



LATVIA – October 2019

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Latvia proposes tax exemption for taxpayers' only homes

The Latvian Justice Ministry has proposed exempting taxpayers' only properties worth less than 100,000 euros (109,719 U.S. dollars) from real estate tax, Juta Strike, an MP of the ruling New Conservative Party, told reporters following a coalition meeting on Monday.

The lawmaker said that the Justice Ministry came up with the proposal to abolish real estate tax on people's only homes as the government is planning to revise the system of property valuation in Latvia.

The current proposal is to apply the tax exemption to homes in which the owners live and the value of which does not exceed 100,000 euros.

Strike admitted, however, that the coalition has not yet reached any agreement on this proposal.

In Latvia, the bulk of revenue generated from real estate tax ends up in local governments' budgets.

Viktors Valainis, director-general of the Latvian Association of Local and Regional Governments, has said that the real estate tax ensures roughly 14 percent of the local governments' total revenues, which is a significant share of their budgets.

International Property Tax Institute

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