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NORDBALT BRIEFING

ILLUMINATE PATHS

Issue:
December
2020

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Comprehensive information and professional insights for business in the Nordic Baltic region

Tax and finance in 2021

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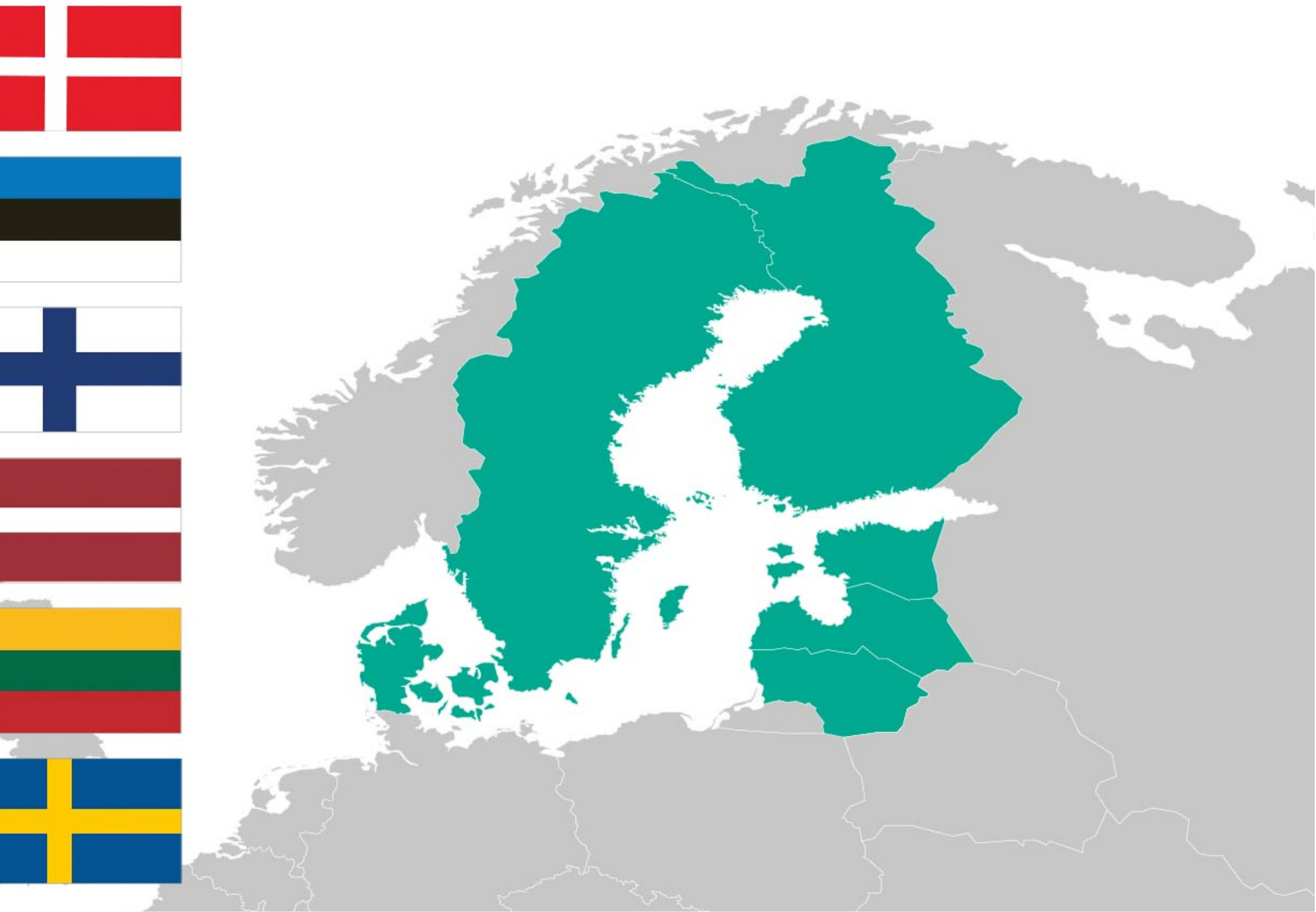

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Read in this issue:

→ Editorial

Dear reader,

It has been a most unusual year, and the pandemic that dominated 2020 will stretch well into the new year.

In managing this unprecedented public health crisis, the countries around the Baltic Sea resemble a microcosm of the world's uneven and oscillating response. Sweden had for some time run a seemingly light-touch course, Denmark was among the first to test various grades of lock-down, and Finland has so far fared well with a measured and consistent policy of stop-and-go, not unlike Norway that shows some of the world's lowest infection rates. In the meantime, Estonia, Latvia and Lithuania had been exceptionally successful with a hard and early crackdown and enjoyed a blissfully long summer of relative calm in their "Baltic bubble". It burst in late October, hurling these small nations toward a critical level of daily infections. But winter has brought troubling surges in all countries and the situation may grow even worse in some – before vaccines, lockdowns and better weather will hopefully deliver the end of the spiked virus' reign.

2020 was, of course, a most challenging year for business. Covid-19 ended a decade of rapid and sustained growth, only massive government intervention prevented a dramatic downturn, and the pandemic's long-haul effects will scar many industries for years. And yet, large transactions did take place between Helsinki and Malmö (not seldom by Zoom or Teams), the job markets in the Baltics still show no sign of deep crisis, and many Nordic blue chips hold their bullish line at the stock markets. Moreover, in our conversations with clients, colleagues and contacts throughout the business community we sense an air of expectancy. The requests we receive in our offices around the Baltic Sea suggest that the energy, logistics, construction, and real estate sectors in particular are preparing for a substantial and swift recovery as projects are being put back on schedule and plans for expansion are being rolled out. The long-term growth potential of Northern Europe may indeed exceed the contracting effect of the Corona crunch, and business has taken heed.

A well-worn adage these days claims that "there will be no return to normality" any time soon. Undeniably, masks and social distancing will stay with us for some time, while newly found or re-discovered realities ranging from remote work to virtual business trips may well leave a lasting mark on how we trade and invest. That said, Rödl & Partner risks a somewhat more conventional outlook for 2021: making up for the lost opportunities of 2020 in life and in business will impact the markets much more and much sooner than some expect – especially here up North, where the fundamentals are as strong as ever and new ways and technologies have always been embraced a little faster than elsewhere. We will keep you updated.

Happy and safe holidays – stay healthy.

Yours,

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→ Denmark

Bullets

Reporting of frozen holiday pay to be done no later than 31 December 2020

The new Danish Holiday Act has been in force since 1 September 2020. All companies must report holiday pay earned during the transitional period from 1 September 2019 - 31 August 2020 (frozen holiday pay) by 31 December 2020 at the latest. If your payroll is done electronically and attached to eIncome – the electronic income tax reporting system for employers in Denmark – the reporting will have been made automatically. Employers who don't withhold income tax but pay out gross salary to their employee (the so called b-tax-model), must report frozen holiday manually on a specific sheet before 31 December 2020.

All employers are advised to check all reported information via eIncome. Changes may be made until 31 December 2020.

Implementation of Posting of Workers Directive

A bill proposed on 30 October 2020 aims to implement parts of the revised Posting of Workers Directive which is intended to improve conditions for posted workers, including ensuring that posted workers receive treatment equal to that received by national employees in terms of pay and working conditions. The bill proposes, among other things: a) Clarification of the basis of conflict against foreign service providers; b) Introduction of rules on long-term posting; c) For temporary workers, an information obligation is imposed on user companies, who must inform temporary workers of the work conditions in the country they work; d) A provision on how to handle benefits associated with the secondment, in relation to whether they are considered to be remuneration or a reimbursement of expenses; e) A targeting of the notification requirement to the Register of Foreign Service Providers for self-employed persons without employees.

