



Value Added Tax

Published: 06.03.2024.

How should a foreign payment service provider submit CESOP reports in Latvia? 



The Electronic Declaration System (EDS) of the State Revenue Service (SRS) must be used to submit CESOP reports and receive validation reports. <https://eds.vid.gov.lv/login/>.

What is the registration process for a foreign payment service provider to submit CESOP reports? 



Registration of EDS users requires an application for the user(s) of the information system of the State Revenue Service (the application form in the appendix).

The application must include the following information:

Is a client of the EDS of whom the documents will be submitted a legal person or an individual;

A rights manager – a user who will be able to work in the system independently, edit own and others' rights and settings (more than one right manager is possible);

EDS user – an individual who will work in a system as a right manager;

IP address – (not necessary) in a case if there is need to limit the EDS access to a computer or one network computers.

For registration of foreign legal entities not registered in Latvia it is necessary to submit an extract from the register of foreign companies, with information about the persons entitled to represent this company. If these persons have not been registered in Latvia so far, it is advisable to submit copies of their passports or ID cards for correct registration.

If the documents for EDS registration will be submitted by an authorized person, must be added a power of attorney.


The power of attorney must be certified by the electronic signature of the person who has a legal capacity to represent the company (company official) or power of attorney must be certified by a notary.

The application for EDS user registration must be signed electronically either by the responsible official or the authorized person, depending on the existence and scope of the authorization.


It is necessary to send the documents electronically to vid@vid.gov.lv with an indication, for example - "So that a foreign taxpayer can submit a CESOP report in Latvia".




iesniegums par Valsts ieņēmumu dienesta informācijas sistēmas lietotāju (-iem) 

How long does the EDS user registration process take? 

SRS registers the EDS user within five business days and sends the username and initial password to the user's e-mail address, as specified in the application. Upon receiving the username and initial password, the user can begin working in EDS.

When is it possible to register for CESOP reporting and when will access to EDS CESOP reporting be open? 

It is already possible to register as an EDS User, but submission of CESOP reports will begin on 1 April 2024.

Are cross-border transactions determined primarily from the country of the legal entity or from the International Bank Account Number (IBAN) used by the legal entity? 

The location of the payer shall be deemed to be in the Member State that corresponds to:


- a) the *IBAN* of the payer's payment account or any other identifier that clearly identifies the payer and provides its location or
- b) in the absence of such identifiers, *BIC* or any other business identification code that clearly identifies the payment service provider acting on behalf of the payer and provides its location.

The location of the payee is in the Member State, third territory or third country that corresponds to:

- a) the *IBAN* of the payee's payment account or any other identifier that clearly identifies the payee and provides its location or
- b) in the absence of such identifiers, *BIC* or any other business identification code that clearly identifies the payment service provider acting on behalf of the payee and provides its location.


The location of both the payer and the recipient is determined by *IBAN* or another identifier. Different information is available for different types of transactions, so we invite you to use the guidelines developed by the European Commission for calculating the number of transactions. The recipient of payments can also be a natural person.

Additional information can be found on the EC website: [*Guidelines for the reporting of payment data from payment service providers and transmission to the Central Electronic System of Payment information \(CESOP\)*](#).


Does the Latvian branch of a company from another European Union member state have to report all clients of the Latvian branch who have received more than 25 cross-border payments per quarter to SRS, or must all these transactions be reported to the tax  ▼

Does the Latvian branch of a company from another European Union member state have to report all clients of the Latvian branch who have received more than 25 cross-border payments per quarter to SRS, or must all these transactions be reported to the tax administration of their country or both?


The calculation must be made for payment services provided in each Member State. If a payment service provider has institutions in several Member States, each of these institutions must calculate separately, instead of consolidating all transactions at the group level. The same rule applies if the payment service provider provides payment services in different Member States directly or through sales agents. The Latvian branch of a company from another European Union member state must report to SRS and the parent company to the tax administration of its own country.

Will Latvia implement the CESOP report preparation requirements in accordance with the package published by the European Commission?  ▼


Yes, it will, taking into account the specification of our system, which will be used to receive reports.

What types of submission of CESOP reports will be available in Latvia?  ▼


The API service will be used to submit *CESOP* reports. Files in *XML* format must be prepared according to the *XSD* user guide published by the EC: [Central Electronic System of Payment information \(CESOP\) - European Commission \(europa.eu\)](#).

Is it possible to create a service/system user (not personalised to a specific employee) to use the API interface?  ▼


No - for security purposes, access is only available from a personalised EDS user that identifies the sender's company.

What will be the structure of CESOP reports to be submitted? Is the JSON structure of the document available, how should the document be created in the EDS system?  ▼


Files must be prepared in *XML* format as per the *XSD* user manual: [Central Electronic System of Payment information \(CESOP\) - European Commission \(europa.eu\)](#). An API service for submitting documents is being developed.

What is the maximum file size of a CESOP report that can be submitted using the API service? If the size is larger than the EDS maximum size, is it possible to split the large file into several attachments and send in one request? 

According to the EC's XSD User Guide, a report of up to 1 GB can be submitted in a single file. If the data to be submitted is larger, the CESOP report should be divided based on the specified document.


What will be the feedback process (e.g., success/partial rejection/full rejection)? 

Acceptance or rejection of the report is given in the same way as for other EDS documents. That is, the status of the submitted document will change ("Accepted" or "Rejected"). In case of a rejected document, it is possible to download the list of errors.

What response codes are possible for document submission and correction? Will XML validation errors also be included in any response? 

Depending on the size of the document, asynchronous validation will be performed (which may take a few days) before sending it to CESOP. Unsuccessful validation will be indicated by a change in the status of the submitted document to "Rejected". The status will be able to be tracked in EDS just as it is currently.

In case of successful validation, the document will be sent to CESOP. After receiving a response from CESOP, the document status will be changed to "Accepted" or "Rejected" and it will be possible to download the error list. Error codes will be identical to those published in the XSD user guide [Central Electronic System of Payment information \(CESOP\) - European Commission \(europa.eu\)](#).

Will it be possible to correct submitted CESOP reports? 

Corrected information can only be submitted for erroneous data (record rows), as per the instructions in the EC's XSD user manual. The complete corrected file can be resent as per EC instructions. Corrections can only be submitted using the API service.

What is the deadline for resubmission of reports if they have been rejected by the system due to errors?



Reports must be submitted not later than 15 business days from the date on which the Member State sent the rejection message to the payment service provider.[\[1\]](#)

[\[1\]](#) *Cabinet of Ministers' regulations of January 16, 2024 no. 39 "Procedure in which the State Revenue Service receives and provides information on cross-border payments and payment recipients".*

Will zero period reporting be allowed? If so, will it be optional or mandatory?



Yes, it will be possible to submit a zero report, but this is optional.

Will it be possible to submit test CESOP reports?



The test environment will be available to a limited number of payment service providers.

Who is the contact person or department responsible for CESOP reporting?



In Latvia: Ludmila Ivanova and Jekaterina Prokopenko (e-mail: dati@vid.gov.lv).

For questions about EDS user registration, please contact the SRS by e-mail: vid@vid.gov.lv or call the help line: [+37167120000](tel:+37167120000).