

# Digital Financial Services & Tax Recovery: Challenges and Solutions

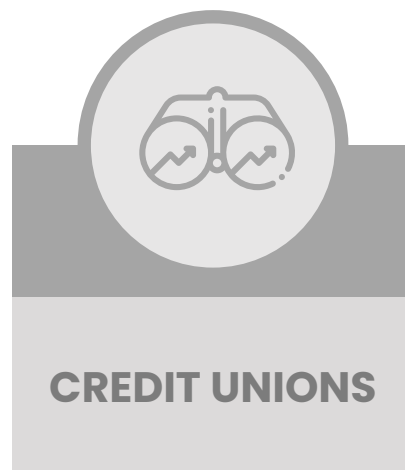


2025-04

Vitalija Burdeinaja

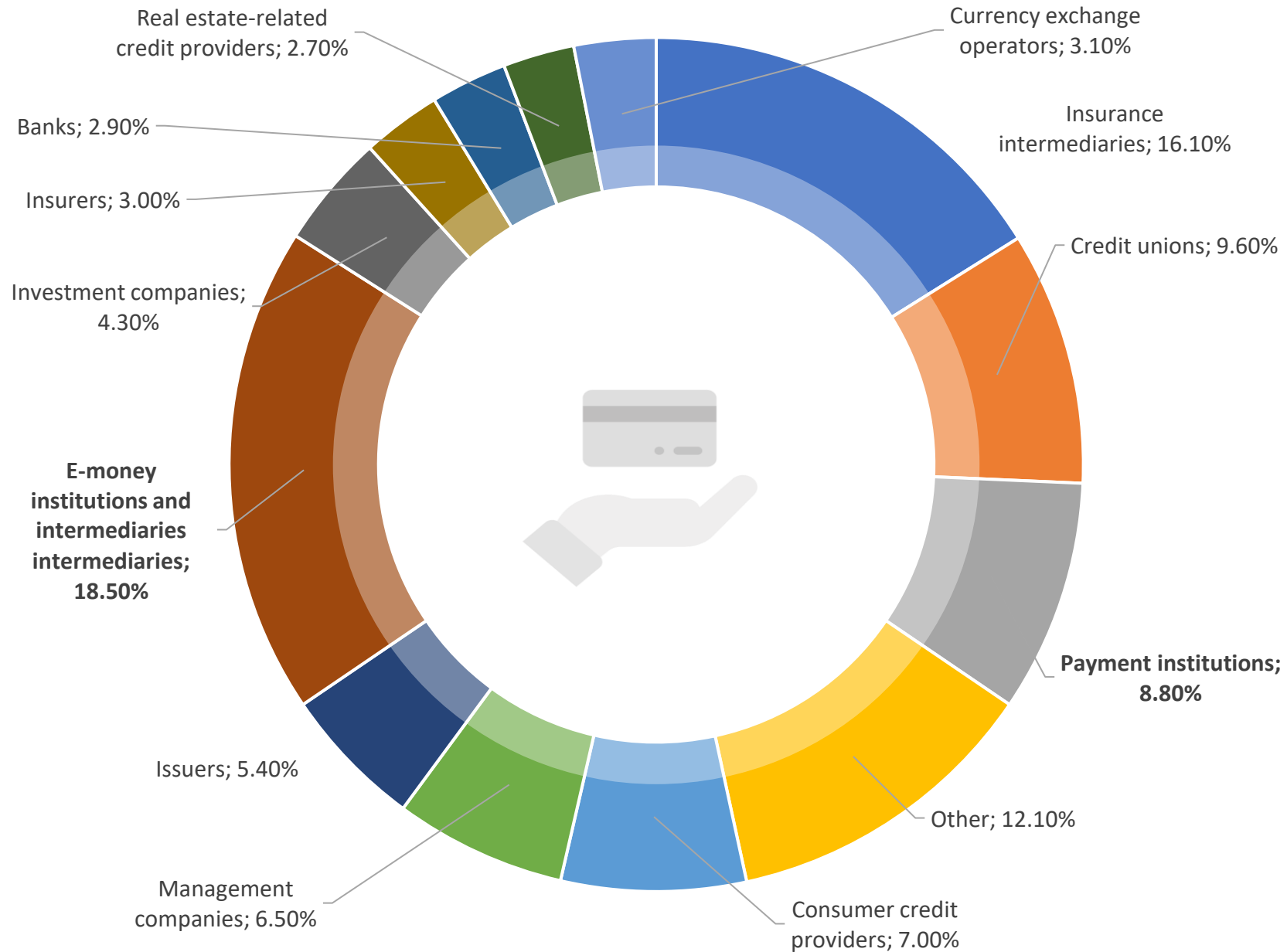
# SUPERVISES FINANCIAL MARKET PARTICIPANTS (FMP)

