

SOFIA INITIATIVE ON ECONOMIC INSTRUMENTS

DATABASE OF ENVIRONMENTAL TAXES AND CHARGES

LITHUANIA 1999

Instrument	Objective of tax/charge	Tax base	Tax rate	Total Revenue	Revenue collection authority	Use of Revenue	Comments
Energy taxes/charges							
Motor fuel taxes/charges							
Excise tax	revenue raising taxes	unleaded petrol	888 LTL/kl; 208 EUR/kl	108.43 mln LTL; 25.35 mln EUR 20.14 mln LTL; 4.713 mln EUR	state tax inspection and customs for imported fuel	central budget 65% road fund 35%	Since January 1998 all gasoline used in Lithuania is unleaded. Revenues from diesel fuel, kerosene, and Jet engine fuel go to the central budget.
		Diesel Fuel	474 LTL/kl; 111 EUR/kl				
		Jet Engine Fuel	560 LTL/t; 131 EUR/t				
		Kerosene lubricant oil	560 LTL/t; 131 EUR/t 240 LTL/t; 56.2 EUR/t				
VAT	revenue raising taxes	unleaded petrol	18%	(1998:200 mln LTL; 45 mln EUR)	state tax inspection	central budget	
		Diesel	18%				
		lubricants	18%				
		Kerosene, Jet Engine Fuel	18%				
Other Energy Products							
Excise tax	revenue raising taxes	Heavy Fuel Oil Electricity	20 LTL/t; 4.7 EUR/t 1% of value		state tax inspection and customs for	central budget	

					imported fuel		
VAT	revenue raising taxes	light fuel oil heavy fuel oil coal natural gas electricity district heating orimulsion	18% 18% 18% 18% 18% 18%		state tax inspection	central budget	
Air Emission Charges							
Emission charges ¹	earmarked environmental charge	SO2 NO2 Carbon oxide	206.3 LTL/t; 48.3 EUR 386.3 LTL/t; 90.3 EUR 9.4 LTL/t; 2.2 EUR	(1998: 15.3 mln LTL; 3.4 mln EUR) (1998: 5.7 mln LTL; 1.3 mln EUR) (1998: 0.24 mln LTL; 0.05 mln EUR)	state tax inspection	30% central budget 70% Municipal Environmental Protection Funds	Emission charges are paid by stationary and mobile commercial sources. Over 100 pollutants are subject to the charge.
Emission non-compliance fee	compliance/earmarked environmental charge	all chargeable pollutants	differentiated according to damage	1.04 mln LTL; 0.25 mln EUR	state tax inspection and environmental protection inspection	State Nature Protection Fund	
Transport Related Taxation							
Sales tax							
Import duty	revenue raising taxes	vehicles 5-10 years old older than 10 years	5% 10%	0.39 mln LTL; 0.92 mln EUR 0.26 mln LTL; 0.06 mln EUR	state tax inspection and customs	central budget and customs	

¹ Overall sum collected for all pollution charges (not only air) in Lithuania is equal to 51.6 mln LTL (12.3 mln EUR).

Excise tax on the import of vehicles	revenue raising taxes	Vehicles older than 5 years, the price of which is more than 60,000 LTL	15% of the value of the vehicle	2.78 mln LTL; 0.65 mln EUR	customs and state tax inspection	customs and central budget	
Annual vehicle tax	road construction and maintenance	Light Duty Vehicles Heavy Duty Vehicles Special Road Vehicles	100-300 LTL/vehicle; 23.4-70.2 EUR/vehicle 500-1000 LTL/vehicle; 117-234 EUR/vehicle 100-300 LTL/vehicle; 23.4-70.2 EUR/vehicle	22.4 mln LTL; 5.24 mln EUR 22.4 mln LTL; 5.24 mln EUR 22.4 mln LTL; 5.24 mln EUR	state tax inspection	road fund	
Registration charge	revenue collection	Official Registration	1.25 LTL; 0.29 EUR		state inspection (Road Police)	central budget	
Commuting							There are both state budget and municipal budget subsidies for public transport tickets.
Company car tax allowance							
Tax on the use of roads by vehicles registered in other countries	road construction and maintenance	Buses Heavy duty vehicles Special purpose vehicles	up to 220 LTL; up to 51.5 EUR up to 400 LTL; up to 93.6 EUR up to 120 LTL; up to 28.1 EUR	0.02 mln LTL; 0.0047 mln EUR	state tax inspection	road fund	
Tax on the use of roads by vehicles exceeding	road construction and maintenance	exceeding of allowable dimensions (in cm)	5-14 LTL/cm; 1.17-3.28 EUR/cm	0.99 mln LTL; 0.23 mln EUR	road fund	State Tax Inspection	

standard dimensions and registered in Lithuania and other countries		exceeding of the allowable load on the axis (in tons)	0.8-18.4 LTL/t; 0.19-4.31 EUR/t				
Road tax	road construction and maintenance	Realisation Income	0.1-1%	282.45 mln LTL; 66.09 mln EUR	state tax inspection	road fund	
Agricultural Inputs							
Pesticides							
Fertilisers							
Waste Related Product Charges							
Batteries/ accumulator							
Carrier bags							
Disposable containers/ packaging							
Tires							
CFCs and/or halons							
Light bulbs							
Lubricants							
Refrigerants							
others: please specify							
Waste							

