

Can we still connect to Electronic Declaration System with username and password assigned by State Revenue Service? 3/7/24



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It was announced in November 2023 that the Electronic Declaration System (EDS) is switching to electronic identification tools and only a limited number of persons will be able to connect to EDS with the username and password assigned by the State Revenue Service (SRS). In response to taxpayers' questions about the proposed changes, the SRS has issued a letter of explanation. Read on to find out more.

The Cabinet of Ministers' rules and public announcements

Effective from 11 January 2024 the Cabinet of Ministers' Rule No. 7, 'The Electronic Declaration System of the State Revenue Service', permits a person to authenticate to EDS using one of the tools below:

1. The username and password assigned by the SRS
2. The technical solution offered by the Latvija.lv portal
3. The eID card issued by the Citizenship and Migration Office
4. The e-signature smart card issued by the Latvian National Radio and Television Centre or the *eParaksts mobile* app

However, before Rule No. 7 was passed, it was announced that EDS will have two-factor authentication that requires transition to the electronic identification tools *eParaksts*, *eParaksts mobile*, the eID card and Latvija.lv authentication services. It was also announced that after 1 February 2024 only persons unable to use these authentication tools can connect to EDS with the username and password assigned by the SRS:

- Foreign nationals that have registered a business in another member state and need to go through customs formalities in Latvia or file tax returns
- Persons temporarily performing their job duties in Latvia – diplomatic and consular representatives and their family members, refugees and similar persons

Given the discrepancies between Rule No. 7 and the information in the public domain, the SRS was asked to confirm that all persons including ones that have access to the electronic identification tools (*eParaksts*, eID card etc) would be able to connect to EDS with the username and password assigned by the SRS after 1 February.

The SRS's reply

The SRS explains that the proposed changes regarding the introduction of two-factor authentication for EDS have been postponed to 1 July 2024. This means all EDS users can connect to EDS with the username and password assigned by the SRS.

However, the SRS says that after two-factor authentication is introduced, only persons unable to use the authentication tools will be able to connect to EDS with the username and password assigned by the SRS –

foreign nationals and persons temporarily performing their job duties in Latvia (diplomatic and consular representatives and their family members, refugees and similar persons).

The SRS intends to develop a special connection procedure for other individuals to ease the administrative burden and cut additional expenses associated with the need to draw up notarial powers of attorney for assigning the filing rights to third parties. The procedure will enable an EDS user (individual) to authorise another user to file EDS documents and other necessary information. Amendments to Rule No. 7 are being drafted for this purpose, so the introduction of a two-factor authentication solution has been postponed to 1 July.

So, connecting to EDS with the username and password assigned by the SRS will be possible for six months. The SRS urges EDS users to monitor the SRS website www.vid.gov.lv for relevant information on solutions found by the SRS and the latest developments.

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