

INFOLEX NOTE: 23 November 2010 Law No XI-1158 (*Official Gazette Valstybės žinios*, 2010, No 145-7415) sets forth that the legal persons who become liable for payment of the immovable property tax for the immovable property being acquired as of 1 January 2011 are not obliged to make the advance payment for such immovable property during the tax period of 2011.

**REPUBLIC OF LITHUANIA**  
**L A W**  
**ON IMMOVABLE PROPERTY TAX**

7 June 2005 No X-233  
Vilnius

**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1. Purpose of the Law**

This Law shall set forth the procedure for imposing the immovable property tax (hereinafter referred to as the “tax”) on immovable property.

**Article 2. Definitions**

*AMENDED (numbering of paragraphs):*  
*By 23 November 2010 Law No (as of 1 January 2011)*  
*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. *REPEALED BY:*

*By 21 December 2011 Law No XI-1828 (as of 1 January 2012)*  
*(Official Gazette Valstybės žinios, 2011, No 163-7742)*

2. *REPEALED BY:*

*By 21 December 2011 Law No XI-1828 (as of 1 January 2012)*  
*(Official Gazette Valstybės žinios, 2011, No 163-7742)*

3. The “**natural person**” shall mean a citizen of the Republic of Lithuania, a citizen of a foreign state and a stateless person.

4. *REPEALED BY:*

*By 21 December 2011 Law No XI-1828 (as of 1 January 2012)*  
*(Official Gazette Valstybės žinios, 2011, No 163-7742)*

5. The “**immovable property being acquired**” shall mean the immovable property (or a part thereof) managed by a person under a financial lease (leasing) agreement providing for transfer of the right of ownership, also under a hire purchase contract or a lease contract.

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)*  
*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

6. The “**legal person**” shall mean a legal person registered in accordance with the procedure set forth by legal acts of the Republic of Lithuania, a legal person of a foreign state as well as any organisation of a foreign state which is recognised a legal entity under laws of the Republic of Lithuania or of the foreign state.

7. The “**immovable property for commercial use**” shall mean the construction works (premises) intended for administration, catering, services, trading, hotels, recreation, health treatment, culture, science and sports.

8. The “**immovable property**” shall mean the premises, engineering and other construction works registered in the Real Property Register.

9. The “**mass valuation of immovable property**” shall mean a mode of valuation of immovable property whereby a group of similar objects of immovable property is valued within a set period of time with the help of a common methodology and automated technologies of analysis and evaluation of the data accumulated in the Real Property Register and in market databases. Upon the mass valuation of immovable property, a general report on valuation of the immovable property located in a certain area shall be prepared, whereas a report on every item of immovable property shall not be prepared.

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)*  
*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

10. The “**average market value of immovable property**” shall mean the value of immovable property determined by the methods and means of property valuation referred to in paragraph 2 of Article 9 of this Law.

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*

11. The “**education endeavours**” shall mean the activities which are considered as education endeavours under the Law of the Republic of Lithuania on Education.

12. The “**property valuer**” shall mean a property valuation entity keeping the Real Property Cadastre and the Real Property Register.

13. The “**fish-farming structures**” shall mean water reservoirs as well as the structures and facilities intended for servicing them and for the rearing and growing of fish.

14. Other concepts used in this Law shall be interpreted as they are defined (in the order of priority) by the Republic of Lithuania Law on Tax Administration, the Civil Code of the Republic of Lithuania, and the Republic of Lithuania Law on Construction. The purposes of use of immovable property as specified in this Law shall correspond to the purposes of use of immovable property specified in the regulations of the Real Property Cadastre and the regulatory acts governing construction.

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*

### **Article 3. Taxpayers**

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. The tax shall be paid by owners of immovable property, i.e. natural and legal persons, with the exception of the cases referred to in paragraphs 2 and 3 of this Article.

2. The tax for the immovable property being acquired shall be paid by the natural or legal person acquiring this property, where data on the respective transaction have been entered in a public state register.

3. The immovable property tax imposed on the immovable property (or part thereof) transferred for use to a legal person for an unlimited time period or for a time period exceeding one month and belonging by the right of ownership to a natural person (persons) or being acquired by him (them) shall be paid by the legal person during this period.