BANK OF LITHUANIA SUPERVISES 800 FI



# SUPERVISED FMP

DISTRIBUTIO BY SECTOR



# RECOVERY RELATED LEGISLATION

RECOVERY VIA PLAIS

## LAW ON TAX ADMINISTRATION

Article 55

Information Provided by financial market participants  
Information regarding all types of accounts opened or closed by persons

## CODE OF CIVIL PROCEDURE

Articles 689, 754

Recovery via PLAIS

Information that must be indicated in recovery orders

Duty to inform the debtor

Banks provide PLAIS with all necessary information

Rules for distributing recovered amounts

Banks' obligation to transfer recovered amounts directly to institutions

The maintenance costs of PLAIS are paid by debtors

## PLAIS PROVISIONS

Approved by the Minister of Justice

Structure of PLAIS

Sources of the data to be collected, data security



## PROVISIONS FOR APPLICATION OF AMOUNT FOR MINIMUM CONSUMPTION NEEDS

Approved by Government

## PROVISIONS FOR SENDING REQUESTS TO PLAIS

Procedure describing how the system interacts with the authorities entitled to enforcement actions

Approved by Government

## PROVISIONS FOR PLAIS MAINTENANCE FEE

Sets PLAIS fee

Describes how PLAIS fee has to be debited from debtors' accounts and how it has to be returned

Approved by the Minister of Justice

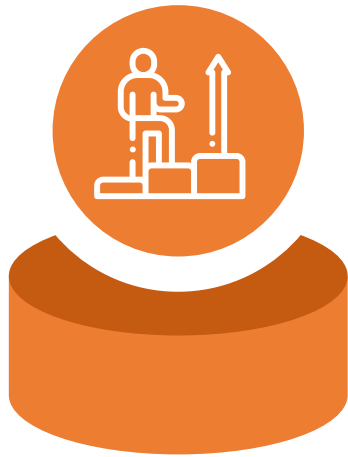
# DATA FROM SUPERVISES FINANCIAL INSTITUTIONS

ARTICLE 55



## OPENED AND CLOSED ACCOUNTS

All types of accounts opened or closed by persons



## ACCOUNT BALANCE

Balance exceeding 5 000 Eur



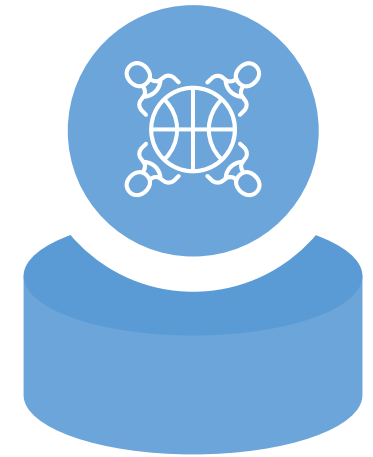
## ANNUAL TURNTOVER OF ACCOUNTS

Turnover exceeding 15 000 Eur



## LIABILITIES

Credit obligations, etc.

