

## PRIVACY NOTICE

*(on data processing carried out in the implementation of interagency agreements between the STI and tax administrations of other states on mutual assistance in the field of tax administration)*

This privacy notice is intended for natural persons who are not residents of the Republic of Lithuania for tax purposes and who receive income from or in the Republic of Lithuania in any form, or who pay income to residents of the Republic of Lithuania, due to which their personal data is provided to or received from the tax administration of the country of residence. Personal data is provided/received in accordance with interagency agreements concluded by the STI<sup>1</sup> with the tax administrations (competent authorities) of the following countries: Armenia, Azerbaijan, Belgium, Czech Republic, Denmark, Estonia, Guernsey, Georgia, Italy, Japan, the United States of America (hereinafter – the USA), Canada, Kazakhstan, Latvia, Poland, the Netherlands, Norway, Finland, Ukraine, Hungary and Germany. Interagency agreements are concluded in the implementation of agreements between the Government of the Republic of Lithuania and the competent authorities of the specified states on the avoidance of double taxation of income and capital, as well as the prevention<sup>2</sup> of the evasion, which have been ratified in Lithuania in accordance with the procedure established by legal acts.

Under the concluded interagency agreements, the exchange of information between tax administrations takes place in several ways: upon request, automatically, and on an unsolicited (spontaneous) basis. In this privacy notice, we provide general information about the exchange of personal data carried out on the basis of all interagency agreements concluded by the STI.

We note that this privacy notice does not cover the processing of personal data carried out by the STI under interagency agreements for the recovery of tax arrears.

When processing your personal data, we comply with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, repealing Directive 95/46/EC (General Data Protection Regulation), as well as other legal acts governing the protection of personal data and tax administration.

### Data Controller:

State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania, legal entity code – 188659752, Vasario 16-osios St. 14, LT-01514 Vilnius, tel. +370 5 260 5060, email: [vmi@vmi.lt](mailto:vmi@vmi.lt)

Data Protection Officer contact: [duomenu\\_sauga@vmi.lt](mailto:duomenu_sauga@vmi.lt)

### Purpose of Processing Personal Data:

When implementing interagency agreements, personal data are processed in order to prevent financial fraud and tax evasion, avoid double (non-)taxation, and ensure fair taxation (particularly when entities operate across several countries).

### List of Data Processed:

**Automatic exchange of information<sup>3</sup>:** periodically and without a prior request, the state with which the tax administration has concluded an interagency agreement is provided with information about its residents who receive income<sup>4</sup> from or in the Republic of Lithuania (i.e. income recipients):

- **Identification data:** name, surname, date of birth, taxpayer identification number (TIN), personal identification number indicated in the identity document, VAT payer code;

- **Contact data:** address (street, house number, city, region, postal code) in the country of the person's residence;

- **Income payer data:** name and surname of a natural person, name of a legal entity, identification or registration number of the income payer, VAT payer code, address (street, house number, city, region, postal code);

<sup>1</sup> The State Tax Inspectorate under the Ministry of Finance.

<sup>2</sup> A list of valid double taxation agreements is available on the website of the STI. Access online: [Double Taxation Agreements](#).

<sup>3</sup> Automatic exchange of information refers to the mutual exchange of information without a separate request, the periodic provision of information without prior request.

<sup>4</sup> Information is provided on the following specific categories of income and capital: employment-related income, director's bonuses and remuneration, life insurance products, pensions, ownership of real estate and income derived from it, royalties, dividends, interest, honoraria, and income from independent individual activities.

- **Information on paid (received) income:** type of income paid/received, payment date, income receipt period, amount and currency of the income paid/received, rate, amount, and currency of the tax withheld/paid, and the amount of any advance payments withheld by paying agencies;

- **Other data:** the person's country of residence, information on real estate (exact address, area, value, etc.) located in the state providing the information and owned by a resident of the state receiving the information.

Periodically and without a prior request, information is provided on shareholders/managers of companies established in the Republic of Lithuania who are citizens of the state receiving the information who are citizens of the state receiving the information (analogous data are received on shareholders/managers of companies established in those states who are citizens of the Republic of Lithuania). These personal data exchanges take place only under an interagency agreement with Estonia and Latvia:

- **Identification data:** name, surname, date of birth, personal identification number;

- **Information about the company in which the shareholder/manager is a citizen of the state receiving the information:** name, identification number (code), VAT payer code, VAT registration and deregistration dates;

- **Other personal data:** the person's position in the company, the start and end dates of their relationship with the company.

Information is also automatically provided on individuals connected to companies established in the state receiving the information, regarding lost identity documents (data are only provided under an interagency agreement with Estonia and Latvia):

- **Identification data:** name, surname, personal identification number or date of birth;

- **Information about the lost identity document:** number of the lost identity document, type of document lost (identity card or passport), and date of loss.

According to the concluded interagency agreement concluded with the Latvian Tax Administration, additional information is obtained on:

- **Risky taxpayers:** name, surname, personal identification number, type of decision, date of decision, and the reason for inclusion in the register of risky taxpayers.

- **Taxpayers whose economic activity has been suspended:** name, surname, registration number of the decision, date of decision, type of prohibited activity, and the date of the decision to reinstate the person's economic activity.

According to the interagency agreement concluded with the Estonian Tax Administration, additional information is received about citizens of the Republic of Lithuania who hold Estonian e-resident status: name, surname, date of birth, personal identification number in Estonia, start and end date of the e-resident status, information about companies in Estonia linked to the e-resident (name, registration number, VAT payer code), the e-resident's role (position) in the company, start date of the relationship with the company, as well as the company's previous year's sales revenue in Lithuania according to the annual report.