### **Article 4. Object of Taxation**

*AMENDED BY:*

- 1. 23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*
- 2. 21 December 2011 Law No XI-1828 (as of 1 January 2012)  
(Official Gazette Valstybės žinios, 2011, No 163-7742)*

The tax shall be imposed on immovable property located in the Republic of Lithuania, with the exception of:

1) the immovable property not in use, where construction thereof has not been completed in accordance with the procedure laid down by the Law of the Republic of Lithuania on Construction;

2) the immovable property created or acquired on the basis of general government and private entities' partnership as defined by the Law of the Republic of Lithuania on Investments for the period of implementation of a general government and private entities' partnership agreement and use of this immovable property according to the purpose specified in this agreement.

### **Article 5. Tax Period**

A tax period of the tax shall be a calendar year.

### **Article 6. Tax Rates**

*AMENDED BY:*

- 1. 25 May 2006 Law No X-618 (as of 1 January 2007)  
(Official Gazette Valstybės žinios, 2006, No 65-2384)*
- 2. 23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. The tax rate shall range from 0.3 per cent up to 3 per cent of the taxable value of immovable property unless this Article provides for otherwise.

*AMENDED BY:*

1. 21 December 2011 Law No XI-1828 (as of 1 January 2012)

(Official Gazette Valstybės žinios, 2011, No 163-7742)

2. 29 June 2012 Law No XI-2178 (as of 1 January 2013)

(Official Gazette Valstybės žinios, 2012, No 82-4265)

2. A municipal council shall, by 1 June of the current tax period, establish a specific tax rate which shall be valid in the territory of a relevant municipality from the beginning of the next tax period. If, in compliance with paragraph 3 of Article 9 of this Law, the tax for the immovable property indicated in subparagraphs 1 and 2 of paragraph 2 of Article 9 of this Law will be calculated by applying, from the next tax period, the value determined by a newly performed mass valuation of immovable property, the municipal council may establish the tax rate to be valid during the next tax period by 1 December of the current tax period. The municipal council may also establish several specific tax rates which shall be differentiated only on the basis one or several of the following criteria: purpose of immovable property, use, legal status, technical features, maintenance condition thereof, categories of taxpayers (size or legal form or social situation) or the location of immovable property in the territory of the municipality (according to the priorities set forth in strategic planning and territorial planning documents).

3. Where a municipal council does not establish a specific tax rate until the deadline referred to in paragraph 2 of this Article or changes the established tax rate after the deadline indicated in paragraph 2 of this Article, a tax rate of 0.3 per cent shall apply in the territory of that municipality during the appropriate tax period.

4. The part of the taxable value of property referred to in subparagraph 6 of paragraph 1 of Article 7 of this Law which exceeds the tax-exempt amount shall be subject to 0.5 per cent tax rate.

*AMENDED BY:*

1. 21 December 2011 Law No XI-1828 (as of 1 January 2012)

(Official Gazette Valstybės žinios, 2011, No 163-7742)

2. 9 December 2014 Law No XII-1390 (as of 1 January 2015)

(Register of Legal Acts, 2014, No 2014-20429)

#### **Article 7. Tax Reliefs**

1.

*AMENDED BY:*

23 November 2010 Law No XI-1158 (as of 1 January 2011)

(Official Gazette Valstybės žinios, 2010, No 145-7415)

The following immovable property subject to payment of the tax by a natural person under Article 3 of this Law shall be exempt from tax:

1) the immovable property (or part thereof) used by a natural person for the manufacture of cult articles as well as for social welfare and social attendance;

2) the immovable property (or part thereof) used by a natural person to receive (earn) income from agricultural activities as defined in paragraph 33 of Article 2 of the Law of the Republic of Lithuania on Income Tax of Individuals;

3) the immovable property (or part thereof) used by a natural person for education endeavours;

4) the immovable property (or part thereof) used by a natural person for the provision of burial services or located in the territory of a cemetery;

5) the immovable property (or part thereof) used by a natural person having the status of an artist as studios for individual creative activities.

6) the construction works (premises) belonging by the right of ownership to and being acquired by natural persons intended for dwelling purposes, gardens, garages, homesteads, greenhouses, farms, subsidiary farm, science, religion, recreation, fish-farming structures as well as engineering structures owned or acquired by natural purposes and the total value of which does not exceed EUR 220,000. For the families raising three and more children (adopted children) under 18 year old and families raising a disabled child (adopted child) under 18 year old and an older disabled child (adopted child) have been determined to be in special need of permanent nursing, the non-taxable value of immovable property shall be increased by 30 per cent.