The rules were due to be implemented in Danish law on 1 July 2020, but they have been delayed due to Covid-19. The revised Posting of Workers Act will enter into force on 1 January 2021, but retroactively apply to postings that have been ongoing since 1 July 2020.

Employers right to impose Covid-19 tests to employees

Commencing 19 November 2020, a new law allows employers to instruct their employees to be tested for Covid-19 and inform their employer of the result. If possible, testing must be carried out during working hours and the employer must bear the associated costs. The employer must inform the employee in writing of the reasons for testing. If the employer fails to provide this written information, the employee shall be entitled to an allowance. If the employee opposes testing, the employer may then have recourse to settle the situation through employment law.

→ Denmark

Tax and finance outlook 2021

2020 is coming to an end and it is time to have a look at what might be considered in relation to 2020's financial statement and what tendencies and changes the new year will bring.

Considerations at the end of the financial year 2020

- Covid-19 governmental support in your Financial Statement 2020:
  Information on payments from governmental support must be included (in a note) in a company's Financial Statement for 2020 as other operating income and must also be included in the management's report.

- Extended deduction for R&D costs:
  Following the Government's proposal to improve business incentives for research and development, an extraordinary increase in the deduction for research and development costs has been introduced, resulting in a deduction of 130 percent of expenditure incurred for 2020 and 2021. An expense of DKK 1 million will thus result in a direct tax saving of DKK 66,000.
  Moreover, it is still possible to obtain tax credit in respect of R&D expenditure under the so-called R&D tax credit scheme *(skattekreditordningen)*. Tax credit is granted in the form of a pay-out of an amount corresponding to the tax value of the incurred R&D expenditure. However, to be eligible, the applicant must be loss-making, and the tax credit (pay-out) is only available in respect to losses that are attributable to R&D activities. The deadline for application for this tax credit is the same as the deadline for the tax information scheme *(oplysningsskema)*. From the income year of 2020, applications for payment under the tax credit scheme will be an integral part of the information sheet for companies.

New tax rates and thresholds for 2021

Here are some of the most often used rates and thresholds:

	2021	2020
Travel allowance *(rejsegodtgørelse)* (requires at least 24 hours of absence from your domicile).	DKK 532	DKK 521
Accommodation allowance (in case of private accommodation during business trips).	DKK 228	DKK 223
Travel deduction, max. *(rejsefradrag)*.	DKK 29,300	DKK 28,600
Mileage allowance up to 20,000 km *(kilometergodtgørelse)*.	DKK 3,44	DKK 3,52
Mileage allowance more than 20,000 km *(kilometergodtgørelse)*	DKK 1,90	DKK 1,96
Value of company phone for private use *(fri mobil)*	DKK 3,000	DKK 2,900
Threshold for the highest tax rate *(topskat)*	DKK 544,800	DKK 531,000

The Danish tax calendar with all relevant deadlines can be found here.

News regarding financial accounts

- Amendments to the Danish Financial Statements Act with effect for Financial Statements for 2020:
  The Danish Financial Statements Act has been amended and the changes will have an impact on all companies that submit Financial Statements for 2020.
  For companies in accounting class B, various tightening measures have been introduced in respect to classification, recognition and measurement. Large companies in accounting class C must from the financial year of 2020 onwards report on social responsibility and the gender composition of their management in their management report.

- New taxonomies for financial reporting:
  The elements that can be included in a digital financial statement are set out in a so-called taxonomy. Taxonomies are table of contents or templates for financial reporting. The Danish Business Authority has prepared a separate taxonomy for companies which respectively report in accordance with the Danish Financial Statements Act *(Årsregnskabsloven – ÅRL)* and/or in accordance with international accounting standards (IFRS). The taxonomy in accordance with the Danish Financial Statements Act taxonomy has just been sent to hearing. Within a short time, both taxonomies will be placed in the Danish Commerce and Companies Agency's test systems and then put into production.

New legislation on the way

- Legislation regarding permanent establishments and transfer pricing:
  On 3 December 2020, a new bill was adopted implementing the OECD recommendations on permanent establishment so that the Danish rules are aligned with the latest international standards. The objective of the adjustments is, inter alia, to ensure that companies with cross-border activities will not be able to artificially organize themselves in a way that enable them to avoid the creation of a taxable permanent establishment in the countries in which they operate.
  In addition, in order to bring Danish legislation into line with EU law, the new bill allows Danish companies to make deductions for final losses in foreign subsidiaries, permanent establishments and real estate.
  Finally, the bill grants the Danish Tax Agency the right to assess transfer pricing increases at their own discretion in instances when documentation is not available and when TP-documentation must be submitted within 60 days of the deadline for filing the income tax return.

- New legislation regarding CFC-taxation:
  In November 2020, a bill was presented to Parliament which proposes that the Danish regime on taxation of CFCs (Controlled Foreign Entities) be adjusted so as to implement the common minimum rules on CFC taxation laid down in Article 7 and 8 of the Anti-Tax Avoidance Directive (ATAD) (COUNCIL DIRECTIVE (EU) 2016/1164 of 12 July 2016). The rules on CFC taxation are anti-abuse provisions aimed at preventing tax avoidance by domestic corporations that divert their operations through subsidiaries resident in states that have a more advantageous tax regime. The ATAD lays down common minimum rules to prevent such tax avoidance and the objective of the Danish bill is to align the Danish CFC regime with those rules. The proposed adjustments to the Danish CFC regime are proposed to take effect for income years starting on or after 1 January 2021.

Restructuring of the Danish Tax Administration to be completed in 2021

The Danish Tax administration has been undergoing a major overhaul since 2017, when it was decided to divide the central organization into 7 specialized agencies that were each responsible for their own core tasks. In the last 4 years, investments have been made in respect of both employees and new IT systems and organizational changes are expected to be completed in 2021. The new agencies are:

- The Danish Tax Agency *(Skattestyrelsen)* ensures that citizens and businesses pay correct taxes and charges.
- The Customs Agency *(Toldstyrelsen)* supports cross-border trade and ensures effective customs control.

- The Property Assessment Agency *(Vurderingsstyrelsen)* is responsible for public assessments of land and properties.
- The Debt Collection Agency *(Gældsstyrelsen)* is responsible for ensuring that individuals and businesses repay their debts to public authorities.
- The Motor Vehicle Agency *(Motorstyrelsen)* ensures correct and efficient registration and tax calculation of all vehicles.
- The IT and Development Agency *(Udviklings- og Forenklingsstyrelsen)* maintains existing IT systems and develops new IT solutions.
- The Administration and Services Agency *(Administrations og Servicestyrelsen)* ensure that the Ministry of Taxation's group is supported by an efficient and professional service and administration.

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→ Estonia

Bullets

Government approved new restrictions to prevent the spread of the coronavirus

- Obligation to wear a mask or to cover one’s nose and mouth in public indoor spaces:
  An obligation to wear a mask or to cover one's nose and mouth is introduced in public indoor spaces, including public transport and service points. This obligation does not apply to children under the age of 12 or to persons unable to wear masks for health reasons, special needs, the nature of their work or activity, or other important reasons.

- The 2 + 2 rule extends to all public indoor spaces:
  The 2 + 2 rule must be followed in all public indoor spaces, which means that up to two people can move together but must keep a distance of two meters from other people. This restriction does not apply to families or when it cannot be reasonably ensured.

