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Company formation in Lithuania

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Company formation in Lithuania



Flag



Coat of arms

Common form	UAB (uždaroji akcinė bendrovė, private limited company) [1]
Registry	Register of Legal Entities (State Enterprise Centre of Registers) [1]
Minimum capital	€1,000 [1]
Directors	1 director (manager) [1]
Local director	Not required [1]
Corporate tax	17% [2]
VAT / sales tax	21% [2]
Typical timeline	Usually 1–3 working days online [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Euro (EUR)

In short: To set up a company in Lithuania, most founders form a UAB, registered with the Register of Legal Entities (State Enterprise Centre of Registers). [1] Minimum capital: €1,000. Corporate tax: 17%. Registration: usually 1–3 working days online (as of November 2026).

The **UAB** is Lithuania's private limited company, registered with the **Register of Legal Entities** kept by the Centre of Registers. Lithuania's standard corporate tax rate rose to 17% from 2026, and the minimum capital is €1,000.

Business structures

Most founders in Lithuania form a UAB, registered with the Register of Legal Entities (State Enterprise Centre of Registers). [1] **Other forms are listed below.**

- **UAB** – private limited company
- **MB** – small partnership, no minimum capital
- **AB** – public limited company
- **Įį / individual activity** – sole trader forms

Requirements

Minimum share capital in Lithuania (2026): €1,000. Directors required: 1 director (manager). Local resident director: not required. [1]

- A company name that is available, checked with the registry.
- Share capital: €1,000.
- Directors: 1 director (manager).
- Local residency: not required.
- A registered office address in Lithuania.
- Articles of association; standard templates are often available.
- Beneficial owners reported to the information system of beneficial owners (JANGIS).

Registration process

Typical time to register a company in Lithuania (2026): usually 1–3 working days online. [1]
The usual steps are:

1. Choose the company form and check that the name is available.
2. Prepare and sign the articles of association.

3. File the registration with the Register of Legal Entities (State Enterprise Centre of Registers).
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the State Tax Inspectorate (VMI).

Taxation

The corporate tax rate in Lithuania in 2026 is 17%. [2] Standard VAT or sales tax: 21%. [2]

Tax	Rate and notes
Corporate income tax	17%
VAT / indirect tax	21%
Withholding tax on dividends to non-resident companies	17%

Ongoing compliance

Annual compliance in Lithuania: Companies file annual financial statements with the Register of Legal Entities and an annual corporate tax return with the State Tax Inspectorate. [1]

Double tax treaties

Lithuania has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
17%	10%	10%

0% can apply to dividends if holding conditions are met.

Within the EU, the Parent-Subsidiary and Interest and Royalties Directives can reduce these rates to 0% for qualifying group payments.

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Lithuania lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Lithuania?

Typical registration time in Lithuania: usually 1–3 working days online (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Lithuania?

Minimum share capital in Lithuania: €1,000 (as of November 2026).

What is the corporate tax rate in Lithuania in 2026?

The corporate tax rate in Lithuania in 2026 is 17%. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Lithuania?

Yes. There is no nationality requirement for shareholders. Local director rule in Lithuania: not required.

What withholding tax applies to dividends paid from Lithuania?

Lithuania withholds 17% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty or the EU Parent-Subsidiary Directive. See the Double tax treaties section.

Official registries and resources

- Register of Legal Entities (State Enterprise Centre of Registers)
- State Tax Inspectorate (VMI)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in the United Kingdom
- Company formation in Germany
- Company formation in Poland
- Company formation in Ireland
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Register of Legal Entities (State Enterprise Centre of Registers) . Government of Lithuania. Accessed November 2026.
2. Official State Tax Inspectorate (VMI) . Government of Lithuania. Accessed November 2026.
3. Lithuania: Corporate – Taxes on corporate income (reviewed 25 November 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
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