

# Tax havens (3/46/17)

To enforce the national legislation on direct taxation and to prevent abuse of the tax system, the Cabinet of Ministers' Regulation No. 276, *Tax Havens*, was published on 26 June 2001. The list in its paragraph 1 names jurisdictions that are considered tax havens for the purposes of Latvian tax legislation.

## The blacklist

The **Latvian list of tax havens** was drawn up on the basis of a list published by the OECD. The current list is changing and largely depends on each jurisdiction's willingness to cooperate and share information.

Under the applicable rules a blacklisted jurisdiction is no longer considered a tax haven –

1) from the year in which enforcement of Latvia's agreement with that jurisdiction for the prevention of –

a) double taxation and

b) tax evasion

began, or

2) from the date a tax information exchange agreement takes effect with respect to that jurisdiction unless that agreement provides otherwise.

Only 45 jurisdictions remain on the blacklist of 26 June 2001 because many have demonstrated internationally their willingness to cooperate and joined the OECD Convention on Mutual Administrative Assistance in Tax Matters.

Only 25 jurisdictions will remain on the Latvian blacklist under a new Cabinet Regulation effective from 1 January 2018.

The latest information on jurisdictions having entered into an international tax information exchange agreement **can be found here**.