- The 10 + 2 rule in catering and entertainment establishments:
  The 10 + 2 rule will continue to apply in catering establishments and places where entertainment services are provided. This rule stipulates that a group may include up to 10 people, but they have to keep a distance of two metres from others. These restrictions do not apply to families and also in cases where this condition cannot be reasonably guaranteed.

- Public events and meetings, culture and entertainment, churches:
  From 28 November, a lower maximum number for participants in public events will apply. Up to 400 people can take part in an indoors public event with stationary seating; otherwise, up to 250 people are allowed. For outdoor events, the maximum number of participants is 500. This maximum number of participants does not apply in children’s playrooms.

Automatic exchange of information on cross- border arrangements

The automatic exchange of information on cross-border arrangements imposes an obligation on tax advisers and taxpayers to inform the tax authorities about cross-border tax planning arrangements. Estonia has established the automatic exchange of information on cross-border arrangements for direct taxes only, which means that there is no obligation to notify arrangements for VAT, customs duties, excise duties, social security contributions, fees and (service) charges.

Due to the fact that the Council Directive 2018/822/EU entered into force on 25 June 2018, the taxpayer or tax adviser must notify the Estonian Tax and Customs Board for the first time by 28 February 2021 for arrangements that were implemented between 25 June 2018 and 30 June 2020. For schemes implemented between 1 July 2020 and 31 December 2020, the board must be notified within 30 days from 1 January 2021.

→ Estonia

Value of assets in annual reports in the time of Covid-19

The coming year will no doubt find financiers facing a number of issues in respect to valuation issues. The Covid-19 pandemic has brought major changes to the business landscape, with some sectors profiting from the current situation while others have been hit hard and sensed the influence of the crisis more directly. Now is surely the time when more attention needs to be paid to the value of assets in balance sheet during annual reporting.

According to the Estonian Financial Standard (EFS), every asset in the balance sheet needs to be inventoried at least during annual reporting. All assets may be affected from the current decline in the economy.

Measurement polices in balance sheet of most common assets according to EFS

- All receivables should generally be reflected in the balance sheet at amortised cost. The amortised cost of short-term receivables generally equals their nominal value minus any impairment allowances. When it comes to determining the amortised cost of long-term receivables, they are initially recognised at the fair value of the consideration receivable, and subsequently interest income is recognised on the receivable using the effective interest rate method.
- Short and long-term financial investments in shares and other equity instruments (except for such ownership interest in subsidiaries and associates that are accounted for using the consolidation or equity method) must be reflected at fair value if this can be measured reliably. Otherwise, they can be reflected at acquisition cost less any allowance for impairment if the recoverable amount of the investment has fallen below its carrying amount.
- Inventories must be measured in the balance sheet at the lower cost or net realisable value. Net realisable value is the estimated selling price of a product in the ordinary course of business, minus the estimated costs of completion and those necessary to make the sale. Commodity brokers and dealers of publicly traded inventories (e.g., grains, oil) must measure inventories at fair value, minus the costs to sell through profit or loss. Fair value is the amount for which assets could be exchanged or liabilities settled in a transaction between knowledgeable, willing and independent parties in an arm’s length transaction.
- An item of property, plant and equipment must be carried at acquisition cost, less any accumulated depreciation and impairment losses.
- Intangible assets (including goodwill) must be reflected in the balance sheet at their acquisition cost, less any accumulated amortisation and impairment losses.
- One of the two following accounting policies must be used consistently for recognising investment properties (except for micro entities, who must use the method provided in clause (b)):

a. Investment property whose fair value can be determined reliably without undue cost or effort must be accounted for using the fair value method and all remaining investment properties are measured using the cost method; or
b. Each investment property must be accounted for using the cost method. In applying the cost method, investment property must be measured similarly to property, plant and equipment, i.e., at acquisition cost, less any accumulated depreciation and impairment losses.

Impairment test of the assets

All in all, we can see from these principles that some sort of valuation needs to be carried out with all type of assets: expected value of receivables, estimated selling price of goods, and fair value of investments or the impairment test of fixed assets or real estate investments.

Carrying out these analyses during the pandemic can mean that future forecasts may appear rather uncertain. Therefore, we suggest making a scenario analysis (e.g., best case, worst case, base case) and that you then use the average of these results based on the probabilities of each case. Scenario analysis can also give you information regarding how sensitive the value is to different inputs. Meaning, that if you know that one of the inputs is very uncertain, you can focus more on this particular input and draw better conclusions.

In many sectors there is a question of the time when revenue reaches its normal point. The longer the low period or no cash flow, the higher the possible need of impairment.

The situation is changing quickly, and it is unclear what the Government will decide and how those decisions will affect valuation. The good news is that in regard to annual reports, valuation needs to include the information known on the date of value, which is the reporting date. After the reporting date, events are reported separately, and they do not need to be included into the valuation.

For example, if we have a bus waiting to serve tourists (a city-tour bus) and on 31 December 2020 we receive information that all restrictions are to be cancelled from 1 March 2021, we can still make the prognosis that from 1 March 2021 revenues will start increasing again. Even if restrictions are extended in February 2021, we can still report the value we arrived at under the previous circumstances. However, this new information will need to be added to the subsequent events annex.

Are there any tax effects?

Based on a company’s assets, valuation losses might follow. According to the Estonian Income Tax Act, the moment of corporate income taxation is shifted until profits have been distributed in Estonia. The period of taxation for legal entities and non-residents with permanent establishments in Estonia is one calendar month. Additionally, there are no rules regulating how losses can be carried forward (“losses carried forward”) because only distributed profits are subject to income tax.

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→ Finland

News in corporate income tax for cross-border activities

Extending the reach of the Finnish CIT regime

The Finnish Government has issued a governmental bill laying down new rules according to which foreign companies may become generally tax liable in Finland – following the example of several EU member states.

Currently, as a starting point, only companies incorporated and registered in Finland are considered to have their tax domicile in Finland and are thus liable in Finland for their global income. The tax liability of foreign companies is subject to the formation of a PE in Finland, and the income attributable to the Finnish PE.

According to the proposal, a foreign company whose actual place of management is located in Finland, would be considered generally tax liable in Finland – thus Finland would not only tax the income attributable to Finland. The goal behind the legislative change is the Finnish Governments' action plan against tax evasion and aggressive tax planning. The changes are intended to take effect on 1 January 2021, including a transitional period until 2023 for certain types of investment funds.

Clear rules?

As the aim of the proposed change is to extend the Finnish tax regime to include companies located outside of the Finnish borders based on the effective place of management of the foreign companies, the definition of the latter is of crucial importance.

In order to avoid conflicts between two tax regimes, as this could lead to double taxation, it is essential that there may be only one place of management in the Community. According to the proposal, the preparation has sought to find a sufficiently general and universally valid concept for the location and evaluation of the place of management. Assessment is based on the decision-making location of the highest decision-making body, but other circumstances related to the organization and to the business of the company may also be taken into consideration. According to the proposal, this is an overall case-by-case assessment.

Tax liability may arise if a group company is being managed by a parent entity in Finland, for example. In this regard, however, the management and steering of the group should be kept apart from the management of the business operations of the group company in question. The mere fact that representatives of the parent company are elected as board members should not be decisive alone. Holding companies that do not have any other significant business activities than holding the shares of operative companies, may also be subject to uncertainties when it comes to the determination of the place of management.

An additional point of interest concerns accrued tax losses. The tax losses accrued in the country of origin before the beginning of the general tax liability in Finland will be lost if the company did not previously have a PE in Finland. On the other hand, a foreign company becoming generally tax liable in Finland will be eligible as a party to a group contribution scheme on condition that the other requirements set for eligibility are met. The requirement regarding the duration of a group relationship is specified in the proposal so that the group relationship is considered to have been valid only for as long as the foreign company is generally taxable in Finland (in cases where general tax liability starts during 2021, group contribution is possible in 2022).

