TAX INCENTIVES

CORPORATE TAX

The incentive is split into two stages:

0%
For the first 10 year, Kaunas FEZ clients are eligible for a 100% discount.

8%
For the following 6 years, 50% discount is applied.

Outside the zone tax rate - 17%

CONDITIONS

1 The company has to have Zone company status, i.e. sign Activity agreement with Kaunas FEZ management company.

2 Conduct **75% of operations within Kaunas FEZ**.

3 **Manufacturing companies:** reach 1 million EUR investment threashold.
Service companies: reach 0.1 million EUR investment threashold and employ over 20 annual workers.

REAL ESTATE TAX

0%
Real estate tax does not apply to Kaunas FEZ clients.

Outside the zone tax rate is approx. *0,8%*

Regardless of the size of the investment, all Kaunas FEZ clients are exempt from real estate tax, including land tax.

This exemption is valid throughout the existence of FEZ status, which is foreseen until 2045

INFRASTRUCTURE DEVELOPMENT TAX

0%
Tax does not apply to Kaunas FEZ clients.

Outside the zone the area of the building is taxed at a rate of 1-40 EUR/m^2

Regardless of the size of their investment, all the Kaunas FEZ clients are exempt from the lump-sum infrastructure development fee.