

Finance Ministry Opens Consultation On New VAT Law

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COUNTRY DIGEST

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Latvia's Ministry of Finance is inviting entrepreneurs to report any problems they have encountered under the new Value Added Tax Law that entered into force on January 1 and to propose improvements to the related regulatory law. (Prior coverage: *Tax Notes Int'l*, Jan. 14, 2013, p. 156.)

The goal is to develop an accurate VAT database and ensure a clear and understandable VAT policy. The Ministry of Finance has acknowledged the need to clarify the wording of some of the provisions of the law as well as legal norms in the rules issued by the Cabinet of Ministers.

Representatives of private and nongovernmental sectors are invited to submit comments and proposals until April 1.

While the VAT law has been in force for only a short time, two amendments have already been proposed. The first amendment would create a clearer framework for state and local authorities that receive construction services. The second amendment would clarify what information must be included in the simplified VAT invoice.

Furthermore, there are several peripheral issues that, because of their complex nature and the need for additional discussions with entrepreneurs, were deferred until the law came into force. ◆

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