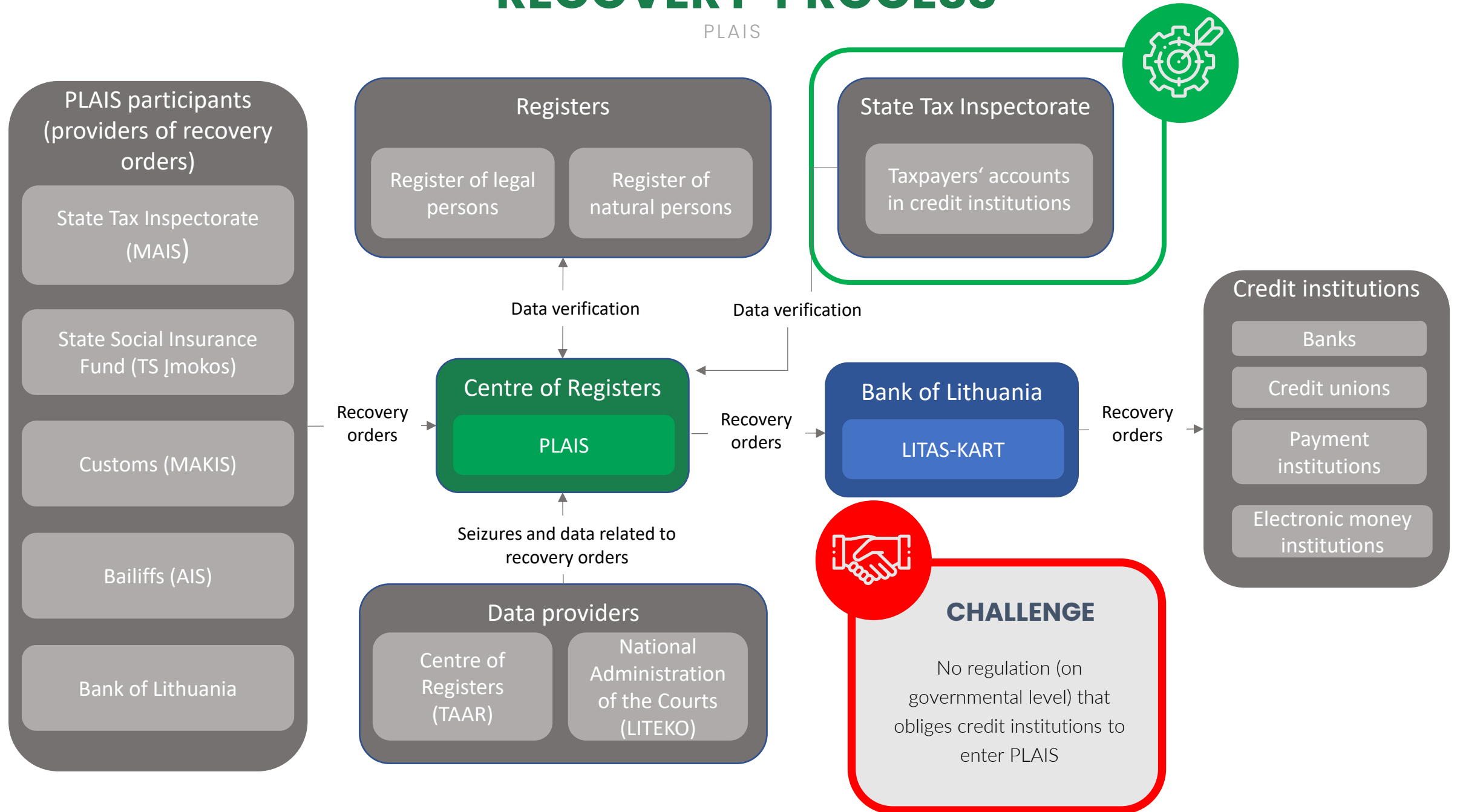


## INSURANCE CONTRIBUTIONS

Pension insurance, other

# RECOVERY PROCESS

PLAIS



# NON-REPORTING UNDER ARTICLE 55 IS COMMON AMONG E-MONEY INSTITUTIONS

ACCOUNT BALANCE



**56%** REPORTED ON ACCOUNT BALANCE  
**44%** DIDN'T REPORT ON ACCOUNT BALANCE



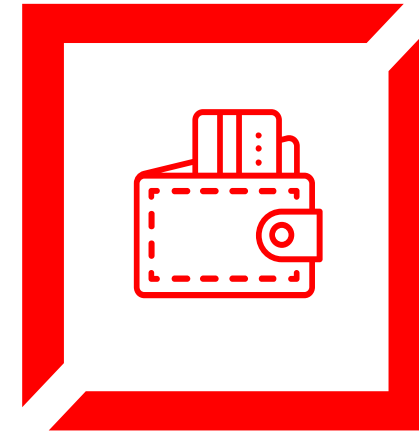
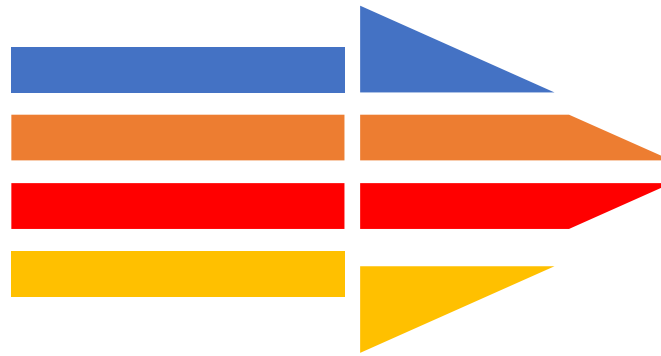
EMPTY REPORTS

