

Structuring share deals: debt pushdown 2/37/24

Much of the acquisition cost in a share deal tends to be financed externally, i.e. by borrowing. Repayment of a shareholder's loan is typically exempt from corporate income tax (CIT) under Latvian law (more details in our article CIT reform: lending to related parties). Also, if interest paid on the shareholder's loan complies with Latvian thin capitalisation rules and transfer pricing rules and is used for business purposes, i.e. it qualifies as a business expense, the interest charges are exempt from Latvian CIT.

Izlasiet visu īsziņu ne tikai virsrakstu, kļūstot par abonētāju

Kā abonētājs Jūs varat piekļūt ne tikai pilnām īsziņām, bet arī uzdot jautājumus PwC ekspertiem.

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