



HOW TO START A CONSTRUCTION BUSINESS IN LITHUANIA?

- NEW COMPANY
- BRANCH
- NEW COMPANY AND BRANCH
- TEMPORARY SERVICES

PREPARE YOUR BUSINESS PLAN

We recommend start form setting up a *business plan*.

CHOOSE A TYPE OF BUSINESS

For starting business, it is important to consider the nuances of different *business forms*.

NEW ECONOMIC ACTIVITIES

GET RESIDENCE PERMIT IN LITHUANIA

PROVIDE TEMPORARY SERVICES IN LITHUANIA

Person or a company of the other EU Member State can provide services for maximum 180 subsequent days in a year. If services are provided for a longer term or if physical premises, in which the services are provided, exist, then such individual or company must be registered as a taxpayer in the State Tax Inspectorate and perform other procedures related with continuous operation (e.g. obtain a business license, permits, etc.). For some professions recognition procedure is required, check *the list*. For detail information about your case contact *Point of Single Contact*.

PRICE: free of charge.

SET UP A REPRESENTATIVE OFFICE OR A BRANCH IN LITHUANIA

For setting up a *representative office or a branch*:

- collection of documents of the foreign company, their translation into Lithuanian, legalization or certification with Apostille;
- preparation of establishment documents;
- certification of the establishment documents by a Lithuanian notary;
- registering the representative office at the Register of Legal Entities of Lithuania.

PRICE: ~1320 EUR.
TIME: up to 3-4 weeks.

EU, Norway, Switzerland, Iceland and Lichtenstein (hereinafter EU citizen) planning to stay for more than 3 months, you need to register and get a residence permit at the Migration Centre.

Not an EU citizen, you need to register at the Migration Centre to take up residence in Lithuania. Permission to temporarily live in Lithuania may be issued to a company shareholder if:

- his/her capital of the company that belongs to him/her is no less than 28,000 EUR, 14,000 EUR is the foreigner's investment;
- there are no fewer than 3 citizens of Lithuania or permanent foreign residents of Lithuania working in the company;
- before the documents to obtain the permission to live in Lithuania were submitted, the company had been active for no less than 6 months.

*Residence permit valid for 3 years, when approved.

PRICE: 8,60 EUR (for EU, Norway, Switzerland, Iceland and Lichtenstein citizens).
TIME: residence permit application process – up to 10 days to.

NOTARIZE THE FOUNDING DOCUMENTS AT A REGISTERED NOTARY'S OFFICE

Company documents must be notarized by one of Lithuanian *notaries*.

* It can be done *online*, but for that must have Lithuanian ID, electronic signature and electronically signed premise for commercial use (for example, for *Startup Visa* holders).

PRICE: 72–290 EUR (depending on the amount of share capital).
TIME: 1–2 days.

CHOOSE THE AMOUNT AND THE TYPE OF SHARE CAPITAL

For Private limited liability company minimum required share capital – 2500 EUR, if the share capital is higher than 2500 EUR, then at least 25 % must be transferred to the accumulative account (with the remaining amount paid in 12 months). For Small partnership and Public institution contributions can be of monetary or non-monetary form. Minimum amount of the capital is not specified.

OPEN A BANK ACCOUNT

Open a bank account in one of the *banks* that are operating in Lithuania.

PRICE: ~30 EUR.
TIME: 5 working days.

RESERVE A TEMPORARY COMPANY NAME

Submit an application (form *JAR-5*) to the *Register of Legal Entities*.

*This name will be reserved for 6 months.

PRICE: ~16 EUR.
TIME: 1 day.

REGISTER YOUR COMPANY

Do it at the *Register of Legal Entities of Lithuania* – it can be done *online** or in person. They will help you make your business legally recognized by the state.

*for online procedure must have Lithuanian ID and electronic signature.

PRICE: 57 EUR.
TIME: 3 days.

LEGALIZE THE FOUNDING DOCUMENTS AT A REGISTERED NOTARY'S OFFICE

Document approval certificate (Apostille) needed if your country has joined the 1961 Hague Convention. *List of countries*.

*To legalize documents in Lithuania you have to address Lithuanian Ministry of Foreign Affairs, location: J.Tumo-Vaižganto g. 2, Vilnius. Note. Documents cannot be submitted by post. Together with documents for legalization you have to provide a passport or other valid personal identity document.

Documents issued in Estonia, Russia, Latvia, Moldova and Ukraine do not have to be certified with an Apostille (they must be translated into the Lithuanian language).

PRICE: 1 document is 10 EUR.

GET RECOGNITION OF THE RIGHT OWNED BY THE FOREIGN COMPANIES

Attestation of construction companies is a procedure in which the Attestation experts appointed by SPSC director evaluates whether the company is ready to carry out the relevant activities in buildings of special significance, and *the SPSC issues the attestation*.

GET PROFESSIONAL RECOGNITION

When performing the recognition of professional qualifications, it is important to evaluate not only the gained qualification, but also whether the person's knowledge, professional skills and abilities are enough to start working in the country of destination.

Requirements.

Professions are of two types as follows: *regulated* and *non-regulated*.

Attestation for non-regulated construction specialists.

Registration formalities of economic activity depends on activity itself. Please contact our *Product Contact Point team* for more information.

REGISTER IN TAXPAYER REGISTER

After registration in the Register of Legal Entities, a legal entity is automatically registered to the Taxpayer Register on the next working day. In case of the data change submitted in the relevant forms, *the data shall be updated*.

VAT payer registration is voluntary, unless if the annual income for the goods sold or services provided is over 45 000 EUR.*

*if during the last calendar year Lithuanian taxable person has acquired goods from other EU member states and the taxable amount of those goods has exceeded 14 000 EUR or it is foreseen that it will exceed this threshold during current year, then such taxable person is obliged to register as VAT payer even in cases where the annual turnover threshold (45 000 EUR) is not exceeded.

CHECK ADDITIONAL REQUIREMENTS FOR EMPLOYMENT

Employment in Lithuania

Employment of foreigners:

- employing an alien under an employment contract;
- employing a foreigner to work under a distance contract;
- recruiting a foreigner to work temporarily in the Republic of Lithuania.

Procedures

PRICE: for a work permit of up to 1 year – 121 EUR; extension of work permit – 52 EUR; for a work permit of up to 2 years – 150 EUR; for a work permit for 1 year under youth exchange programs, with bilateral agreements of the Republic of Lithuania – 34 EUR; 8.60 EUR for a duplicate work permit.

OBTAIN COMPULSORY CIVIL LIABILITY INSURANCE

Compulsory civil liability insurance mandatory for all improvement works related to building construction, repairs, reconstruction, demolition and cultural heritage objects must be covered by the compulsory construction works and civil liability insurance. Exception is solely applied to simple constructions and dwellings repairs.

PRICE: depends of construction and insurance company.