**50%** E-MONEY INSTITUTIONS  
**23%** PAYMENT INSTITUTIONS  
**23%** INVESTMENT MANAGEMENT COMPANIES

# NON-REPORTING UNDER ARTICLE 55

OPENED AND CLOSED ACCOUNTS

## ADMINISTRATIVE LIABILITY



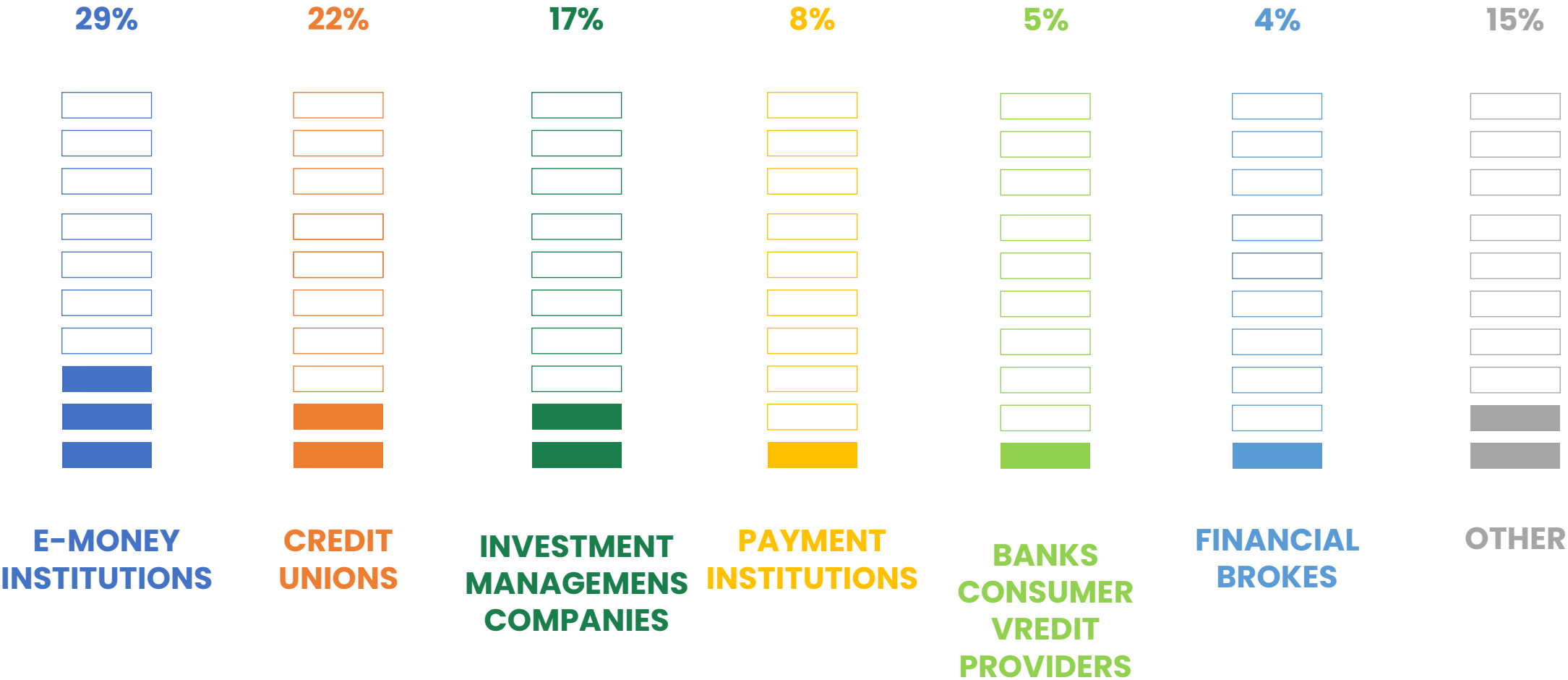
- 43%** REPORTED ON OPENED AND CLOSED ACCOUNTS
- 37%** DID NOT REPORT ON OPENED AND CLOSED ACCOUNTS
- 20%** HAD NOTHING TO REPORT

- The late submission of reports – **390 to 730 Eur**
- Failure to provide information on opened or closed accounts – **780 to 1,950 Eur**