Effects

The proposal obviously aims to increase Finland's regional taxing power. The effectiveness of the proposed change requires that the applicable Tax Treaty recognizes double tax domicile for the companies.

The margin of discretion contained in the proposed change allows for flexibility, taking relevant overall circumstances at hand into account, but also may be seen to decrease legal certainty, until case law clarifies the current open questions over the course of the next few years. The change will obviously give rise to an increased need for negotiations between the parties of Tax Treaties. As for legal certainty at the domestic level, it is advisable to seek guidance from the Finnish Tax Administration as soon as the new rules come into force, and the final contents are known.

Limited availability of deductability of group contribution from foreign group companies

According to Finnish tax law, as a general rule group companies cannot be consolidated for CIT purposes. However, the law contains a tool with which group companies may achieve the outcome of a CIT consolidation provided they fulfil of certain preconditions. Group contribution means payments of cash that are determined and paid out based on annual taxable profits to other group companies with the aim of levelling out the taxable profits and losses between the group companies. The group contribution is a deductible cost for the granting company and taxable income for the receiving company, required that the preconditions set out in the law are met.

Currently, group contribution is available only for companies having tax domicile, or a PE, in Finland. The compatibility of the Finnish group contribution system with EU law has been confirmed by ECJ, on a general level. However, regarding the so-called final losses of subsidiaries residing in another EU/EEA countries, the European Commission has repeatedly requested that Finland amend its rules on tax deductibility of the group contribution so that it is in line with EU law. The Finnish government has now issued a government proposal with the aim of remedying the situation.

The proposed new law

The proposed new law would allow a Finnish parent company to deduct an amount corresponding to the losses of its EU/EEA subsidiary, by means of a group contribution given by the parent, required that the losses are deemed as final in accordance with the EU case law (Case C-446/03 Marks & Spencer I, and subsequent EU case law). In addition, the other preconditions for a tax-deductible group contribution have to be fulfilled. Group contribution would not be available for banks, insurance companies or pension institutions.

The burden of proof relating to the finality of losses lays on the parent entity that is claiming the deduction based on a group contribution. As for timing, the proposal states that the deduction based on a group contribution may take place in the fiscal year during which the respective EU/EEA subsidiary is dissolved.

The new law is planned to come into force on 1 January 2021.

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→ Latvia

Bullets

Support mechanisms introduced for companies affected by the second wave of Covid-19

As of 1 December 2020, companies affected by the Covid-19 are able to apply for state support. A total of 30 million Euros will be available for distribution among applicants. The time period during which companies are eligible for such state aid is currently set from 9 November 2020 (the first day of the state of emergency) until 9 January 2021.

Employers affected by the current crisis are able to apply for salary subsidy for partially employed employees and for idle time compensation for employees left without work. In order to apply for salary subsidy, the employer must be able to prove that they have experienced a drop in turnover of at least 20 percent in comparison to their average turnover in August, September and October 2020. The basis for idle time compensation is a decrease of turnover by at least 20 percent for the down time period – November and December 2020.

Employer steps in the role to identify Covid-19 contact persons

In order to reduce the burden on the Disease prevention and control centre (in Latvian – *Slimību profilakses un kontroles centrs*, hereinafter – SPKC), the Cabinet of Ministers decided to allow employers to determine whether or not a specific employee is considered a contact person. Starting from 19 November 2020, the SPKC will determine the group that was visited by the contact person (pre-school collective, school collective, work collective, etc.) and will contact the management or individual responsible for said collective. Afterwards, the management of this collective will need to prepare a list of possible contact persons and share it with the SPKC, while informing the respective contact persons about their need to maintain self-quarantine, contact their doctors and acquire a sick leave certificate.

Service providers are forbidden from rendering services to individuals not wearing a face covering

Due to the fact that a significant percentage of individuals continue to violate their obligation to wear face and nose covers in public places, as of 19 November 2020 the Cabinet of Ministers decided to ban the provision of services to individuals who violate the afore mentioned rule. The service provider (the management of the respective legal entity, shopping center, etc.) will be responsible for following these rules. If the respective entity fails to comply with this obligation, an administrative fine may be imposed. State and local police will monitor such service providers in order to ensure compliance. In addition, a penalty for breach of restrictions may also be imposed on individuals.

→ Latvia

Summary of recent tax and financial developments in Latvia

2020 has been a turbulent year for most of the countries in the world, and Latvia has been no exception. The year started with predictions of continued steady GDP growth somewhere between 1.9 percent and 2.6 percent. However, by March the Covid-19 pandemic had reached Latvia and hopes of steady economic growth were dashed. The government imposed a variety of restrictions that halted economic activity in multiple sectors. Compared to 2019, GDP fell by 1.5 percent in the first quarter, by 9.8 percent in the second quarter, and by 3.1 percent in the third quarter of 2020[1].

To help deal with the negative economic consequences of the pandemic, the government of Latvia prepared a relief package that included tax holidays, a shorter VAT refund period, compensation of salaries for employees on downtime (the downtime payment), changes to payment terms of property tax, as well as financial instruments in the form of credit guarantees and loans. The efficiency of some of these measures is debatable, but nevertheless, more than 53.6 million Euros were paid in the form of downtime payment to more than 55,000 employees[2] and more than 7,000 taxpayers have been granted tax holidays. With the situation worsening in November, another set of state aid mechanisms is being developed that will soon be made available[3].

Tax revenue has also been negatively affected. The general budget revenue plan that is administered by the State Revenue Service (hereafter – SRS) has been 93.3 percent completed[4]. Because of this, the 2020 budget deficit is expected to be 7.6 percent of GDP[5] . The 2021 Latvian budget is currently in its final stages of parliamentary approval. To stimulate economic growth, there is a plan to increase government` s expenses in 2021 with a planned budget deficit of 3.9 percent of the GDP. In addition, multiple taxes have seen significant changes that will be presented in the next chapter.

Tax developments in Latvia

– The minimum monthly wage and rate of social contributions:
  The minimum monthly wage in Latvia will be raised from 430 Euros to 500 Euros on 1 January 2021. Furthermore, from 2021, the rate of social contributions will decrease from 35.09 percent

[1] https://www.lsm.lv/raksts/zinas/ekonomika/latvijas-ikp-tresaja-ceturksni-samazinajies-par-31.a379770/
[2] https://www.vid.gov.lv/lv/dikstaves-pabalstu-perioda-teju-55-tukstosiem-cilveku-vid-izmaksajis-dikstaves-pabalstus-vairak-0
[3] https://www.em.gov.lv/lv/jaunums/vitenbergs-panacam-vienosanos-vel-vairak-paplasinat-atbalstu-uznemejiem-un-darbiniekiem
[4] https://www.vid.gov.lv/lv/vid-administreto-kopbudzeta-ienemumu-plans-izpildits-par-933
[5] https://www.lsm.lv/raksts/zinas/ekonomika/eiropas-komisija-latvijas-nakama-gada-budzeta-projektu-noverte-ka-atbilstosu.a382359/

to 34.09 percent, or by 0.5 percentage points for both employers and employees. As a result, the contribution rate will be 23.59 percent for employers and 10.50 percent for employees.

In addition, from July 2021, the minimum object of mandatory state social insurance contributions will be three minimum wages per quarter, and the planned minimum social contributions will amount to 170 Euros per month for any person for whom social insurance contributions are made according to general arrangements. Minimum mandatory contributions are to be introduced so that a sustainable state social insurance policy can be developed through which all taxpayers engaged in economic activities are obliged to pay a mandatory contribution that is equal to at least the minimum mandatory contribution level. This will also prevent individuals and companies from exploiting exceptions in the application of tax regimes for the purpose of optimising taxes.

