

# Blacklist of non-cooperative tax havens updated 2/32/23



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We have written before that on 14 February 2023 the EU Council decided to add another four to the EU list of non-cooperative jurisdictions for tax purposes: British Virgin Islands, Costa Rica, Marshall Islands, and Russia. This article explores relevant changes made to Latvian legislation this summer.

## The current blacklist

On 1 July 2023, the Cabinet of Ministers' Rule No. 819 of 17 December 2020, *Tax Havens*, ceased to apply and Rule No. 333, *List of Tax Havens*, came into force. The new rules have been drawn up to avoid regularly making technical amendments to Rule No. 819 and to ensure an efficient and timely response to changes being made to the EU list. Rule No. 333 no longer contains a list of jurisdictions but makes a direct reference to the EU list and its regular updates. In future, every time the EU list is updated, the changes will apply to Latvia's national law automatically.

There are currently 16 blacklisted jurisdictions:

- 1) American Samoa
- 2) Anguilla
- 3) Bahamas
- 4) British Virgin Islands (from 1 July 2023)
- 5) Costa Rica (from 1 July 2023)
- 6) Fiji
- 7) Guam
- 8) Marshall Islands (from 1 July 2023)
- 9) Palau
- 10) Panama
- 11) Russia (from 1 July 2023)
- 12) Samoa
- 13) Trinidad and Tobago
- 14) Turks and Caicos Islands
- 15) US Virgin Islands
- 16) Vanuatu

## Where can I see the current blacklist?

Rule No. 333 lays down procedures for publishing the updated EU list. Once it has been published in the EU Official Journal, the information will be sent for publication in Latvia's official journal *Latvijas Vēstnesis*, and the updated list will be posted on the Finance Ministry's website. Current details of the EU list can also be found on the EU Council's website.

The EU list is coming up for review in October 2023.

## Impact on tax treatment

Blacklisting a country affects the tax treatment of companies. Those that continue doing business with Russian companies should bear in mind that Russia is on the list. Next, we'll be writing about the tax treatment of transactions made with a company from a blacklisted tax haven.

The list is also available on MindLink.lv in the Useful section - Tax havens.