# ANALYSIS OF FMP FOR SUBMISSION OF DAC2/CRS REPORTS

2021-2023, SCOPE - 267 FMP



# NON-REPORTING IS COMMON AMONG E-MONEY INSTITUTIONS

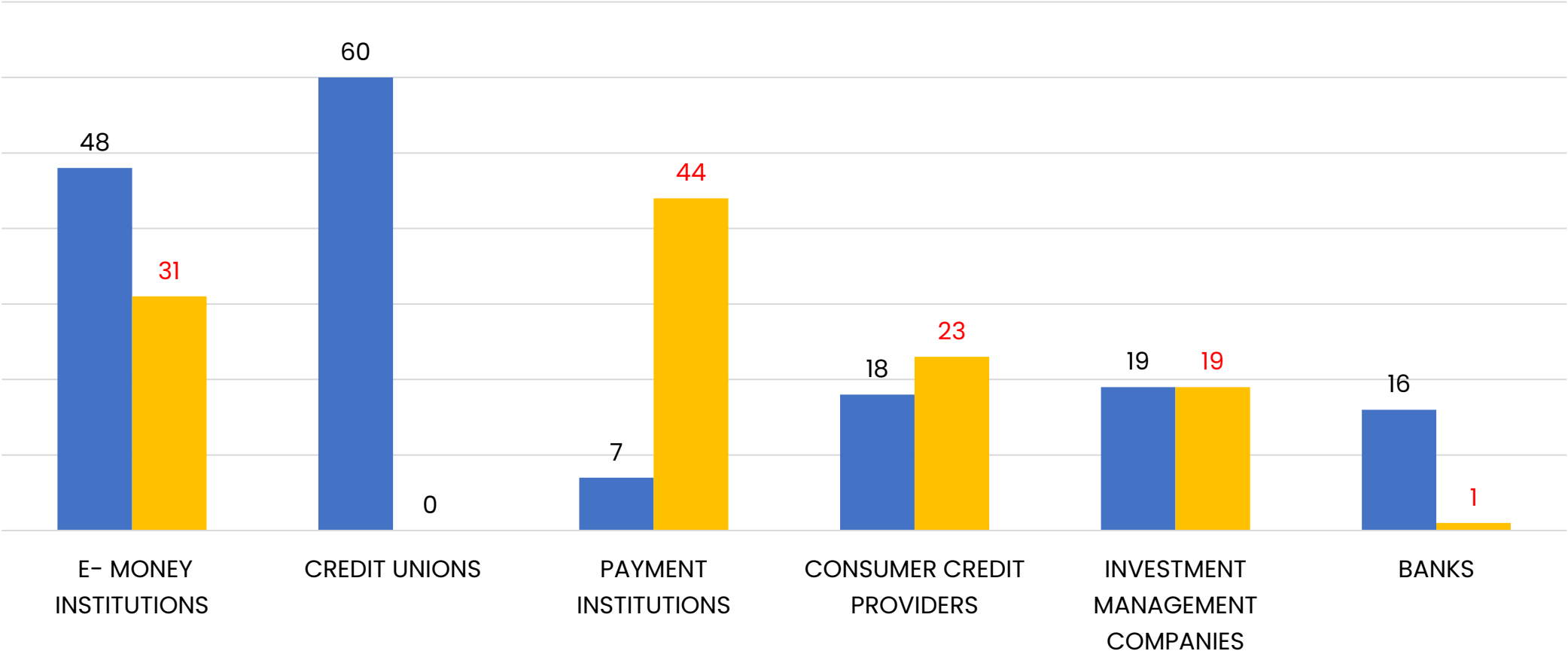
DAC2/CRS



SUBMITTED REPORTS



NON-SUBMITTED REPORTS



# CHALLENGES FOR DEBT RECOVERY



## NON-REPORTING DAC2/CRS

Failure to receive such notifications reduces the chances of initiating debt recovery abroad



## NON-REPORTING ACCOUNTS OPENED/CLOSED

The chances of recovering from accounts automatically via PLAIS are reduced



## LEGISLATION

No regulation (on governmental level) that obliges credit institutions to enter PLAIS



## LIABILITY FOR NON-REPORTING

Insufficiently strict regulation regarding non-submission of information under Article 55.



## LIMITED RECOVERY POSSIBILITIES

It is not possible to recover in another EU country without recovery assistance. Time is lost.

# CASE STUDY: MULTILATERAL CONTROL (MLC)



## 10 PARTICIPANTS

None of the participating states had a treaty on recovery assistance with Hong Kong

## E-MONEY ACCOUNTS

Bank accounts (e-money institution) are allocated in three countries

## PRECAUTIONARY

Precautionary for 23 accounts, but e-money institution didn't report on time on 5 newly opened accounts

## LOST MONEY

Civil liability?



VALSTYBINĖ  
MOKESČIŲ  
INSPEKCIJA

# Thank you