*AMENDED BY:*

1. 21 December 2011 Law No XI-1828 (as of 1 January 2012)

(Official Gazette Valstybės žinios, 2011, No 163-7742)

2. 9 December 2014 Law No XII-1390 (as of 1 January 2015)

(Register of Legal Acts, 2014, No 2014-20429)

2.

*AMENDED BY:*  
*23 November 2010 Law No XI-1158 (as of 1 January 2011)*  
*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

The following immovable property subject to payment of the tax by a legal person under Article 3 of this Law shall be exempt from tax:

- 1) the immovable property of diplomatic missions and consular posts of foreign states, international inter-governmental organisations or missions thereof;
- 2) state-owned or municipal immovable property;
- 3) the immovable property of the undertakings of free economic zones;
- 4) the immovable property of bankrupt undertakings;
- 5) the immovable property of traditional religious communities, societies and centres, and immovable property (or part thereof) of other religious communities, societies and centres used solely for non-commercial activities or for the manufacture of cult articles;
- 6) the immovable property used for environmental protection and fire prevention and general-purpose objects according to a list approved by the Government of the Republic of Lithuania;
- 7) the immovable property (or part thereof) used for burial services or located in the territory of a cemetery;
- 8) the immovable property of associations, enterprises and establishments of the disabled whose sole members are associations of the disabled;
- 9) the immovable property of the legal entities over 50 per cent of whose income over the tax period consists of the income from agricultural activities as defined in paragraph 28<sup>1</sup> of Article 2 of the Republic of Lithuania Law on Corporate Income Tax including income of cooperative societies (cooperatives) from sale and purchase of agricultural products from their own members produced by those members which is fully or partially used for receiving (earning) income from agricultural activities and/or income of cooperative societies (cooperatives) from sale and purchase of agricultural products from their own members produced by those members;

*AMENDED BY:*

*27 June 2013 Law No. XII-430 (as of 1 January 2014)*  
*(Official Gazette Valstybės žinios, 2013, No 75-3758)*

- 10) the immovable property (or part thereof) of multi-occupancy dwelling owners associations, home building societies, garages maintenance and gardeners' societies used solely for non-commercial activities;
- 11) the immovable property (or part thereof) of the charity and sponsorship funds operating under the Law of the Republic of Lithuania on Charity and Sponsorship used solely for non-commercial activities;
- 12) the immovable property of science and study institutions referred to in the Law of the Republic of Lithuania on Science and Study;
- 13) the immovable property of the educational establishments referred to in the Law of the Republic of Lithuania on Education;
- 14) the immovable property of the establishments providing social services and operating under the Republic of Lithuania Law on Social Services;
- 15) the immovable property (or part thereof) of trade unions used solely for the non-commercial activities provided for in articles of association of the trade unions;
- 16) the immovable property (or part thereof) of the legal persons operating under the Republic of Lithuania Law on Associations used solely for non-commercial activities;
- 17) the immovable property of the Bank of Lithuania;
- 18) the immovable property of the legal persons operating under the Republic of Lithuania Law on the Status of Artists and Their Organisations;
- 19) the immovable property (or part thereof) used solely for the provision of health care services.

3. *REPEALED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)*  
*(Official Gazette Valstybės žinios, 2010, No 145-7415; Official Gazette Valstybės žinios, 2010, No*

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4. Tax reliefs shall be applied in accordance with the following procedure:

- 1) upon the acquisition of the right to a relief, the relief shall be applied as of the month when the right to the relief was acquired;
- 2) upon the loss of the right to a relief, the relief shall cease to be applied as of the month following the month when the right to the relief was lost.

5. Municipal councils shall have the right to reduce the tax at the expense of their budget or to completely exempt from payment thereof.

6. The tax-exempt amount referred to in subparagraph 6 of paragraph 1 of this Article shall be applicable to all immovable property intended for the purposes described in this subparagraph which belongs to the family members or is acquired by them. For the purposes of application of the above provision, the family members shall be deemed to include spouses, persons raising children (adopted children) alone and their children (adopted children) under 18 year old living with them.

