

# LATVIA

As per 1 January 2017

Click to download PDF: As per 1 January 2016 (<http://publicationsdrafts.ro/expat-tax-2014/wp-content/uploads/2017/01/Global-Mobility-Services-Mazars-Latvia.pdf>)

## EXPATRIATE AND EMPLOYER TAX COMPLIANCE AND ADVISORY

<b>Tax rate</b>	23%
<b>Tax period</b>	Calendar year
<b>Tax residency / Domicile according to domestic law</b>	Person shall be treated as Latvian tax resident if: 1. Permanent place of living is in Latvia or 2. the person is present in Latvia for 183 days or more
<b>Tax registration</b>	Within one month from commencement of activities in Latvia in case no local employer exists. In case of local employer – upon commencement of work
<b>Employment income definition</b>	Any type of income (both cash and in kind) received within employment relationships
<b>Examples of tax exemption</b>	Allowance for dependants, non-taxable minimum, daily allowances in case of business trips etc.
<b>Specific expatriate concession</b>	Not applicable
<b>Income of board members</b>	Taxed similarly to employment income
<b>Tax returns</b>	In case of local employment, the employer is liable for filing of tax returns. In case of foreign employer, the tax return has to be filed by the employee.
<b>Tax payments</b>	Generally the tax is payable on a monthly basis

## TAX TREATIES

<b>Employment income / income from board members</b>	Art 15/16 Model OECD Tax Convention
--	-------------------------------------

## INTERNATIONAL SOCIAL SECURITY

<b>Cross border employments</b>	EU Regulation No 883/2004 and EU regulation No. 1408 / 71
<b>Exception under Art 16 of Reg. 883/2004 and Art 17 of Reg. 1408/71</b>	Generally applicable
<b>Social Security Cost as % from gross salary and absolute amounts</b>	34,09%, which is payable by employer (rate 23,59%) and employee (rate 10,50%)

## IMMIGRATION

<b>Work permit</b>	Nationals of EU, EEA and Switzerland do not need a work permit to work in Latvia. Nationals of other countries need to obtain a work permit to work in Latvia.
<b>Visa</b>	EU and EEA citizens do not need a visa to enter Latvia. Third country nationals are required to receive visa.
<b>Residency permits / registration</b>	EU and EEA citizens are required to apply for the registration certificate, if the presence in Latvia exceeds 3 months.

<b>certificate</b>	Third country citizens need to apply for a residence permit, if the stay in Latvia exceeds 90 days.
<b>Driving license</b>	Driving licence, issued by another EU or EFTA member state, can be used in Latvia without any limitations. Driving licences, issued by other countries can be used in Latvia only for driving a B category vehicle (passenger car). If the driving license contains data in non-Latin letters, a notarial translation should be presented. Third country citizens shall receive a Latvian driving license, if the presence in Latvia exceeds 1 year.
<b>STOCK OPTION PLAN</b>	Certain tax exemptions are applicable in case the provisions of stock option plan provided by the law are fulfilled.

**Agris Nurza**

Project Manager

Send Email

Direct line: +371 67379031

Address: Dunte str.6-312, Riga, Latvia, LV1013

[www.taxlink.lv](http://www.taxlink.lv) (<http://www.taxlink.lv>)