



Valsts ieņēmumu
dienests

Informational material

Selling of Agricultural Products of Foreign Traders in Latvian Markets



09.01.2026.

Contents

1.	Value added tax.....	3
2.	Income taxes	4
3.	Use of cash registers and issuance of transaction-confirming documents.....	5

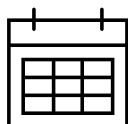
1. Value added tax



According to the Value Added Tax Law, if a person of another country makes **at least one** taxable transaction (supply of goods), such person **must register** in the State Revenue Service (SRS) Value Added Tax (VAT) Taxable Persons Register **prior to the commencement of trade**. Thus, a foreign trader of agricultural products (non-resident) registers itself or its authorised representative with the SRS VAT Taxable Persons Register prior to the commencement of trade, regardless of whether the trader has registered in its home country as a performer of economic activities or merchant, as well as regardless of the volume of production to be sold and the value thereof.¹



Foreign agricultural product trader from another EU Member State or its authorised representative, may refrain from registering with the SRS as VAT payer in Latvia if the tax administration of another Member State has issued it a registration number with the code **"EX"** under the special VAT scheme for small enterprises (see Section 139¹ of the Value Added Tax Law), which provides a tax exemption subject to the fulfilment of the applicable conditions.



It is possible to register in the SRS VAT Taxable Persons Register for a definite period, for example, even for one day.²

The payment of VAT in the State budget and the procedure and time limits for submitting VAT declarations for foreign residents are identical to those for Latvian taxpayers.



In order to register with the SRS VAT Taxable Persons Register it is required to submit an application for registration by arriving in person at one of the SRS Customer Service Centres or by sending the application to the e-mail address vid@vid.gov.lv, using a secure electronic signature.

Further information is available on the SRS webpage www.vid.gov.lv in the section "Taxes" – "Value Added Tax".

¹ Section 56 Paragraphs two and three of the Value Added Tax Law

² Section 55 Paragraph two of the Value Added Tax Law

2. Income taxes



A non-resident who has registered its economic activity in its country of residence (both legal and natural persons) and who uses a marketplace in Latvia only occasionally during a season, is not required to register economic activity in Latvia, as it pays income tax for the generated income in its country of residence.

Example 1

A non-resident (legal or natural person) who comes to Latvia and uses a marketplace for two or three days (on an occasional basis) during a season is not required to register its economic activity in Latvia.



A non-resident (a foreign economic operator) who has registered economic activity in its country of residence and who also performs a permanent economic activity and gains income in Latvia is required to register its economic activity in Latvia. In general, a foreign merchant may choose how to register its economic activity, i.e., either by applying for the registration of the branch of the foreign economic operator in the Commercial Register or by applying to the SRS for the registration of a permanent establishment³ in Latvia. In this case a non-resident (legal person) submits its balance sheet, profit or loss statement and enterprise income tax declaration for the tax year and pays enterprise income tax for the income acquired in Latvia in accordance with the general procedure⁴. Further information is available on the SRS webpage www.vid.gov.lv in the section "Taxes" – "Corporate Income Tax".

Example 2

Non-resident (legal person) who acquires a subscription for trading in the market for six months and opens a trading place or a kiosk in the market and has a designated location where it continuously performs economic activity and gains income, is required to register its economic activity in Latvia⁵.



A non-resident (natural person) who has not registered economic activity in its country of residence but performs economic activity continuously (three or more trading instances in a calendar year⁶) and gains income in Latvia, is required to register its economic activity with the SRS and to pay personal income tax in accordance with the general procedure. Further information is available on the SRS webpage www.vid.gov.lv in the section "Taxes" – "Personal Income Tax".

³ Section 14 Paragraph six of the Law on Taxes and Fees

⁴ Section 4 Paragraph twelve and thirteen of the Enterprise Income Tax Law

⁵ Section 14 Paragraph six of the Law on Taxes and Fees

⁶ Section 11 Paragraph 1³ and Section 28 Clause 6 of the Law On Personal Income Tax

3. Use of cash registers and issuance of transaction-confirming documents



The requirements for the use of **cash registers, hybrid cash registers, cash systems, specialised devices and equipment** (cash registers) **do not apply** to foreign natural or legal persons, which are registered only with the SRS VAT Taxable Persons Register, but for which there are no specified locations for the performance of economic activities in Latvia⁷.



A non-resident who has registered in Latvia **only as a VAT payer** does not have to comply with the requirements specified in the laws and regulations of the Republic of Latvia regarding the use of cash registers and, accordingly, the issuance of corroborative documents and transaction-confirming documents. In this case, for the purpose of confirming a transaction, a non-resident must comply with the procedures laid down in the laws and regulations of its country of residence.



However, if a non-resident **has registered economic activity in Latvia**, it is subject of the Accounting Law⁸, and the requirements laid down in the laws and regulations of the Republic of Latvia regarding the application of accounting rules apply to it, including the preparation of corroborative documents and transaction-confirming documents, compliance with the technical requirements for cash registers⁹, as well as the procedures for their use¹⁰, etc.



Further information is available on the SRS webpage www.vid.gov.lv in the section "News" – "For Businesses" – "Electronic cash registers and POS systems" and "Organising of accounting".

State Revenue Service

Material prepared on 18.03.2016.

Material updated on 09.01.2025.

⁷ Paragraph 2 of the Cabinet Regulation No. 96 of 11 February 2014 "Procedure of the Use of Electronic Devices and Equipment of Registration of Taxes and Other Payments"

⁸ Section 3 of the Accounting Law

⁹ Cabinet Regulation No. 95 of 11 February 2014 "Regulations on the Technical Requirements for Electronic Devices and Equipment of Registration of Taxes and Other Payments"

¹⁰ Cabinet Regulation No. 96 of 11 February 2014 "Procedure of the Use of Electronic Devices and Equipment of Registration of Taxes and Other Payments"

FOREIGN TRADERS OF AGRICULTURAL PRODUCTS IN LATVIAN MARKETS

We welcome your feedback on the quality of this material or suggestions for its improvement. Please submit your comments via the State Revenue Service [Electronic Declaration System](#) (EDS), under the section 'Correspondence with the SRS'."