- Personal income tax:
  The highest rate of the PIT progressive rate is currently 31.4 percent. The plan is to reduce this to 31 percent in 2021, while remaining PIT rates will remain unchanged at 20 percent and 23 percent. Income brackets for progressive tax rates will also remain unchanged.

- Value added tax:
  Several amendments to the Value added tax (hereafter – VAT) have been adopted. As of 1 July 2021 a series of amendments will come into force that were drafted to introduce EU regulations[6]. The intention here is to harmonise and simplify certain rules in the VAT system for the taxation of trade between Member States regarding provisions relating to the distance sales of goods. These are the 4 key amendments:

1. Non-Union schemes used by non-EU established companies supplying telecommunications services, broadcasting services, or electronic services to non-taxable individuals residing in the EU is now broadened to apply to the supply of any kind of services.

2. The union scheme has been broadened to apply to the supply of any kind of services; intra-Community distance sales of goods, as well as the supply of goods by electronic interfaces facilitating those supplies. According to the amendments, the union scheme will now be applicable to all kinds of services as well as the distance sales of goods to individuals. Moreover, the threshold for distance sales in 2021 has been lowered to 10,000 Euros (previously 35,000 Euros), which means that EU based companies who are supplying goods to Latvian individuals via electronic interfaces will be required to apply for VAT registration as soon as they reach the designated 10,000 Euros threshold.

3. A new import regime has been introduced for the distance sale of goods imported from third countries or third territories. This import regime may be used for the importation of goods from third countries (except excise goods), if the value of one shipment does not exceed 150 Euros. This regime may be used by:

   - A taxpayer who conducts business activity in the EU and effects distance sale of goods imported from third countries or territories;
   - A taxpayer who conducts business activity in the EU, and effects distance sale of goods imported from third countries or territories and is represented by a middleman who conducts business in the EU;
   - A taxpayer who does not conduct business activity in the EU and effects distance sale of goods imported from third countries or territories and is represented by a middleman who conducts business in the EU; and
   - A taxpayer who conducts business activity in a third country with which the EU has conducted a mutual cooperation agreement, the scope of which is similar to

[6] Directive 2017/2455, Directive 2019/1995 and Directive 2018/1910.

the Council Directive 2010/24/EU and Regulation 904/2010.

If the middleman or taxpayer is willing to apply for the aforementioned import regime, the application should be submitted to the Latvian Tax authority. The application will then be reviewed within 5 working days. The deadline for submission of a VAT return and VAT payment is the end of the month following the taxation period.

4. Special import regime concerning declaration and payment of the VAT. The new VAT regime is envisaged to simplify the process of the declaration of goods imported from third countries intended for further distance sales.

Microenterprise tax

Microenterprise tax (hereafter – MET) will be heavily reorganized in 2021. Under the new amendments, VAT payers and limited liability companies will no longer qualify for the MET regime. As of 1 January 2021, the MET rate applicable to annual turnover of up to 25,000 Euros will be set at 25 percent, with a rate of 40 percent on all turnover above that threshold. The amendments will not affect the current breakdown of the MET: 80 percent of tax will be composed of state social insurance contributions, and 20 percent – personal income tax.

As of 2021, the MET regime will only be made available to the owner of a micro-enterprise. Accordingly, the general labour tax regime will apply to employees of micro-enterprises. Payroll tax is to be imposed on micro-enterprise employees, and they are to be socially insured. As of 1 July 2021, the general tax regime is to apply to all MET payer employees that were registered before the end of 2020. The amendments also revoke the current salary ceiling applicable to the employees of MET payers. According to entrepreneurs, the salary ceiling has driven many to under-report their actual income from micro-enterprises.

Excise Duty Tax

Starting from 1 January 2021, increase of duty rates for tobacco products and liquid to be used in electronic cigarettes. The definition of “liquid to be used in electronic cigarettes” has been expanded, and a new term – tobacco substitutes – has been introduced to adapt legislation to the new products that are available in the market as substitutes for conventional cigarettes.

Changes to taxation of vehicles

The rates for Vehicle Operation Tax have been increased, as have the rates for Company Car Tax. Significant changes have also been made to the calculation of taxes for lorries. The tax on lorries will now be determined by the amount of carbon dioxide emitted by the lorry’s engine. These amendments have been made with the aim of encouraging the usage of cleaner and more environmentally friendly lorries in transport.

Finally, in order to encourage the use of alternative forms of energy, cars equipped with gas as a fuel supply unit will only have to pay 90 percent of the standard Vehicle Operation Tax amount.

Unified tax payment account

In order to minimize the administrative burden on tax payments, Latvia has adopted a provision that all tax payments must be made using one unified tax account. Starting from 1 January 2021, the deadline for all tax payments will be also be unified and it is set as the 23rd of the month.

All tax payments made into a unified account will be distributed by the authority itself to cover calculated taxes, with the FIFO principle being applied. In addition, the accrual principle will be introduced in tax administration.

Together with the introduction of unified accounts, the deadline on submission has been changed for certain tax reports. Starting from 1 January 2021, the payroll reporting deadline will be unified for all taxpayers and is set at the 17th of the following month (previously each employer had its own special reporting date). For VAT and CIT reports, the deadline that is already in force (the 20th of the following month) will remain.

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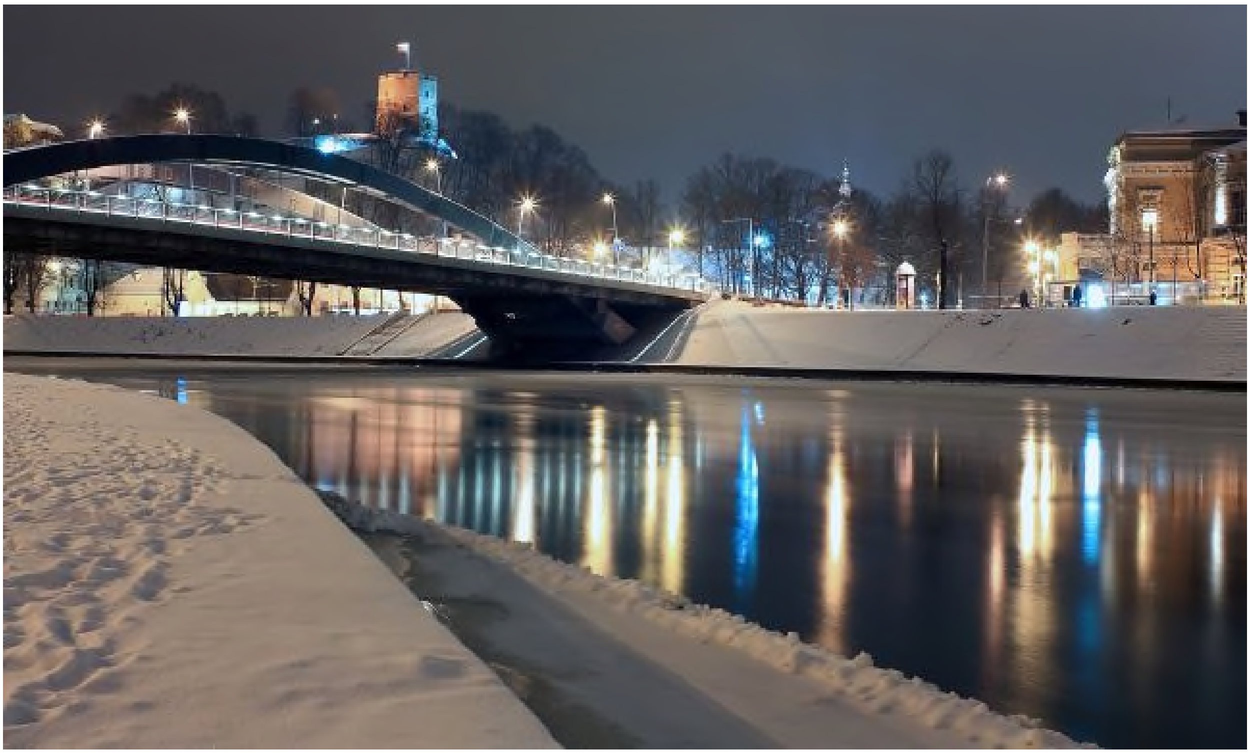
→ Lithuania