*AMENDED BY:*

*21 December 2011 Law No XI-1828 (as of 1 January 2012)  
(Official Gazette Valstybės žinios, 2011, No 163-7742)*

INFOLEX NOTE: By 22 September 2015 decision of the Constitutional Court of the Republic of Lithuania it has been acknowledged that the provision set forth in paragraph 6 of Article 7 of the Republic of Lithuania Law on Immovable Property Tax (version of 21 December 2011; Official Gazette *Valstybės žinios*, 2011, No 163-7742) “The tax-exempt amount referred to in subparagraph 6 of paragraph 1 of this Article shall be applicable to all immovable property intended for the purposes described in this subparagraph which belongs to the family members or is acquired by them” is contrary to paragraph 1 of Article 29, paragraphs 1, 2 of Article 38 of the Constitution of the Republic of Lithuania (Register of Legal Acts, 2015, No 2015-14100).

## **CHAPTER II TAXABLE VALUE OF IMMOVABLE PROPERTY**

### **Article 8. Taxable Value of Immovable Property**

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. The taxable value of immovable property shall be the average market value of this immovable property:

1) as regards the immovable property indicated in subparagraphs 1 and 2 of paragraph 2 of Article 9 of this Law – the value determined according to the latest documents of mass valuation of immovable property approved in accordance with the procedure laid down by the Government of the Republic of Lithuania;

2) the immovable property indicated in subparagraphs 3 and 4 of paragraph 25 of Article 9 of this Law – the value determined not earlier than five years ago.

2. The taxable value of immovable property may be the value of the immovable property determined by individual valuation of the immovable property in accordance with the Law of the Republic of Lithuania on Basics of Property and Business Valuation, where this individual valuation has been performed with the help of the methods of determination of the value of immovable property as indicated in paragraph 2 of Article 9 of this Law, and the market value of immovable property determined (confirmed) by the property valuer differs, by over 20 per cent, from the value of this immovable property determined upon performing individual valuation, and the report of individual valuation of immovable property conforms to the requirements set forth by the Government of the Republic of Lithuania. A request by a taxpayer (in the cases indicated in paragraph 3 of Article 3 of this Law – by the owner of immovable property) to consider the value of immovable property determined by individual valuation of immovable property as the taxable value of immovable property (hereinafter referred to as the “request”) shall be submitted to a property valuer together with a report on individual valuation of this immovable property and shall be examined in accordance with procedure laid down in paragraph 2 of Article 10 of this Law. If the request is satisfied, the value determined by individual valuation of immovable property shall be considered to be the taxable value of this immovable property from the beginning of the tax period during which the request is submitted until the property valuer determines (confirms), in accordance with the procedure laid down by this Law and by the Government of the Republic of Lithuania, a new taxable value of this property, and in the cases of the property referred to in subparagraphs 3 and 4 of paragraph 2 of Article 9 of this Law – not longer than for a period referred to in paragraph 3 of Article 9 of this Law.

### **Article 9. Valuation of Immovable Property**

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)  
(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. Valuation of immovable property shall be performed by a property valuer.

2. Immovable property shall be valued:

1) immovable property used for commerce – with the help of the methods of comparative value (sales comparables) or value-in-use (capitalisation of income or discounted cash flows) by applying mass valuation of the immovable property. The method of mass valuation of immovable property which would most

objectively reflect the average market value of immovably property under valuation shall be selected by the property valuer;

2) the immovable property intended for dwelling purposes, gardens and garages (car garages, open or covered underground, overground car storages, boathouses) and subsidiary farms (household buildings located in private land parcels of house holdings, land parcels of agricultural land of farmsteads, land parcels of gardens and intended for meeting the basic needs of the inhabitants on a sustained basis) – the method of comparative value (sales comparables) using mass valuation of immovable property;

3) engineering structures – the recoverable value (costs) method (by calculating the percentage of physical deterioration) using data of the Real Property Cadastre and the Real Property Register, the price lists of costs (construction value) of restoration of immovable property and normative standards of the average working life of construction works;

4) other immovable property not specified in subparagraphs 1, 2 and 3 of this paragraph – the recoverable value (costs) method (by calculating the percentage of physical deterioration), applying the location adjustment coefficient taking account of the impact of the location of the immovable property using data of the Real Property Cadastre and the Real Property Register, the price lists of costs (construction value) of restoration of immovable property and normative standards of the average working life of construction works.

3. Valuation of immovable property shall be performed in accordance with the procedure set forth by the Government of the Republic of Lithuania at least every 5 years.

