

## Latvia

### 13<sup>th</sup> Directive (86/560/EEC) VAT refunds

#### **I. RECIPROCIITY AGREEMENTS - Article 2(2)**

1. Does your country have any reciprocity agreements?

State Revenue Services (SRS) of the Republic of Latvia does not participate and conclude such agreements, but performs VAT input tax refund following the principle of parity, acting in accordance with the information about VAT input tax refund in other States provided by the Ministry of Foreign Affairs department of Economical Relations.

Contact phone number in Ministry of Foreign Affairs 7016249

or e-mail address [tereze.gipsele@mfa.gov.lv](mailto:tereze.gipsele@mfa.gov.lv)

[Annex 1](#): Information about VAT input tax refund in other states provided by Ministry of Foreign affairs.

2. If yes, what countries are included in the reciprocity agreements?

See point 1

3. What is the equivalent third country tax to which the reciprocity agreements relate?

See point 1

4. What goods and services are allowable under the reciprocity agreements?

See point 1

5. Are there any specific or additional rules applicable in relation to the reciprocity agreements?

See point 1

6. If your country has no reciprocity agreements, do you still allow refunds?

See point 1

#### **II. TAX REPRESENTATIVES Article 2(3)**

7. Does your country require the appointment of a tax representative?

No

8. What conditions are imposed when appointing a tax representative?

Not applicable

#### **III. REFUND ARRANGEMENTS - Article 3(1)**

9. What are the time limits that are applied for making a claim?

Six months after the calendar year end or three months after the period end for a period of less than three months.

**10.** What periods are eligible for a refund?

From 3 months to 1 calendar year (period can be less than 3 months if they are the last calendar months).

**11.** Where shall the applications be made?

Republic of Latvia State Revenue Service Large Taxpayers Department.

**12.** What is the minimum amount of VAT that can be refunded?

20 LVL, if the period of time is 1 calendar year or the period is less than three calendar months, and they are the last calendar months. Otherwise 135 LVL if the declared period of time is not less than three calendar months and doesn't exceed 1 calendar year.

**13.** How can the applicant receive an application form?

From the Republic of Latvia State Revenue Service Large Taxpayers Department or in the website

<http://www.vid.gov.lv/default.aspx?hl=2&tabid=7&id=15&oid=13461&ludz=2000.1.1&no=2008.2.27>

**14.** What languages may be used for completion of the form?

Latvian and English

**15.** What information is requested on the application form? Please could you provide a copy of the form or a website link?

[Annex 2](#): Application form for VAT input tax refund for taxable persons from other Member States of the European Union or persons that are not registered for VAT in the territory of European Union.

**16.** Is any information optional? If yes, what information?

No

**17.** Who is authorised to sign the application form?

Person that claims the tax refund or an authorized person.

**18.** What evidence is required to support an application?

- Paid tax bills (originals) for the goods and services purchased in the Republic of Latvia that meet the requirements stated in the law "On Value Added tax";
- Notice (original) issued by tax administration of the respective State that is valid for 12 months from the date of issuance and certifies that at the time of purchase of the goods or services or release of goods to free circulation, the person was not registered in the territory of the European Union for the time period shown in the application and was registered in his home state as a taxable entity;
- Document that certifies tax payment (cash register receipt, that meets the requirements of the

law "On Value Added Tax," bank payment order);

- Customs declarations (originals);
- Authorization (original) if the authorized person belonging to the entity filing the application is not registered in the territory of European Union then:

if the application for refund of VAT is submitted through the authorised representative – the original power of attorney. The power of attorney must meet the requirements of the international conventions 25 May 1987 Convention Abolishing the Legalisation of Documents in the Member States of the European Communities and 5 October 1961 Hague Convention Abolishing the Requirements of Legalisation for Foreign Public Documents. The power of attorney issued in Lithuania, Estonia or Poland must have the certification by notary. The power of attorney issued in other EU countries, Norway or Switzerland must be certified with "apostil"

- This state has concluded bilateral or multilateral agreements about legal aid and legal relations with Latvia.

**19. What time-limits does your country apply to making a refund?**

The State Revenue Service, three months after receiving the application, makes a decision about the tax refund or partial refund or non-refund. In the case of a refund or a partial refund, no later than one month after making a decision, a copy of the application is sent to applicant showing a substantiated decision about the refund or partial refund and the tax bill and customs declaration originals are marked that tax has been refunded, as well as the documents that certify tax payment. Transfer of the payable amount of tax is made to the bank account indicated in the application.

