

# REGISTERING A COMPANY IN LATVIA

It is possible to register a company remotely if the applicant has a secure electronic signature approved in Latvia. The list of qualified trust service providers operating in the Member States of the European Union and European Economic Area in accordance with the eIDAS Regulation is available [here](#): Starting from 2020, the Register of electronically or via post services.

For smooth business operations, we recommend applying for eID with eSignature in Latvia that will provide full access to all e-government services through the portal [www.latvija.lv](http://www.latvija.lv)

If the secure electronic signature is not available, then signatures on certain documents specified by law must be certified by notary. The official website of sworn notaries in Latvia — <https://www.latvijasnotars.lv/>

## Three main steps for setting up a company



1. Choose the most appropriate legal entity form. The most common one is the limited liability company or LLC (sabiedrība ar ierobežotu atbildību or SIA) with minimum equity of EUR 2800.

*Tip: Legal advisory fees for company registration may vary, starting from a couple of hundreds to thousands of euros, depending on the planned entity structure, legal services, and client needs. Basic legal assistance with registration of a standard LLC should cost ~ EUR 100-250.*

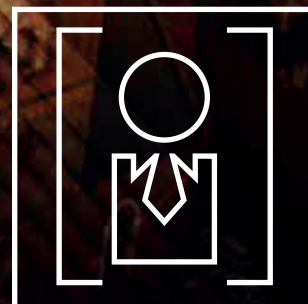
2. Prepare all the required documents for opening a temporary bank account and filing the forms to the Register of Enterprises.

*Tip: Contact us to submit a short application form to start a matchmaking procedure with the banks. For non-residents, the KYC procedure at the bank may vary from two to six weeks. It is possible to start this procedure and receive consultations remotely.*

3. Pay stamp duties, submit all the signed documents, register a company and agree on transforming the temporary bank account into a permanent one.

*Tip: Consult with advisors on whether there is a need to register as a VAT payer or submit any additional application to the State Revenue Service.*

# Common types of business in Latvia



	Limited liability company (SIA)	Limited liability company (SIA) with reduced equity	Joint-stock company (AS)	Individual merchant (IK)
<b>Legal person</b>	Yes	Yes	Yes	No
<b>Number of owners</b>	1+	1-5	1+	1 natural person
<b>A legal person may be the owner</b>	Yes	No	Yes	No
<b>Non-residents may be the owners</b>	Yes	Yes	Yes	Yes
<b>Equity</b>	≥2800 EUR	0,01-2799.99 EUR	≥ 35 000 EUR	–
<b>Annual turnover restrictions</b>	–	–	–	Obligatory if ≥284 600 EUR, or ≥28 500 EUR and ≥5 employees
<b>The owner is liable with own property</b>	No	No	No	Yes
<b>VAT payer</b>	Yes	Yes	Yes	Yes
<b>Subject to Corporate Income Tax</b>	Yes	Yes	Yes	No
<b>Subject to Personal Income Tax and MSSIC</b>	No	No	No	Yes
<b>May pay the micro-enterprise tax</b>	No	No	No	Yes
<b>Profit distribution</b>	A part is paid as dividends	A part is paid as dividends	A part is paid as dividends	The owner retains the entire profit
<b>Management</b>	Shareholders' meeting, board and the council (optional)	Shareholders' meeting, board and the council (optional)	Shareholders' meeting, the council and the board	The owner takes decisions unilaterally
<b>State fee for registration</b>	75.00 EUR	20.00 EUR	85.00 EUR	30.00 EUR
<b>Registration term</b>	1-3 business days			

Other types of entities: Branch of a Foreign Company, Foreign Company Representation, European Company (SE), Limited Partnership, Association and others.

Source: The Register of Enterprises – <https://www.ur.gov.lv/en/register/compare-business-types/>