Municipal waste user charges	cost recovery	Inhabitant or volume of waste	municipality average: 2 LTL/capita; 0.47 EUR/capita per month		municipal or private companies	municipal or private companies	
Solid waste disposal charge							
Waste non-compliance fees	compliance/earmarked environmental tax	depending on toxicity: Class I Class II Class III Class IV Class V	73,800 LTL; 17,267.2 EUR 36,900 LTL; 8,633.6 EUR 11,070 LTL; 2,590.1 EUR 3,690 LTL; 863.4 EUR 738 LTL; 172.7 EUR	0 LTL; 0 EUR	state environmental protection inspection	state nature protection fund	In practice, this instrument is not used
Deposit-refund schemes ²			payment depends on an agreement between breweries and collectors				The system comprises of beer bottles and some other types of glass bottles. At this time breweries are refunding the market price for collected bottles.
Levies related to nuclear waste							
Water							
Instruments for Managing Water Quality							
Water user charge	cost recovery	Water usage: households	0.7-2.6 LTL/m ³ ; 0.16-		water companies	water companies	State pricing commission under the government of

² The Ministry of Environment is drafting a new Legislation on deposit refund.

		municipal companies industries	0.61 EUR/m ³ 1.1-3.88 LTL/m ³ ; 0.26-0.91 EUR/m ³ 1.1-3.88 LTL/m ³ ; 0.26-0.91 EUR/m ³				Lithuania is given the function of confirming the water charges.
Sewage treatment charge	cost recovery	sewage: households municipal companies industries	0.83-4.35 LTL/m ³ ; 0.19-1.02 EUR/m ³ 1.08-4.35 LTL/m ³ ; 0.25-1.02 EUR/m ³ 1.08-4.96 LTL/m ³ ; 0.25-1.16 EUR/m ³		water companies	water companies	State pricing commission under the government of Lithuania is given the function of confirming the water charges.
Water effluent charge - direct discharge	incentive/ earmarked environmental charge	BOD Suspended Solids Oil products Phosphorus Nitrogen	435 LTL/t; 101.8 EUR/t 86 LTL/t; 20.1 EUR/t 17,400 LTL/t; 4,071.1 EUR/t 1,479 LTL/t; 346 EUR/t 435 LTL/t; 101.8 EUR/t		state tax inspection	30% central budget 70% municipal environmental protection funds	When pollutants are discharged into sewerage, companies (polluters) pay water companies according to another kind of system (other rates depending on how many times pollution exceeds the limits agreed between the polluter and the water company); systems are different in different municipalities.
Water pollution non-compliance fee	compliance/ earmarked environmental charge	Chemical or biological pollutants having negative impact on man or environment Damage compensation of pollutants discharged into	Calculated by a formula	Estimated: 1.20 mln LTL; 0.28 mln EUR Estimated: 3.41 mln LTL; 0.8 mln EUR	state environmental protection inspection	state nature protection fund	

		water bodies					
Instruments for Managing Water Quantity							
Water extraction tax	resource management/ revenue raising tax	mineral water ground water: - households - industrial use surface water: - industry and agriculture - cooling purposes (power stations and fisheries) - hydro- electric power stations - state nuclear power stations	5.23 LTL/m ³ ; 1.22 EUR/m ³ 0.038 LTL/m ³ ; 0.009 EUR/m ³ 0.088 LTL/m ³ ; 0.02 EUR/m ³ 0.006 LTL/m ³ ; 0.001 EUR/m ³ 0.0006 LTL/m ³ ; 0.00014 EUR/m ³ 0.00003 LTL/m ³ ; 0.000007 EUR/m ³ 0.0013 LTL/m ³ ; 0.0003 EUR/m ³ ;		state tax inspection	central budget	
Natural Resource and Mining							
Mining taxes	revenue raising taxes	Oil Anhydrite Dolomite Limestone Chalk Marl Clay: - from 'UK-merge' field - from 'Saltiskiu' field	20% sales price 0.5 LTL/t; 0.12 EUR/t 0.63 LTL/m ³ ; 0.15 EUR/m ³ 0.82 LTL/t; 0.19 EUR/t 0.6 LTL/t; 0.14 EUR/t 0.95 LTL/m ³ ; 0.22 EUR/m ³ 0.35 LTL/t; 0.08 EUR/t	11.16 mln LTL; 2.61 mln EUR	state tax inspection	central budget	Total amount of funds received by the state budget from the natural resource taxes amounts to 25.795 mln LTL; 6.035 mln EUR.