### **Article 10. Complaints and Applications in Respect of the Determined Taxable Value of Immovable Property**

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)*

*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. Complaints of taxpayers (in the cases referred to in paragraph 3 of Article 3 of this Law – owners of immovable property) regarding the taxable value of immovable property determined by a property valuer (hereinafter referred to as the “complaint”) shall be submitted to the property valuer within three months from determination of the taxable value of immovable property. The property valuer shall examine the complaints and take a decision within two months of the submission of the complaint. The property valuer’s decision may be appealed against in accordance with the procedure set forth the Law of the Republic of Lithuania on Administrative Proceedings.

2. Taxpayers (in the cases referred to in paragraph 3 of Article 3 of this Law – owners of immovable property) may, once per tax period and within three months from the beginning of the tax period, submit to a property valuer a request to consider as the taxable value of immovable property the value of the immovable property determined by individual valuation of the immovable property. The property value shall examine these requests and take a decision thereon within three months (during the tax period in which new documents of mass valuation of immovable property approved in accordance with the procedure approved by the Government of the Republic of Lithuania come into force – within four months) from the receipt of a request. The property valuer’s decision may be appealed against in accordance with the procedure set forth the Law of the Republic of Lithuania on Administrative Proceedings.

3. A property valuer shall notify the local tax administrator of the receipt of a complaint or an application by a payer of the tax and a decision taken on the complaint or application not later than within one working day of the receipt of the respective complaint or application or of the taking of the decision.

4. The submission of a complaint or an application by a taxpayer to a property valuer shall have a suspensory effect on the recovery of the tax and related amounts of funds (with the exception of the advance payment and related amounts) until a decision of the property valuer is taken on the complaint or application or until the entry into force of a court decision (ruling), where the taxpayer has appealed against the decision of the property valuer in accordance with the procedure set forth by the Republic of Lithuania Law on Administrative Proceedings, however, this shall not preclude the application of the tax duty enforcement measures specified in Article 95 of the Republic of Lithuania Law on Tax Administration or serve as the basis for revocation thereof.

## **CHAPTER III PAYMENT OF THE TAX**

### **Article 11. Submission of the Data Required for Calculation of the Tax**

1. A property valuer shall submit the data of the Real Property Register and the Real Property Cadastre required for the calculation of the tax to the local tax administrator on an annual basis until 1 February and until 1 August and data on immovable property taxed subject to the rate referred to in paragraph 4 of Article 6 of this Law also till 15 December.

*AMENDED BY:*

*21 December 2011 Law No XI-1828 (as of 1 January 2012)*

*(Official Gazette Valstybės žinios, 2011, No 163-7742)*

2. The procedure for submitting the data specified in paragraph 1 of this Article shall be set forth in the ways and within the time limits laid down in an agreement concluded between a property valuer and the central tax administrator.

3. At the request of a taxpayer, a property valuer shall prepare, in accordance with the procedure set forth by the Republic of Lithuania Law on the Real Property Register, an extract from the Real Property Register specifying the tax value of immovable property. At the request of natural persons, these extracts shall be prepared and delivered free of charge once per tax period.

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)*

*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

## **Article 12. Tax Calculation, Declaration and Payment**

*AMENDED BY:*

*23 November 2010 Law No XI-1158 (as of 1 January 2011)*

*(Official Gazette Valstybės žinios, 2010, No 145-7415)*

1. The tax shall be calculated, declared and paid by a person specified as the taxpayer in Article 3 of this Law.

2. Co-owners shall pay the tax in proportion to the proportion of immovable property held (being acquired) by them. The tax imposed on the immovable property belonging (or being acquired) by the right of joint ownership may be calculated, declared and paid by one of co-owners.

3. Legal persons shall make advance payments of the tax. Each advance payment shall make up 1/4 of the amount calculated by applying the tax rate specified in Article 6 of this Law according to the tax value of the taxable immovable property owned by a legal person based on the data of 1 January of the current calendar year and subject to payment of the tax according to provisions of paragraphs 1 and 2 of Article 3 of this Law. Advance payments of the tax shall be made respectively until 15 March, 15 June and 15 September of the current calendar year. Where the amount calculated by applying the tax rate specified in Article 6 of this Law according to the tax value of the taxable immovable property owned by a legal person based on the data of 1 January of the current calendar year and subject to payment of the tax according to provisions of paragraphs 1 and 2 of Article 3 of this Law does not exceed EUR 500, the legal person shall not be under the obligation to make the advance payment. Where the taxable value of immovable property during the current calendar year exceeds the tax value during the previous calendar year, the advance payment for this immovable property may be calculated on the basis of the tax value of immovable property during the previous calendar year.