Bullets



Updated: the list of professions lacking talent in Lithuania

The Lithuanian Employment Service has updated the List of professions lacking talent in Lithuania. The employment of persons from third countries that have the listed profession has been considerably simplified, in particular the procedure and documentation required for entry into Lithuania. Currently the list contains 100 professions in the field of construction, services and agriculture-forestry-fishing. Long distance drivers continue to be included in the list as well.

Guidance to the Rules for the Implementation of articles of the Law on CIT and the Law on PIT

In October 2020, the Minister of Finance signed Order No 1K-338 to provide additional guidance to the Rules for the Implementation of Article 40 (2) of the Law on Corporate Income Tax and Article 15 (2) of the Law on Personal Income Tax of the Republic of Lithuania. According to such guidance, the most important changes in transfer pricing documentation methodology are as follows: a) 5 percent mark-up is allowed for “low value-added” services; b) The obligation to prepare transfer pricing documentation Is removed if transactions are performed only with other Lithuanian taxpayers; c) The addition of the "hard-to-value intangible assets" concept; d) Clarification of the application of the profit split method.

The Law implementing the EU VAT e-commerce package was announced

On 5 November 2020, Law implementing the EU VAT e-commerce package was published. The EU VAT e-commerce package consists of the following four main elements: a) Taxing intra-EU distance sales of goods in almost all cases in Member States where a non-taxable customer is located (currently, this applies only in certain cases wherein the taxable base deriving from the supplies to a Member State exceeds a certain threshold); b) Abolishing the current import VAT exemption for goods in small consignments of a value of up to 22 Euros. In the meantime, simplification measures will be introduced to fulfil the VAT payment obligation regarding the import of goods of a value not exceeding 150 Euros (threshold for customs exemption); c) Introducing a rule that businesses operating electronic interfaces such as marketplaces or platforms will, in certain situations, be deemed to be the supplier of the goods for VAT purposes if the original supplier uses their electronic interfaces to supply the goods to non-taxable customers within the EU. Consequently, they will be liable to pay VAT on these sales; and d) Extending the one-stop-shop system in order to facilitate the new VAT payment obligations. The one-stop-shop system allows businesses to register for VAT only in the Member State of establishment, and to pay the VAT due via a web-portal in other Member States where they do not have an establishment.

The modifications serve the enforcement of the destination principle for VAT purposes. The Law including the adopted new VAT amendments is available (in Lithuanian) here.

The changes will be applicable from 1 July 2021. Originally, the new EU VAT e-commerce rules were to have been applied from 1 January 2021. However, due to the practical difficulties that have arisen owing to the Covid-19 pandemic, the application of the new VAT e-commerce rules has been postponed by 6 months. Thus, the rules will apply as of 1 July 2021, giving Member States and businesses additional time to prepare.

Amendments in storing of invoices

The amendments to the Law on VAT also entail changes with respect to the storing of invoices. Prior to 2021, all paper invoices had to be stored in piles of paper. From 2021, this requirement is abolished, and invoices can now be stored by electronic means, ensuring that the Tax Authorities can access such invoices upon request. Therefore, if businesses decide to store invoices only in electronic form, they should ensure they have sufficient backups in place in case the data is corrupted.

→ Lithuania

Overview of recent tax developments in Lithuania

2020 indeed started with positive signs of growing GDP and positive economic forecasts. The number of VAT payers in 2019 also increased by 3.5 percent compared to 2018. This had to be viewed as a positive sign for the Lithuanian Tax Authorities as well – a stronger economy and wealthier people bring more revenue in taxes. The beginning of spring of 2020 not only saw the migration of birds back to Lithuania from the south, but also the arrival of the Covid-19 pandemic, along with the lockdown. This posed an extreme challenge to the Tax Authorities, who overnight became the body responsible for the issuing of subsidies and application of tax incentives for over 100,000 companies across Lithuania. Thousands of companies were included in the list of companies that were negatively affected by the Covid-19 pandemic and were allowed to postpone tax payments (including VAT) until the end of the end of this unprecedented state of affairs. And more than 6,000 companies took advantage of this opportunity. Although this was intended to be a temporary measure, the pandemic crisis showed no signs of lifting, so the Tax Authorities began contacting taxpayers and encouraging businesses not to use the tax postponement and pay their outstanding tax payments without further delays.

This leads us to believe that 2020 has been extraordinary not only for the entire world, but also for the Lithuanian Tax Authorities, who have suffered from a significant additional workload in terms of various Covid-19 measures, but most importantly – from huge amounts of taxes that have not been collected from the taxpayers.

It is hard to predict the future, especially now, but 2021 may see taxpayers under the increased spotlight of the Tax Authorities, who will likely start wielding the powerful tools they have at their disposal, for example, their ability to perform SAF-T audits etc.

In fact, from 2020, all Lithuanian companies have an obligation to provide an SAF-T report to the Tax Authorities upon request. An SAF-T report is a standard file which contains accounting data exported from the company’s accounting information system. Despite the fact that they are now obliged upon request to prepare and submit the required SAF-T reports, this is still a significant challenge for many businesses due to the complexity of the data and the data structure required by the Tax Authorities.

Tax developments in Lithuania

- Corporate income tax:
  In recent years we have seen numerous tax incentives initiated by the Lithuanian Ministry of Economy and Innovation towards the attraction of foreign capital in the form of green field and brown field investment. Via the use of such incentives as the elimination of corporate income tax for a ten-year period and the introduction of a range of other state subsidies, Lithuania has been able to lure some world leading companies to set up operations.
  With this in mind, Lithuania announced a new additional tax incentive – a 20 year tax holiday for large scale investments of over 10 million Euros from 2021 (certain other requirements have to be met).

A number of companies have already made such investments, but they qualified for 10 years tax holiday only because their investments were made prior to the announcement of this initiative. It will, therefore, be interesting to follow the position of the Tax Authorities on whether these incentives could be retrospectively applied to already existing businesses in order to reduce the risk of creating a competitive advantage for new businesses.

Other corporate income tax incentives are intended towards development and innovation (e.g., R&D incentive and investment project incentive) that allows for the double or triple deduction of related costs from taxable profits. These incentives are still in place and should not be switched off anytime soon.

- Value added tax:
  As in the rest of the EU, 2021 will see a number of changes being enacted in relation to distance sales (MOSS for goods will be implemented from July 2021) and the taxation of foreign marketplaces.
  In addition to this, from 2021 taxpayers will be allowed to apply for VAT refunds more quickly, without the need to wait for 6 months and to freeze their funds. Nevertheless, the audit of a VAT refund claim might still take a lot of time as the deadline of the Tax Authorities can be easily extended.
  Over the last year, there were 9 attempts initiated by the Members of the Lithuanian Parliament to apply a reduced VAT rate for pharmaceuticals, catering services, magazines – all failed (sharing the fate of many other attempts made in previous years). 2021 might be special in that sense – the prime minister of the newly elected Parliament has personally signed a draft VAT law promoting a 9 percent reduced VAT rate for restaurant services. Considering that the restaurant industry has suffered most from the pandemic, we would not be surprised if this year saw a reduced VAT rate for restaurant services (food and beverages, except alcoholic drinks) being implemented.