		- Other Opoka Sapropel Sand for construction Sand for glass industry Sand and gravel mix Construction soil Amber: - from 'Smelte' deposit - from 'Juodkrante' deposit Peat: - for export - for domestic use	0.38 LTL/m ³ ; 0.09 EUR/m ³ 0.5 LTL/t; 0.12 EUR/t 0.82 LTL/t; 0.19 EUR/t 0.32 LTL/m ³ ; 0.07 EUR/m ³ 3.65 LTL/t; 0.85 EUR/t 0.29 LTL/m ³ ; 0.07 EUR/m ³ 0.19 LTL/m ³ ; 0.04 EUR/m ³ 49.36 LTL/kg; 11.55 EUR/kg 32.2 LTL/kg; 7.53 EUR/kg 5.14 LTL/t; 1.2 EUR/t 1.14 LTL/t; 0.27 EUR/t				
Instruments for Biodiversity and Nature Protection							
Hunting charges	revenue raising taxes	hectare per year (hunting rights)	0.24-1.8 LTL/ha/y; 0.056-0.42 EUR/ha/y (differentiated by type of habitat)	Total sum: 0.81 mln LTL; 0.19 mln EUR	state tax inspection	forest fund	
Hunting charges	resource management/revenue raising	big game hunting license: Elk Deer Roe-deer Wild Boar	22-33 LTL; 5.1-7.7 EUR 22-44 LTL; 5.1-10 EUR 11 LTL; 2.6 EUR 6-11 LTL; 1.4-2.6 EUR		state tax inspection	central budget	

Fishing charges	revenue raising taxes	commercial fishing	15 LTL; 3.5 EUR per day	0.19 mln LTL; 0.04 mln EUR	state tax inspection	central budget	
Natural park entrance charges							There are five National Parks in Lithuania. None of National parks charge an entrance fee, nor does the state regulate fees for the National Parks. According to their general regulations visitation, use of forest products and water bodies or any other resources in their territory are restricted and user fees are imposed. Funds collected are transferred to the State budget.
Nature protection non-compliance charges	compliance/ earmarked environmental charge	Compensation for damage done to different species of fish, animals, plants and their habitats	Rates are established for each type of nature component and vary (Higher rates are applied for damage done in the protected areas).	Revenue from non-compliance fees for all fauna is 0.37 mln LTL; 0.09 mln EUR.	State environmental protection inspection	state nature protection fund	
Tree cutting charges	resource management/earmarked environmental charge	Pine and Larch Fir Oak Ash and Maple Birch Alder-tree,	17-117 LTL/m ³ ; 3.98-27.37 EUR/m ³ 9-87 LTL/m ³ ; 2.1-20.36 EUR/m ³ 50-231 LTL/m ³ ; 11.7-54 EUR/m ³ 33-173 LTL/m ³ ; 7.7-40.5 EUR/m ³ 29-76 LTL/m ³ ; 6.8-17.8 EUR/m ³ 4-43 LTL/m ³ ; 0.9-10.1	Total revenue: 128.46 mln LTL; 30.06 mln EUR	state enterprises which earn revenue from sales	forest fund	the rate depends on the diameter of the trunk.) (Firewood rate from all sorts of trees varies from 2 to 6 LTL/m ³ ; 0.47 to 1.4 EUR/m ³ for all years

		Ulmus, Lime-tree, and Horn beam Asp Alder and Goat-willow	EUR/m ³ 2-33 LTL/m ³ ; 0.47-7.72 EUR/m ³ 2-20 LTL/m ³ ; 0.47-4.68 EUR/m ³				
Non-compliance tree cutting	compliance	illegal tree cutting	Payments are calculated by multiplying the cost of stumpage by a certain coefficient (3 - 10 times the cost of stumpage) or by applying fine set from 2 to 220 LTL; 0.47 to 51.47 for damaged piece	0.24 mln LTL; 0.06 mln EUR	forest inspection	forest fund	
Air Transport							
Noise tax							
Direct Tax Provisions							
Investments grants, etc.				49 mln LTL; 11.46 mln EUR			Governmental resolutions each year concerning PIP (Public Investment Programme). State budget provides grants for construction of wastewater treatment plants. However, this kind of assistance is decreasing over the last years.
Exemption from pollution charges							Polluters who implement environmental measures that enable the decrease of pollution not less than 25%, are exempted from paying the

								pollution charge for three years.
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