Under the interagency agreement concluded with the U.S. tax administration, personal data are provided on natural persons who are U.S. citizens and who hold or control financial accounts in Lithuanian financial institutions. More information on this data processing is provided in the [Privacy Notice \(regarding data processing for the implementation of the Foreign Account Tax Compliance Act – FATCA\)](#).

**Exchange of information upon request:** tax administrations (competent authorities) of other states with which an interagency agreement has been concluded may be provided with – or may provide – any information needed to properly calculate taxes and investigate violations of tax laws. The request for the provision of personal data shall indicate the legal basis justifying the lawfulness of the data collection, as well as information about the tax case (inspection, etc.) for which the request is submitted (which tax the information is needed for, the relevant period, etc.), and the identification data of the taxpayer (data subject) (name, surname, address, identification number, etc.). Information is provided at the request of the tax administration (competent authority) of another state if there is no doubt about the legality and validity of the provision of the requested personal data (e.g., whether the requested data are relevant to the tax inspection being carried out by the tax administration of another state, etc.).

***Spontaneous exchange of information:*** tax administrations (competent authorities) of other states with which an interagency agreement has been concluded may receive – or provide – information without prior request if, in the opinion of the party providing the information, it may assist the receiving state in the proper calculation of taxes and the investigation of violations of tax laws. Information may be sent or received without prior request in any of the following circumstances:

- tax may be unpaid or incorrectly paid in another state;
- the taxpayer is granted the right to apply tax relief or exemption, which may cause tax to increase or become payable in another state;
- transactions between taxpayers in one or more states are carried out in a way that results in tax not being paid in one or both states;
- tax may remain unpaid due to artificial allocation of income between associated (related) economic entities;
- information sent to the central tax administrator by the tax administration (competent authority) of another state has helped obtain data that may be relevant for taxation in the Member State providing the information.

*Personal data shall be provided to tax administrations (competent authorities) of other states with which interagency agreements are in place only to the extent required to achieve the established tax-related objectives, in accordance with the data-processing principles set out in Article 5 of Regulation (EU) 2016/679.*

### Legal Basis for the Processing of Personal Data:

Personal data are processed on the basis of:

- Article 6(1)(c) (legal obligation) and (e) (exercise of public functions), Article 45(1) (when personal data are provided to a third country for which the European Commission has adopted an adequacy decision), and Article 46(2)(a) (when personal data are provided to a third country for which no adequacy decision has been adopted) of Regulation (EU) 2016/679;
- Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC;
- Article 25(1)(17), and Articles 28, 29 and 611 of the Law on Tax Administration of the Republic of Lithuania;
- the Convention on Mutual Administrative Assistance in Tax Matters of 25 January 1988, as amended by the Protocol of 27 May 2010;
- conventions concluded between the Government of the Republic of Lithuania and the competent authorities of other states on the avoidance of double taxation of income and capital and the prevention<sup>5</sup> of tax evasion, which have been ratified in Lithuania in accordance with the procedure established by legal acts;
- interagency agreements concluded between the STI under the MF and tax administrations (competent institutions) of other states;
- the Regulations of the State Tax Inspectorate's information system for the exchange of value-added tax information between European Union countries, approved by Order No. VA-89 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of 3 August 2010 "On the Approval of the Regulations of the State Tax Inspectorate's Information System for the Exchange of Value-Added Tax Information between European Union countries".

### Personal Data Retention Period:

The STI under the MF stores personal data in the information system of the State Tax Inspectorate for the exchange of value-added tax information between the countries of the European Union (ITIS\_EU) for 11 (eleven) calendar years from the moment of their receipt or transmission. Once the retention period ends, personal data are destroyed.

### Povision of Personal Data:

<sup>5</sup> A list of valid double taxation conventions is available on the website of the STI. Access online: [Double Taxation Conventions](#).

Personal data are provided to the tax administrations of other states (including those in third countries) in accordance with the safeguards specified in legal acts and in the interagency agreements concluded with them.

Personal data are not provided to other data recipients (third parties), except when required by law. Data processors providing STI information system maintenance and other related services, as well as those who process personal data on behalf of and under the instructions of the controller, are not considered third parties.

### Data Subject Rights:

Natural persons whose personal data are processed in the implementation of interagency agreements between the STI and tax administrations of other states on mutual assistance in the field of tax administration have the data subject rights set out in Chapter III of Regulation (EU) 2016/679. The procedure for exercising these rights is regulated in the [Description of the Implementation of Data Subject Rights in the State Tax Inspectorate](#). Data subjects also have the right to lodge a complaint with the State Data Protection Inspectorate (address L. Sapiegos St. 17, 10312 Vilnius, <https://vdai.lrv.lt/>). However, before filing a complaint with this supervisory authority, we recommend first contacting the data controller – the STI.

If you believe that we are violating Regulation (EU) 2016/679 or other legal acts governing data processing, or if you have any questions related to the processing of your personal data and/or the exercise of your rights, you can always contact us by email at [duomenu\\_sauga@vmi.lt](mailto:duomenu_sauga@vmi.lt) or submit an inquiry via My VMI<sup>6</sup>.

---

<sup>6</sup> The State Tax Inspectorate's e-VMI portal for authorized electronic services. Access online: <https://sso.vmi.lt/sso/login?TARGET=https%3a%2f%2fwww.vmi.lt&locale=en>