0.1% – 4% of its taxable value
WITHHOLDING TAX	Dividends: do not apply (profit distribution tax applies)	Dividends: do not apply (profit distribution tax applies)  20% for recipients in offshores	Dividends: 0% if the parent company holds at least 10% of shares for at least 12 months  15% in other cases
	Interest: 0% (except excessive amounts of interest)	20% for recipients in offshores	Interest: 0% if paid to the EEA residents and companies of countries with a Tax Treaty in force  0% on interest for securities issued by the Government on international financial markets, accrued and paid on deposits and on subordinated loans meeting the criteria set by the Bank of Lithuania  10% in other cases
	Royalties: 10% (unless a lower rate applies under a Tax Treaty or exemption applies for entities qualifying under Interest and Royalties Directive)	Royalties: 0% for companies  20% for recipients in offshores	Royalties: 0% if paid to entities qualifying under the Interest and Royalties Directive  10% in other cases (unless it is reduced by a Tax Treaty)
	Technical service fees: 10% if services rendered in Estonia and there is no Tax Treaty with the recipient country	Consultancy and management services: 20% (unless a lower rate applies based on Tax Treaty)	
		Remuneration paid to non-residents for the alienation of immovable property in Latvia: 3% from the transaction value (later a tax adjustment can be performed by applying a 20% tax on profit)	Remuneration paid to non-residents for transfer or lease of immovable property located in Lithuania: 15%

	<i>ESTONIA</i>	<i>LATVIA</i>	<i>LITHUANIA</i>
WITHHOLDING TAX		Income received by non-residents (legal persons) from renting out an immovable property in Latvia: 5% from the transaction value	Remuneration paid to non-residents for performing or sports activities performed in Lithuania: 15%
		Payments to recipients in offshores are subject to 20% withholding tax	Annual payments paid to non-residents as members of supervisory boards of the Lithuanian companies: 15%

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