If State Revenue Service has made a decision about not refunding, it sends the tax bills to the applicant about whom it has made decision not to refund the tax, without making a mark on the documents, and attaches the decision about the refusal of the tax refund.

In the case of not refunding, no later than 15 working days after making the decision, the applicant is informed in written form about the reasons for refusal attaching a copy of the application, the reason for the decision not to refund, the tax bill, the custom's declaration originals, as well as documents that certify tax payments.

**IV. ELIGIBILITY - ARTICLE 4 (2)**

**20. Are there any other conditions applicable?**

Tax is not refunded if:

- 20.1. in accordance with the legal acts, unregistered commercial activity has been carried out in Republic of Latvia;
- the applicant has been registered as a taxable person in the register of the SRS;
- documents have not been formed correctly or the tax invoices do not meet the requirements

stated in law "On Value Added Tax"

- controls have not confirmed that the transaction, mentioned in application about which the tax refund is claimed, has occurred;

tourism (travel) firms and agencies operate according to the law "On value added tax" Article 13.

**21.** Are certain types of expenditure excluded and if so which?

Certain types of expenditure are excluded:

- purchases of unused real estate and services that are related to the building of real estate including reconstruction, renovation or repair;
- the goods or services purchased are for personal use (for instance car rental, service, repair, purchase of gasoline, lubricants and spare parts, recreation, catering (including restaurants), health improvement and entertainment costs);

#### **V. MAJOR DIFFERENCES BETWEEN REFUNDS UNDER THE 13<sup>TH</sup> AND THE 8<sup>TH</sup> (79/1072/EEC) DIRECTIVE**

**22.** What are the main procedural differences between applying for a VAT refund based on the 8<sup>th</sup> Directive and a refund based on the 13<sup>th</sup> Directive?

None

**23.** Do certain types of expenditure give rise to refund under the 8<sup>th</sup> Directive but not under the 13<sup>th</sup> Directive? If yes, please specify the types of expenditure.

No

**Annex 2**

**Pielikums Ministru kabineta 2004.gada 15.aprīļa noteikumiem  
Nr.313 lesnīgums pievienotās vērtības nodokļa atmaksāšanai citās  
Eiropas Savienības dalībvalstīs apliekamai personai vai Eiropas  
Savienības teritorijā neregistrētai personai**

**Application  
for refund of value added tax to a taxable person  
established in the other Member State or taxable persons not established  
in the European Union territory**

Valsts ieņēmumu dienesta Lielo  
nodokļu maksātāju pārvaldei

**To the Large Taxpayers' Department of  
the State Revenue Service**

Lūdzu atmaksāt pievienotās vērtības nodokli (PVN), kas samaksāts:

20 \_\_ . gada

sādos 20 \_\_ . gada mēnesos

par Latvijas Republikā: D

iegādātajām precēm D

saņemtajiem pakalpojumiem

D importētajām precēm

**We would like to ask for the refund of value added tax (hereinafter - VAT) paid  
on the following taxable transactions:**

**D** supplied goods

D provided services

D imported goods

in the Republic of Latvia:

Din 20 \_\_\_\_

Din following months \_\_\_\_\_ ^ \_\_\_\_ ^ \_<sup>0</sup> of the year  
20 \_\_\_\_

**I. Iesniedzējs**

**(citas Eiropas Savienības dalībvalsts apliekamā persona vai  
Eiropas Savienības teritorijā neregistretā persona)**

**Applicant**

**(a taxable person established in the other Member State or  
taxable person not established in the European Union territory)**

Nosaukums/Full name

Adrese/Address

Pasta indekss, valsts/Postal code, country    Tālrunis/telephone

Telefaks s/telefax

E-pasta adrese/e-mail address

Ar PVN apliekamās personas registrācijas numurs mitnes zemē/VAT registration  
number in country of residence

Nodokļu administrācijas iestādes nosaukums un adrese mitnes zeme/Name and  
address of the Tax authority in country of residence

Uzņēmējdarbības veids mitnes zemē/Business in country of residence

Ieprieks iesniegtais iesniegums attiecas uz laikposmu/Previous application relates to  
the period

Laikposms, uz kuru attiecas iesniegums/Period to which the application refers

Atmaksai pieprasītā PVN kopēja summa (LVL)/Total amount of VAT reclaimed for refund (LVL)

**11. Pilnvarotā persona (aizpilda, ja iesniegumu iesniedz pilnvarotā persona, pievienojot pilnvaras oriģinālu)**

**Authorized person (to be filled out if authorized person on behalf of applicant submits the application; power of attorney must be enclosed in original)**

Vārds, uzvārds (juridiskajai personai - nosaukums)/Name and surname (for legal person - full name)

