

In-depth cooperation programme

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The In-depth Cooperation Programme (hereinafter – the Programme) has proven itself an important instrument for cooperation between taxpayers and public authorities. Taxpayers who have an excellent reputation and tax compliance discipline can benefit from various advantages granted by state institutions.

Since the beginning of 2019, operation of the Programme has significantly improved:

- administration process is automated
- scope of possible participants is extended
- advantages for participants are amended

Programme participants are divided into 3 levels – Gold, Silver, and Bronze. Each level offers its own advantages for participants. Gold participants fulfil the highest criteria and, therefore, receive the most favourable advantages.

Advantages	Gold	Silver	B r o n z e
<i>General</i>			

Advantages	Gold	Silver	B r o n z e
The participant receives Programme level status and corresponding certificate, which symbolises the taxpayer's honesty in fulfilment of tax obligations	Yes	Yes	Y e s
The participant can participate in the receipt lottery by offering a prize (non-excise goods)	Yes	Yes	Y e s
Reduced frequency of submissions by service providers of changes in the cash-register system.	Yes	Yes	Y e s
Response to written inquiries/applications	10 busines s days	10 busines s days	N / A
Response to phone inquiries or through EDS (estimated time needed for reply will be notified within one business day)	5 busines s days	7 busines s days	
Issue or re-registration of commercial activity licence for excise goods (after submission of all documents and payment of state fee)	10 busines s days	10 busines s days	
SRS training for taxpayers (self-initiative), taking into account resources available to SRS and complexity of the question	Yes	N/A	
Invitation to participate in SRS's Consultative Council meetings	Yes		
Individual consultant – contact who is responsible for answering questions and solving problems relating to the SRS	Yes		
<i>Financial</i>			
Quicker VAT refunds	7 busines s days	10 busines s days	N / A
Advantages in application of collateral for excise duty	Yes	Yes	
No initiation of uncontested recovery while the participant still has the right to avert noncompliance	Yes	Yes	
			N / A

Advantages	Gold	Silver	A B r o n z e
Quicker PIT refunds	1 month	N/A	

To qualify for the Programme, the taxpayer must meet basic Programme criteria, and the level of participation is determined by specific criteria.

Basic criteria:

- economic activity – more than 3 years
- current tax debts do not exceed EUR 150
- not currently guilty of criminal wrongdoing
- not currently involved in insolvency, legal protection, or out-of-court legal protection proceedings
- a single administrative penalty for tax obligations, labour legal relations, customs, or usage of cash registers does not exceed EUR 151 and penalties from the preceding year and currently do not exceed EUR 500
- economic activity has not been suspended and liquidation proceedings are not currently underway
- company officials have no restrictions on the right to hold certain posts;
- no breach of rules using or servicing cash registers
- additional taxes calculated during tax audits do not exceed 3% of the total tax amount paid during the last year
- SRS has not initiated deregistration from the VAT system
- tax audit is not currently underway
- no record that the taxpayer has not been reachable at the legal address
- no recorded unethical behaviour in the field of tax obligations
- company officials and employees are not on the list of risky persons
- profit recorded in at least one out of the last three years

Criteria used to determine Programme levels:

	Bronze	Silver	Gold
Number of delayed tax declarations	≤ 10	≤ 1	0
Tax revenues administered by SRS – amount of taxes paid minus tax refund	≥ 10 000 EUR	≥ 500 000 EUR	≥ 700 000 EUR
Net turnover	-	≥ 4 000 000 EUR	≥ 4 000 000 EUR

	Bronze	Silver	Gold
The average income of employees	Not less than 80% of national average	Not less than national average	Not less than national average
Tax risk management			Implemented

This is a general description, provided for an informative purpose, and does not have any legal force. In case of application you shall act in accordance with the regulatory enactment. In case of any questions, please, contact with the State Revenue Service of Latvia.

<https://www.vid.gov.lv/en/depth-cooperation-programme>