

Lithuania

Key Terms

Contributions	Pre-determined deductions made out of your net salary each month.
Savings Period	The time over which Contributions accumulate (typically 24 months).
Purchase	Acquisition of shares following the Savings Period. This will happen automatically.
Sale	Disposal of shares at a future point. The timing of the Sale may be determined personally by you.

Tax and Social Security Implications of Purchase and Sale of shares

At Purchase	Income Tax	Income Tax is due when the shares are Purchased (usually at the end of the Savings Period). The taxable amount is the market value of the shares at the date of Purchase less the price paid for the shares.
	Social Tax	Social Tax is due on the amount subject to Income Tax when the shares are Purchased.
At Sale		Any gains (i.e. increases in value following Purchase) realised from the Sale of shares (exceeding EUR 500) will be subject to income tax, and should be reported via your personal tax return.

Payment of Taxes

You will need to settle any Income Tax and Social Tax arising from the Purchase of shares via your personal tax return.

You will need to settle any tax arising from the Sale of shares, and/or any other personal tax liabilities arising as a result of FX gains and/or the receipt of dividends, via your personal tax return.

Assumptions and Limitations

- You are tax resident and domiciled in Lithuania throughout the life of the award (i.e. from the beginning of the Savings Period to the Sale of shares).
- You are an employee of an Lithuanian Micro Focus International plc subsidiary and not a self-employed director or contracted consultant.
- If these assumptions do not apply to you, you are advised to seek personal advice from your advisor.
- This guide does not consider:
 - the taxation of dividends paid on shares post acquisition; or
 - the treatment of FX gains or losses arising on the conversion of funds.Should you have any concerns in this regard, you are advised to seek personal advice from your advisor.
- The information presented in this guide is based on legislation and guidance in effect at July 2018. Any subsequent changes in legislation and/or prevailing practice may affect this advice.

Micro Focus International plc and Deloitte LLP are under no obligation to alert you to any change in legislation or practice which may impact upon this advice, nor are they responsible for any liability arising as a result of such changes.

No responsibility arises with Micro Focus International plc or Deloitte LLP should your personal circumstances mean a different tax position applies.