- The STI has started closer monitoring of controlled transactions:
  Transfer pricing documentation is required if controlled transactions or the sum of controlled transactions during the financial year exceed 90,000 Euros per related party. There is a separate unit at the central office of the Lithuanian tax authorities specializing solely in transfer pricing. This indicates that the tax authorities are allocating more resources to this topic and becoming more experienced. The tax authorities have direct access to the most extensive databases and resources.
  At present, the most notably at risk transactions are those involving various types of services, management fees or financial instruments. The tax authorities usually challenge interest-free or low-interest loan transactions. There are a number of tests, and emphasis is placed not only on the mark ups but on demonstrating the actual performance (substance) of a service. It is also important to note that tax authorities pay a lot of attention to the performed benchmarking analysis – the search strategy chosen, and the companies selected and rejected.

- Packaging tax for distance sellers:
  For some distance sellers, 2021 might look to be the year of breaking free from endless VAT registrations and returns across the EU due to the extension of Mini One Stop Shop for B2C supply of

goods. In Lithuania – this is not necessarily the case.

Doing business in Lithuania or even selling goods online and shipping them to Lithuania might result in packaging tax obligations for foreign entities in Lithuania. Following the guidelines provided by the Ministry of Environment of the Republic of Lithuania, based on the Law on Pollution Tax, distance sellers (entities selling goods online to Lithuanian customers) are considered as importers of goods for the purposes of packaging reporting, and may be subject to packaging tax obligations if the amount of packaging exceeds 0.5 tones.

Even if the amount of packaging supplied to internal market does not exceed 0.5 tones, foreign distance sellers registered in Lithuania for VAT are obliged to report all lists of taxable packaging brought to Lithuania through the Unified Product, Packaging and Waste Record Keeping Information System (GPAIS) online on a quarterly basis. Therefore, keeping accurate books on packaging brought to Lithuania is essential.

Most companies that are above the 0.5 tones threshold usually choose to conclude an agreement with a waste management company as the administrative burden is substantially lower and the costs are acceptable compared to tax rates.

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→ Sweden

Bullets

Update: Containment restrictions

Maximum of eight participants should be normative for all of the society. Therefore the Government is now proposing a ban on holding public gatherings and events with more than eight participants, and that the previous exemption for eating and drinking establishments be removed. The Government has already banned sales of alcohol between all days 22.00 and 11.00.

Rules for short-time work prolonged

The rules for short-time work has been prolonged and are in effect until 30 June 2021.

→ Sweden

Finance and Tax outlook 2021

2020 is coming to an end and it is time to take a look at what might be considered in relation to the preparation of financial statements for 2020 and what tendencies and changes the new year will bring.

Finance: Covid-19 Governmental support in Financial Statements for 2020

Financial Statements for 2020 should include substantial information about any governmental support that has been received. In addition, effects on items in the balance sheet and income statement affected by the governmental support should be clearly described.

Tax: Fiscal measures due to Covid-19

– Temporary tax reduction on earned income:
  The government has proposed that a temporary tax reduction on earned income should be implemented to manage increased labour costs due to the pandemic. This tax reduction is intended to function as compensation for increased labour costs and to work as an economic stimulus.
  The proposed tax reduction is firstly directed at low-income earners and should be completely phased out for income that amounts to a maximum of SEK 50,000 (gross) a month.
  The tax reduction is intended to come into force and apply during 2021 and 2022. The form of the tax reduction is yet to be determined; however it has been proposed that this upcoming proposition should enter into force during 2021.

– Temporary reduction of employer contributions for persons between 19 and 23 years of age:
  The government proposes measures in the form of a temporary reduction of employer social security contributions for people between 19 and 23 years of age. The proposition is aimed at supporting some of the groups of people that have lost their jobs following the pandemic, and at the same time improving the possibility for businesses to retain and hire new employees. The proposition means a lowering of the fee from 31.42 percent to 19.73 percent, applied to that part of the renumeration that amounts to a total of SEK 25,000 per calendar month.
  The proposal is intended to enter into force on 1 April 2021 and it is expected to apply until 31 March 2023.

– Temporary expansion regarding reduction of the employer contributions for first employee:
  On 1 January 2017, a temporary reduction of employer social security contributions was introduced, also known as the growth subsidy *("växastödet")* for sole traders who hire their first employee. The government is now proposing that the growth subsidy be temporarily extended to cover businesses with no employees that employ one or two additional people as well as businesses with one employee that employ one additional person.
  The proposed reduction will apply to all employments from 1 July 2021 to 31 December 2022 and is proposed to enter into force on 2 July 2021.

New tax regulation on the way

– Economic employer concept:
  The Swedish Parliament has approved the introduction of the economic employer concept in Sweden. The new regulation will be effective as of 1 January 2021, and will have a major impact on Swedish and foreign companies that have foreign employees who work temporarily in Sweden.
  The intention behind this change in legislation is to create competition neutral regulations, as Sweden previously applied an approach where the employer is considered to be the company that pays the salary to the employee. As a result, foreign personnel who have temporarily worked in Sweden have typically not been taxable in Sweden, as the employer who pays the salary has not been a Swedish company. The government also wants to protect the Swedish tax base, which is reduced when Swedish employees are taxed abroad while foreign employees in a similar situation are not taxed in Sweden. After this change in legislation, the Swedish application will be harmonized with many of Sweden's trading partners.
  In short, with the introduction of the new legislation, the deciding factor when assessing whether an employee is taxable or not in Sweden will be which entity is the beneficiary of the employee's work, and not which entity pays the salary to the employee. The regulations will not impact employees working in Sweden for a maximum of 15 days in a row or 45 days in total during a calendar year. Only exceeding days will

be taxable if it is assessed that the economic employer is in Sweden.

- Reduced corporation tax:
  Corporation tax in Sweden has been reduced gradually since 2019. For 2021 the tax rate has been reduced to 20.6 percent. Meanwhile, the current rate stands for 21.4 percent.

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→ Get to know us!

Full legal services in Sweden through Advokatfirman Engström

Rödl & Partner has provided legal services to its clients in Sweden through Rödl & Partner Nordic AB since 2007. In order to be able to offer Rödl & Partners clients a full range of legal services by legal attorneys *(in Swedish, "Advokat"),* from 1 November 2020 all legal services in Sweden will be provided through the law firm Advokatfirman Engström & Co AB. The Swedish legal staff of Rödl & Partner has been integrated into the Law firm to form its new office in Stockholm. Tax, audit and BPO services continue to be provided by Rödl & Partner Nordic AB.

The Law firm Advokatfirman Engström & Co AB offers comprehensive legal assistance within most legal areas that concern business activities in Sweden. The firm has an international profile and assists many foreign, mainly German, clients regarding their activities and subsidiaries in Sweden. Of the law firms four attorneys at law, three are native Germans and members of the both German and the Swedish Bar association, holding the Titles of "Rechtsanwalt" and "Advokat".

According to the rules of professional oversight established by the Swedish Bar Association, the Law firm remains formally independent, but it will closely cooperate and share information with Rödl & Partner Nordics in all matters of common interest, subject to client's consent.