*AMENDED BY:*

*1. 23 December 2014 Law No XI-1158 (as of 1 January 2015)*

*(Register of Legal Acts, 2014, No 2014-21156)*

*2. 10 December 2015 Law No XII-2153 (as of 1 January 2016)*

*(Register of Legal Acts, 2015, No 2015-19849)*

4. Taxpayers shall submit to the local tax administrator a tax return for an appropriate tax period for the immovable property which is taxed at the rate provided for in paragraph 4 of Article 6 of this Law until 15 December of the current tax period and a tax return for any other property – till 15 February of the next calendar year; the advance payment of the immovable property tax for the first nine months of the current tax period shall be recorded in the tax return. The layout of the tax return and the procedure for completing and submitting it shall be set forth by the central tax administrator.

*AMENDED BY:*

*1. 21 December 2011 Law No XI-1828 (as of 1 January 2012)*

*(Official Gazette Valstybės žinios, 2011, No 163-7742)*

*2. 10 December 2015 Law No XII-2153 (as of 1 January 2016)*

*(Register of Legal Acts, 2015, No 2015-19849)*

5. Taxpayers shall calculate the tax in a tax return according to the tax value of the immovable property for which they must pay the tax during that tax period according to the provisions of Articles 3 and 4 of this Law and which is not subject to tax reliefs specified by Article 7 of this Law by applying the rate specified in Article 6 of this Law.

6.

*AMENDED BY:*

*21 December 2011 Law No XI-1828 (as of 1 January 2012)*

6. Where the immovable property the tax imposed whereon must be calculated by a taxpayer according to provisions of Articles 3 and 4 of this Law belonged to him by the right of ownership, was being acquired or was taken over by a legal person from a natural person not during the whole tax period, the tax shall be calculated in proportion to a part of the tax period (in months) during which the immovable property belonged by the right of ownership, was being acquired or was taken over by the legal person from the natural person in compliance with the following rules:

1) legal persons shall begin to calculate the tax starting from the month following the month in which they acquire the right of ownership to immovable property, take over the management of the immovable being acquired, are restored the rights to the immovable property being acquired or in which immovable property is transferred to them in the case referred to in paragraph 3 of Article 3 of this Law; natural persons shall begin to calculate the tax from the month in which they acquire the right of ownership to immovable property, take over the management of the immovable property being acquired, and in the case referred to in paragraph 3 of Article 3 of this Law – from the month following the month in which the legal person returns immovable property;

2) legal persons shall cease to calculate the tax starting from the month in which they transfer the right of ownership to immovable property, transfer rights to the immovable being acquired or lose these rights, and in the case referred to in paragraph 3 of Article 3 of this Law – from the month following the month in which immovable property is returned; natural persons shall cease to calculate the tax from the month following the month in which they transfer the right of ownership to immovable property, transfer rights to the immovable property being acquired or lose these rights, and in the case referred to in paragraph 3 of Article 3 of this Law – from the month following the month in which they transfer immovable property to a legal person.

7. Where immovable property ceases to exist (is pulled down, is destroyed by burning or is otherwise physically lost), the tax shall not be calculated as of the month following the month when the immovable property ceased to exist.

8. The amount of the tax calculated in a tax declaration and, where the tax has been paid in advance, the difference between the amount of the tax calculated and the tax paid in advance must be paid to the budget not later than until the last day specified in paragraph 4 of this Article for the submission of a declaration for an appropriate tax period. Overpayment of the tax shall be repaid in accordance with the procedure set forth by the Law of the Republic of Lithuania on Tax Administration.

9. Taxpayers shall calculate the tax according to data of extracts from the Real Property Register specified in paragraph 3 of Article 11 of this Law.

## **CHAPTER IV LIABILITY**

### **Article 13. Liability**

In the event of a breach of provisions of this Law, fines shall be imposed and penalties shall be calculated in accordance with the procedure set forth by the Republic of Lithuania Law on Tax Administration.

## **CHAPTER V ENTRY OF THE TAX**

### **Article 14. Entry in the Budget of the Tax**

1. The tax shall be entered in the budget of a municipality in the territory whereof immovable property is located unless otherwise provided for in this Article.