Pases numurs vai identifikācijas kods, personas kods (juridiskajai personai - reģistrācijas numurs)/Passport number, personal identification number (for legal person - registration number)

Pilnvaras izdošanas datums/Date of issue of power of attorney

Adrese/Address

Pasta indekss, valsts/Postal code, country      Tālrunis/telephone

Telefakss/telefax

E-pasta adrese/e-mail address

**III. Atmaksātā PVN saņēmējs  
(citas dalībvalsts apliekamā persona, Eiropas Savienības teritorijā neregistrētā persona vai šo personu pilnvarotā persona)**

**Receiver of VAT refund  
(taxable person established in the other Member State or taxable person not established in the European Union territory or authorized person of these persons)**

Vārds, uzvārds (juridiskajai personai - nosaukums)/Name and surname (for legal person - full name)

Bankas nosaukums, adrese un kods (SWIFT kods)/Name, address and of the bank (SWIFT code)      Konta numurs, uz kuru pārskaitāms codejatmaksājama nodokii (IBAN konta Qumurs)/Account number to which the refunded tax is to be transferred (IBAN account number)

Valsts/Country

Nodokju rēlpnu un muitas dokumentu skaits/Number of invoices and customs documents      Citi pielikumi/Number of other enclosures

#### IV. PVN atmaksa

##### Refund of the VAT

Nodokja retina datums/muitas deklarācijas noformēšanas datums <b>Date of invoice/date of completion of customs declaration</b>	Nodokja rēlpna numurs/muitas deklarācijas numurs <b>Number of invoice/number of customs declaration</b>	Pārdevējs/pakalpojuma sniedzējs (nosaukums, ar PVN apliekamās personas registrācijas numurs) <b>Seller/provider of service (name, VAT registration number)</b>	Preces/pakalpojumi/precu imports <b>Goods/Services/Importation of goods</b>	Preces/pakalpojuma vērtība (bezPVN) (LVL) <b>Value of goods/services (excluding VAT) (LVL)</b>	PVN (LVL) <b>VAT (LVL)</b>
1	2	3	4	5	6

**Kopā/Total**

#### V. Cita informācija/ Other information



Apliecinu, ka apņemos atmaksāt nodokli, kas ir kļūdaini pārskaitīts uz manu bankas kontu, un ka iesniegumā norādītā informācija ir patiesa - iegādātās preces, saņemtie pakalpojumi un preces, kas tiek izlaistas brīvam apgrozījumam iekšzemē, izmantotas saimnieciskās darbības nodrošināšanai ārpus Latvijas Republikas teritorijas, un saimnieciskā darbība Latvijā Republikā 20 \_\_\_\_ .gada nav veikta.

**I declare that I undertake to repay any sum collected in error to my bank account, the information in this application is true and correct - goods are purchased or imported and services are received for business purposes abroad and no business activity has been performed in the Republic of Latvia in 20 \_\_\_\_ .**

Paraksts un tā atsifrējums (drukātiem burtiem)/pilnvarotās personas paraksts un tā atsifrējums (drukātiem burtiem)/Signature and transcription (in block letters)/Signature of authorized person and transcription (in block letters) Datums/Date

**VI. Lēmums par pievienotās vērtības nodokļa atmaksāšanu  
(aizpilda VID)**

**Decision on refund of the value added tax  
(to be filled in by the SRS)**

Atmaksāt pievienotās vērtības nodokli LVL \_\_\_\_\_ apmēra

Refund value added tax in the amount of LVL \_\_\_\_\_

Neatmaksāt pievienotās vērtības nodokli LVL \_\_\_\_\_ apmēra

Do not refund value added tax in the amount of LVL \_\_\_\_\_

VID Lielo nodokļu maksātāju pārvaldes direktors/Director of the Large Taxpayers' Department of the SRS Paraksts un tā atsifrējums (drukātiem burtiem)/Signature and transcription (in block letters) Datums/Date

