

Purchases (commercial consignments)

Published: 20.10.2022.

Low value consignments

A commercial consignment is a consignment from a country that is not a Member State of the European Union sent by:

- a legal person (for example, an online store, platform) to a private individual, with or without remuneration;
- a private individual to another private individual for remuneration (*for example by using eBay*);
- a legal person to another legal person.

If the value of the consignment does not exceed EUR 150, the consignment shall be exempted from customs duties.

Value added tax on the goods received in a commercial consignment shall be paid regardless of the value of the goods.

For example, if a consignee in Latvia receives a commercial consignment from China containing one item with the value of EUR 20, no customs duties will have to be paid but the value added tax will be applied.

Value of goods (EUR)	VAT	Customs duties
$0.01 \leq 150$	+	-
>150	+	+

Exemption from duties shall not apply to the following goods regardless of the quantity or value of the goods:

- alcoholic beverages;
- perfumes and toilet waters.

Tobacco products, electronic cigarettes and the refill containers thereof are prohibited to be sold or purchased by distance contracts¹, i.e. in online stores or platforms. Consequently, such goods are prohibited to be received in postal consignments.

«Gifts», i.e. free goods provided with the online purchase for marketing purposes are not subject to payment of duties and such goods do not have to be declared.

If the goods have been purchased using bonus points collected in an online store, the customs payments will be calculated based on the full price of the item.


(!) Important

When making online purchases, you have to consider the risk of unknowingly purchasing imitation of well-known brands. This risk mostly concerns mobile phones and their accessories, handbags, clothes, various electronic goods, medical products. The counterfeit goods usually are of lower quality and significantly cheaper than their original counterparts. Such goods may adversely

affect the health and safety of the consumers.

Where such goods are found during customs controls, the products are seized and an examination is carried out to determine whether the intellectual property rights have been violated. If the goods are found to be counterfeit, they are destroyed. For declaration for the customs procedure of release for free circulation of goods subject to prohibitions or restrictions or counterfeit or pirated goods, the declarant — natural person — shall be imposed with a warning or a fine of up to four hundred fine units (up to EUR 2000), but a declarant — legal person — with a warning or a fine of up to eight hundred fine units (up to EUR 4000). /Paragraph 15 of Section 29 of the Customs Law/

¹ Paragraph 2 of Section 8 of the law On the Handling of Tobacco Products, Herbal Products for Smoking, Electronic Smoking Devices and Their Liquids

Calculation of duties and application of exemptions 

▼

Exemptions from customs duties in the entire customs territory of the Union are provided for by the Council [Regulation \(EC\) No 1186/2009](#) of 16 November 2009 setting up a Community system of reliefs from customs duty.

When determining whether an exemption shall be applied to a low value consignment, only the value of goods indicated in the accompanying documents shall be considered, i.e. the value indicated in the invoice, postal declaration or another document.

An example: if the value of goods is stated in the accompanying documents to be EUR 147 and the delivery costs to be EUR 35, such consignment will be exempted from customs duties, but the VAT of 21% will apply.

However, when calculating duties to be applied to a commercial consignment, the value of the goods as well as the delivery, insurance and other related costs shall be considered. The VAT shall be applied to the calculated customs value of the goods² (value of the goods + costs related to the purchase) by adding the calculated amount of customs duties.

An example: a consignment from the USA contains clothes with the value of EUR 200, the delivery costs amount to EUR 2. The customs duty is calculated at 12% of EUR 202 (value of goods of EUR 200 + delivery costs of EUR 2) = EUR 24.24. Subsequently, the VAT of 21% is calculated from the EUR 226.24 (200+2+24.24) = EUR 47.51. Thus, the amount of taxes to be paid by the consignee amounts to EUR 71.75.

² Article 139 of Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code: postal charges levied up to the place of destination in respect of goods sent by post shall be included in the customs value of these goods, with the exception of any supplementary postal charge levied in the customs territory of the Union.

If for any reason it is not possible to make the tax payments online when completing the declaration, the calculated taxes shall be transferred to the respective accounts of customs payments.

LV32TREL1060000611000	Import duty
LV66TREL1060000513000	Value added tax
Accounts for excise duties:	
LV65TREL1060000533000	coffee and non-alcoholic beverages
LV02TREL1060000532000	beer
LV36TREL1060000531000	other alcoholic beverages