*AMENDED BY:*

*21 December 2011 Law No XI-1828 (as of 1 January 2012)  
(Official Gazette Valstybės žinios, 2011, No 163-7742)*

2. Where immovable property is located in the territory of several municipalities, the tax shall be entered in proportion to the portion of the immovable property held by the relevant municipality.

3. The tax for the immovable property taxed at the rate referred to in paragraph 4 of Article 6 of this Law shall be credited to the state budget.

*AMENDED BY:*

*21 December 2011 Law No XI-1828 (as of 1 January 2012)  
(Official Gazette Valstybės žinios, 2011, No 163-7742)*

## **CHAPTER VI FINAL PROVISIONS**



### **Article 15. Entry into Force and Application of the Law**

1. This Law shall enter into force on 1 January 2006.

2. Where the taxable value of the immovable property indicated in subparagraphs 1 and 2 of paragraph 2 of Article 9 of this Law, determined prior to the entry into force of this Law by the recoverable value (cost) method, has increased, 0.8 of the amount of increase in the taxable value of this immovable property shall be deducted when calculating the taxable value of this immovable property during the tax period of 2006 and 0.4 – during the tax period of 2007.

*AMENDED BY:*

*25 May 2006 Law No X-618 (as of 10 June 2006)*

*(Official Gazette Valstybės žinios, 2006, No 65-2384)*

3. The taxable value of another immovable property indicated in subparagraphs 1 and 2 of paragraph 2 of Article 9 of this Law shall be 0.5 of the taxable value of this immovable property as indicated in paragraph 1 of Article 8 of this Law during the tax period of 2006 and 0.8 – during the tax period of 2007.

*AMENDED BY:*

*25 May 2006 Law No X-618 (as of 10 June 2006)*

*(Official Gazette Valstybės žinios, 2006, No 65-2384)*

4. The tax on the immovable property of enterprises and organisations for the last quarter of 2005 shall be paid until 25 January 2006.

*AMENDED BY:*

*25 May 2006 Law No X-618 (as of 10 June 2006)*

*(Official Gazette Valstybės žinios, 2006, No 65-2384)*

5.

*AMENDED BY:*

*25 May 2006 Law No X-618 (as of 10 June 2006)*  
*(Official Gazette Valstybės žinios, 2006, No 65-2384)*

Upon entry into force of this Law, the following legal acts shall become invalid:

1) Law of the Republic of Lithuania on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 59-1156, 1994);

2) Law of the Republic of Lithuania Supplementing Article 3 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 35-860, 1996);

3) Law of the Republic of Lithuania Amending Articles 7 and 9 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 46-1106, 1996);

4) Law of the Republic of Lithuania Amending Articles 1, 2, 3, 4, 5 and 11 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 68-1635, 1996);

5) Law of the Republic of Lithuania Supplementing Article 5 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 64-1497, 1997);

6) Law of the Republic of Lithuania Supplementing Article 5 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 92-2888, 2000);

7) Law of the Republic of Lithuania Amending Articles 1, 2, 3, 6 and 7 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 62-2232, 2001);

8) Law of the Republic of Lithuania Amending Article 5 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 104-4648, 2003);

9) Law of the Republic of Lithuania Supplementing Article 5 of the Law on the Tax on the Immovable Property of Enterprises and Organisations (Official Gazette *Valstybės žinios*, No 116-5256, 2003);

10) Chapter I of the Law of the Republic of Lithuania Amending and Supplementing the Law on the Tax on the Immovable Property of Enterprises and Organisations, the Law on the Financing of Road Maintenance and Development Programme, the Law on Guarantee Fund, the Law on Fees and Charges, the Law on Fees for the Registration of Industrial Property Objects, the Law on Pollution Tax, the Law on Consular Fees, the Law on the Bank of Lithuania (Official Gazette *Valstybės žinios*, No 61-2188, 2004).

INFOLEX NOTE: 25 May 2006 Law No X-618 (Official Gazette *Valstybės žinios*, 2006, No 65-2384) sets forth that the provisions of paragraphs 2 and 3 of Article 15 shall apply to calculation of the immovable property tax during the tax periods of 2006 and 2007.

### **Article 16. Proposal to the Government of the Republic of Lithuania**

The Government of the Republic of Lithuania shall, by 1 October 2005, draft and approve rules for the valuation of immovable property.

*I promulgate this Law passed by the Seimas of the Republic of Lithuania.*

PRESIDENT OF THE REPUBLIC

VALDAS ADAMKUS

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