

# Real Estate Tax

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! In 2021, a number of significant changes in tax administration will take effect.

Information is currently being updated in English. Up-to-date information is available on the Latvian version of our website.

We apologise for any inconvenience!

## Procedure of making the tax payment

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The tax on immovable property is assessed on cadastral value of the object of immovable property tax at 1 January of the taxation year. If the object of immovable property tax has been registered in the Public Information System of immovable property within the taxation year, the tax is assessed on the cadastral value of the tax object at the moment of registration (Section 3, Art 3 of the law "On Immovable Property Tax").

To ensure commensurate increase in tax burden, for land units (their parts), which are located in administrative territories outside cities and the area of which exceeds 3 hectares, and at least one of the set purposes of use is included in the group of purposes of use "Agricultural land", "Forestry land and specially protected natural territories, wherein economic activities are prohibited by the regulatory enactment" or "Land of water bodies" (hereinafter — rural land), the immovable property tax until 2025 taxation year is calculated from the special value determined specifically for calculating the tax.

The special value is determined as at 1 January of the taxation year by comparing the special value of the pre-taxation year with the cadastral value determined on 1 January of the taxation year. The special value is equal to the cadastral value, if the increase in the cadastral value determined on 1 January of the taxation year does not exceed 10 percent of the special value of the pre-taxation year. The special value is equal to the special value of the pre-taxation year multiplied by the coefficient of 1.1, if the increase in the cadastral value determined on 1 January of the taxation year exceeds 10 percent of the special value of the pre-taxation year (Section 3, Art 14 of the law "On Immovable Property Tax").

The local governments notify the payer or maintenance manager of apartment house of the amount of immovable property tax in the current taxation (calendar) year by sending to them or persons authorised by them by 15 February of the same year the payment order at the indicated address. The time period for sending out tax payment notices for unfarmed agricultural land is 15 February of the subsequent taxation year. (Section 1, Art 6 of the law "On Personal Income Tax").

The immovable property tax must be paid once in a quarter – no later than on 31 March, 15 May, 15 August, and 15 November – in the amount of one quarter of the annual amount of the tax. The tax can also be paid in advance once a year (Section 3, Art 6 of the law "On Personal Income Tax").

<https://www.vid.gov.lv/en/real-estate-tax>