Z.v./Place of seal

Finansu ministrs

O.Spurdziņš

## Information on the order of value added tax refund in foreign countries

Country	System of VAT refund	Responsible authority	Comments
The USA	No VAT refund		No VAT is collected in USA. On national level the Income tax is collected and on the states' level the sales tax is collected.
Austria	VAT is refunded	The Financial Service of Graz Finanzamt der Stadt Graz Conrad von Hotzendorf Str. 14-18 8018, Graz Fax:+43 316 817 608	VAT is refunded to all foreign legal persons in conformity with Directives 8 and 13 of the EC.
The Republic of Belarus	No VAT refund	National Tax Conunittee of the Republic of Belarus	On September 7, 1995 "Convention between the Republic of Latvia and the Republic of Belarus on Avoidance of Double Taxation and the Prevention of Fiscal Evasion" was concluded.
Belgium	VAT is refunded, but there is no information about the VAT refund system	Service of Revenues and Fiscal Policy of the Ministry of Finance	
The Czech Republic	VAT is refunded	VAT Department of the Ministry of Finance www.mfcr.cz +420 2 57042574 e-mail eva.kostkova@mfcrcz	The VAT refund order is provided by the Law No. 235/2004Coll. The VAT liable persons from the EU member states have the rights to receive VAT refund according to Articles 82 and 83 of the Law (currently the Law is amended on issues related with VAT refund's technical aspects)
Denmark	VAT is refunded, but the Ministry of Foreign Affairs has not received information about the refund system		
France	VAT is refunded	Tax Centre of Non-residing Entrepreneurs Centre des Impots des non-residents	Due to the Latvia's accession to the EU there will be changes in VAT refund order — starting with 01.05.2004 the EU Directive No 13 will be

		<p>Service de remboursement de la TVA 10, rue d'Uzes 75080 Paris Cedex 02  <a href="http://www.drese.net">http://www.drese.net</a></p> <p>In cases when a Latvian company is engaged in commercial activities in France, the order of VAT refund will be different and it will have to register at Inspection de la fiscalité professionnelle de la TVA 9, rue d'Uzes 75080 Paris Cedex 02</p>	<p>replaced by the EU Directive No 8. In case if an LR company has both activities and expenses in France, then it has to pay into the French budget the difference minus VAT for the expenses. Intra-Community international freight forwarders pay the tax in France if the departure takes place in France, except the cases when the customer is a VAT payer in another country. International freight forwarders can receive VAT refund about the fuel purchased in France as well as other expenses, if submitting documents substantiating the expenses.</p>
Greece	VAT is refunded to EU member states and bilateral treaty partners (Latvia is not in the list yet)	<p>Ministry of Finance of Hellenic Republic  VAT Application Department  VAT Division</p>	<p>VAT refunds are regulated by the Law No 1642/1986 of Greece, where since its coming in force there have been no amendments. The international freight forwarders (from the EU member states) receive VAT refund based on the respective EU directive. The freight forwarders of other countries can receive VAT refund if they make tax-free purchases similar to every tourist. The refund documents have to be filled in Greek language.</p>
Estonia	VAT is refunded, but the Ministry of Foreign Affairs has not received information about the refund system	<p>Applications have to be submitted to the Northern Payment Centre of Estonian Customs and Tax Service ( Endla 8,15177, Tallinn)</p>	<p>The VAT payers from 3<sup>TM</sup> countries submit VAT refund application about the previous calendar year during the following half-year. VAT payers of other EU member states can submit the VAT refund application for a period exceeding 3 months and shorter than 1 year in case if the VAT amount is not less than 3000EEK.</p>
Ireland	VAT is refunded, except for fuel, food and lodging	<p>Office of the Revenue Commissioners (<a href="http://www.revenue.ie">www.revenue.ie</a>)</p>	
Italy	VAT is refunded only to the EU member states or on the basis of	<p>Tax Policy Department of the Ministry of Economy and Finance</p>	<p>VAT refund to passive subjects, who are not residents of the EU member states, is based on</p>

	bilateral treaty. Latvia has not signed such a treaty.		the EU Directive No 86/560 from 17.11.1986.
Israel	VAT is refunded	Customs and VAT Department of Israel	Article 2, Point 2 of the Directive specifies that VAT is refunded based on the parity principle. International road haulers do not cross Israel border due to security considerations. Negotiations about possible conclusion of the Convention on Avoidance of Double Taxation and the Prevention of Fiscal Evasion could commence after June 15, 2005.
Russian Federation	VAT refund is possible if the respective company is registered in the Russian Federation	Ministry of Taxes and Fees of the Russian Federation, Department of International; Tax Relations (МНННСТепСТБО РОСЧННКОН ОеАепайНН нo najioraМ н сöopaМ, YnpaBJieНHe MeiK^ynapoaНBix HajioroBbix oTHOineННfi) 127381, MockBa, HerjiНННHaa yn., 23 mnstfäinaloa.ru	VAT is refunded to international road haulers only in case if the company is registered in the RF, thus becoming a VAT payer. The order of VAT refund in the Russian Federation is provided by the Tax Code of the Russian Federation, Part II Article 157.
The Great Britain	VAT is refunded	HM Customs and Excise VAT Overseas Repayments Unit Custom House PO BOX 34 Londonderry BT48 7AE Northern Ireland enq.oru.ni@hmce.gsi.gov.uk	EC and other entrepreneurs according to the British legal system have the rights to submit an application for VAT refund to HM Customs and Excise VAT Overseas Repayment Unit
The Republic of Lithuania	VAT is refunded	Lithuanian State Tax Inspectorate Seimuksniu str.4 LT-2600, Vilnius Lithuania	The substantiation is "Law on VAT", providing the order of VAT refund based on the parity principle (No 01.05.2004 EU member state taxpayers) <a href="http://nauja.vmi.lt/en/?itemld=20691">http://nauja.vmi.lt/en/?itemld=20691</a>
The Netherlands	VAT is refunded	The Netherlands Tax Service Heerlen unit's coordinates: Tax Office Foreign Individuals/ Businesses	To receive VAT refund in the Netherlands it is necessary to register and receive the number of the administration. After that one has to file quarterly applications.