The Law firm's office in Malmö is situated in the World Trade Centre, door to door with Rödl & Partner Nordic. Similarly, the new office in Stockholm is also just separated by a door, divided only by our own door, sharing meeting rooms and the reception with Rödl & Partner Nordic Stockholm office.

Meet our staff:

→ Events

Participation in a conference “Company Cybersecurity 2020”

Webinar “Company Cybersecurity 2020”, 5 November 2020.

Our colleagues Elīna Putniņa, certified tax consultant, head of tax department and partner, alongside with Staņislavs Sviderskis, lawyer and certified data protection specialist, participated as speakers in the “Company Cybersecurity 2020” conference on 5 November 2020.

The conference was held online, with the speakers delivering in-person speeches and the audience connecting remotely, with the possibility to ask questions, as well as start discussions, via the livestream. The audience consisted of both public and private sector specialists, and included executives of public state and private companies, lawyers, IT specialists and managers.

The conference covered a range of topical subjects including cybersecurity at company management level, the notification of personal data breaches to the supervisory authority, and challenges in the field of corporate risks and compliance. Our team spoke on corporate risks and compliance challenges and presented key insights. Topics ranging from corporate fraud, conflict of interests, tax avoidance, disclosure of confidential information and data processing compliance were discussed, and general information on Rödl & Partner recent practical experiences was also provided.

Our speakers main mission was to draw the audience’s attention to the fact that cybersecurity is one of many business aspects that needs to be addressed internally, as well as externally. Furthermore, even though compliance matters might indeed be challenging at times; nevertheless, in order to strive for sustainability and to strengthen and increase entrepreneurship, company representatives must take measures to protect the company and its interests against any corporate risk they might face. During the presentation, several tips and methods were shared; for instance, how to ensure that confidential information does not fall into the wrong hands or become at risk of disclosure.

It is worth mentioning that our colleagues will continue to share their experience and knowledge regarding corporate risks and compliance challenges in the next upcoming conference, which is designated for auditors, accountants and tax consultants.

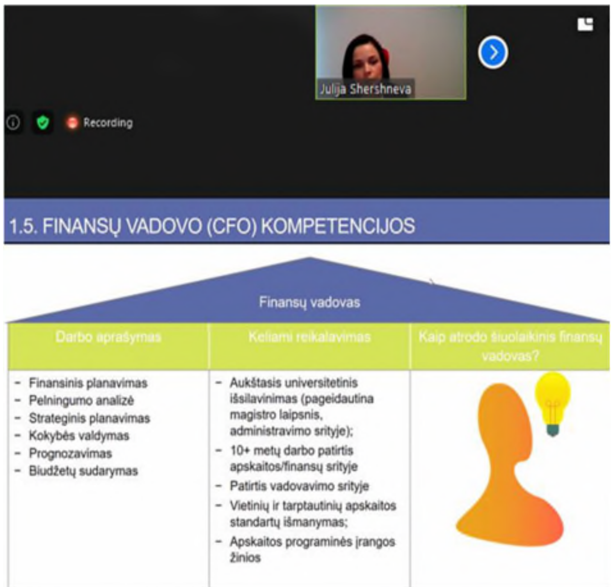
Branchentreffen Erneuerbare Energien

Presentation by Tobias Kohler, 12 November 2020.

During 10-13 November, Rödl & Partner professionals welcomed an international business society to the Branchentreffen - an annual event dedicated to the renewable energy industry. Over the last ten years the event has turned into one of the leading conferences in the German-speaking world. This year the event was held in a purely digital format. The Branchentreffen offered a comprehensive platform for all industry players to exchange technological and market experience, as well as to discuss the developments in the legal, fiscal and economic framework conditions in their respective countries.

Tobias Kohler, the head of Rödl & Partner offices in Belarus and Lithuania, represented the Baltic region in the event by delivering the presentation “Headstart for renewable energy projects in the Baltics – the success of German companies and important hints for upcoming auctions.”

CFO Conference 2020



Presentation by Julija Shershneva, 19 November 2020.

At the end of November, an annual CFO Conference took place virtually in Vilnius, Lithuania. The conference gathered together a wide-ranging group of finance directors for presentations and discussions on topics closely related to the role of artificial intelligence in CFOs' daily routine. In addition, the event covered such topics as business process automation, major changes in business financing ecosystem and Covid-19 impact on local and global economics.

Julija Shershneva, Deputy Head of Accounting department at Rödl & Partner Lithuania, introduced the audience to the main tips and tricks on how to remain an attractive finance professional in the era of robotization, digitisation and automation.

On a yearly basis, the CFO Conference attracts the heads of finance from various industries by initiating discussions on the key trends of the upcoming year.

German-Belarusian economic forum

In November, the fourth German-Belarusian economic forum invited a diverse audience of scientists, entrepreneurs, and student organizations for an intensive discussion on the topic "Digital communication and collaboration in international context." The online Forum 2020 was aimed at presenting digitisation not only as an upcoming challenge but also as a promising opportunity for businesses and society.

Tobias Kohler in a panel discussion, 24 November 2020.

Tobias Kohler, the head of Rödl & Partner offices in Belarus and Lithuania, attended a panel discussion on the topic "The Post-Corona era: the pandemic as the main driver of digitization in Europe". Together with scientists, politicians and businessmen, Mr. T. Kohler developed a discussion on the possible impact of the Covid-19 pandemic on digitisation processes in Europe.

A Virtual pizza and movie evening

In November, the staff of Rödl & Partner Vilnius office organized a tiny online team-building event. The team came together for an online pizza and movie event where all employees had the opportunity to meet, talk and spend more time together watching “Sorry, we missed you” by Ken Loach and enjoying delicious pizza. After the event, each of us carried a sense of closer community which will definitely inspire us for closer cooperation.

Team-building online event, 28 October 2020.

→ New employees

Rödl & Partner Denmark

LEAD Rödl & Partner is happy to announce that Anne Becker-Christensen is joining our company as Attorney-at-law and partner, 1 December 2020. Anne will be responsible for the area of tax law.

Anne has an extensive background in tax law and has more than 15 years of experience working as a tax attorney with Danish law firms. Anne's prior work experience also includes tax advisory work at a Big4 firm and a position as legal officer with the Danish Tax Tribunal. During her carrier, Anne has gained a solid knowledge within the area of taxation and has particularly strong experience within the areas of corporation taxation, cross-border taxation and incentive taxation.

Anne Becker-Christensen is listed as a recommended tax advisor in Chambers, Legal 500 and Who's Who Legal.

Magnus Clausen Pedersen works as a Junior assistant and has been part of Rödl & Partner Denmark since 1 September 2020. He works with a large number of different assignments from bookkeeping and VAT to assisting Rödl & Partner Denmark auditors. Furthermore, Magnus strives to pursue a future career in Audit and advisory.

Before joining Rödl & Partner Denmark, Magnus finished high school with Mathematics and Social science as his specialized study areas.

→ Rödl & Partner in the Nordic-Baltic Region

As an integrated professional services firm, Rödl & Partner is active at 109 wholly-owned locations in 49 countries. We owe our dynamic success in the service lines audit, legal, management and IT consulting, tax consulting as well as tax declaration and BPO to our approx. 5.120 entrepreneurial minded partners and colleagues.

Rödl & Partner has been present in the Nordic-Baltic Region for more than 27 years. As the leading consulting company of German origin, Rödl & Partner supports via its offices in Copenhagen, Tallinn, Helsinki, Tampere, Kouvola, Riga, Vilnius, Stockholm and Malmö some of the most important investment and major transaction projects by foreign companies in the region.

More than 135 employees in the Nordic-Baltic Region offer legal, tax and economic advice from a single source and thus provide local know-how, worldwide experience in international matters.

Imprint

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