Norway	VAT is refunded	<p>P.O.Box 2865 6401DJHeerlen The Netherlands</p> <p>The Norway's Tax Service Applications are to be submitted to: Ostfold fylkesskattekontor Postboks 430/Vogsts.17 N-1502MOSS Norway</p>	<p>The Norway legislation on VAT refund is developed in conformity with the EU Directive 79/1072 EEC. For a foreign company to receive VAT refund, the said company may not be registered as a VAT payer in Norway. The road haulers receive VAT refund according to the Norway's VAT law (in force since 1969, amendments in 2002) and to the regulations on VAT refund to foreign legal persons (No 106,1996)</p>
Poland	VAT is refunded	<p>II Urzad Skarbowyy Drugi Warszawa Srodmiescie Ul. Lindleja 14 tel+482 28 217 326</p>	<p>The Poland's Ministry of Finance has already developed a new draft law that in main lines is in conformity with the requirements of the EC Sixth Directive (77/388/EEC) from May 17, 1977. The Customs formalities were cancelled since the EU accession and the 0% rate is applied towards other EU member states.</p>
Portugal	VAT is refunded	<p>VAT Refund Service of Portugal Tax Inspectorate General</p>	<p>Beginning with 2004 Latvia is considered as an equal EU member state. It is possible to submit for VAT refund those invoices that are dated with June 2003. It is necessary to submit the form 1496, or a form used by any other EU member state, the genuine invoices and a statement from the SRS that the company is a passive VAT payer.</p>
Finland	VAT is refunded	<p>Uusimaa Tax Bureau of Finland P.O-Box 34 FIN-00052 Verotus Helsinki, Finland</p>	<p>On the website of Tax Department of Finland <a href="http://www.vero.fi">www.vero.fi</a> there is the information about the order of VAT refund to foreign companies as well as standard application forms for VAT refund.</p>

Slovenia	VAT is refunded	Tax Department of the Ministry of Finance of Slovenia	
Spain	VAT is refunded	Ministry of Foreign Affairs of Spain	Spain is refunding VAT based on the principle of reciprocity, and every application is considered individually. The mechanism of refund is not applied to everybody unequivocally (the legal provision is available only in Spanish). The Ministry of Foreign Affairs of Spain explains that the amendments of law presented by Latvia do not ensure the possibility to apply unequivocally the order of VAT to the legal persons that are registered in Latvia.
The Ukraine	No VAT refund		
Uzbekistan	No VAT refund		Specific customer groups can apply the 0% rate of VAT, but in fact it is not used, as it depends from the goodwill of the company itself. Today the tax system of Uzbekistan undergoes a reorganisation.
Germany	VAT is refunded, but the Ministry of Foreign Affairs has not received information about the refund system	Bundesamt für Finanzen Friedhofstrasse 1 D-53221,Boim	For request of information: vathotlinef@Mf.bund.de +49 228 406 2880 Standard forms of application: www.bff-online.de/ust/ustv/uanl.html
Sweden	VAT is refunded	Swedish Tax Administration's Organisation, Special Tax Division: Special Tax Office, Swedish Tax Administration	The order of VAT refund is regulated by "ACT on Value Added Tax(1994:200) The VAT refund is meant for foreign entrepreneurs who are not registered in Sweden as VAT payer for acquisition of goods and services, if: - VAT refund is related to purchase or import turnover outside Sweden; - Turnover/supply of goods takes place in another EU member state, where VAT is already paid;

- Turnover/supply of goods would be taxed with VAT or it would be VAT refunded in case if the transaction would take place in Sweden; The recipient of goods or services is a VAT payer registered in Sweden.