

SOFIA INITIATIVE ON ECONOMIC INSTRUMENTS

DATABASE OF ENVIRONMENTAL TAXES AND CHARGES

LATVIA 1999

Instrument	Objective of tax / charge	Tax base	Tax Rate	Total Revenue	Revenue collection authority	Use of Revenue	Comments
Energy taxes/charges							
Motor fuel taxes/charges							
Excise tax	revenue raising taxes	leaded petrol unleaded petrol diesel kerosene (prop)	140 LVL/kl; 224 EUR/kl 118 LVL/kl; 190 EUR/kl 111 LVL/kl; 178 EUR/kl 104 LVL/kl; 167 EUR/kl		state revenue service	50% state budget 50% state road foundation	
VAT	revenue raising taxes	Leaded petrol Unleaded petrol Kerosene	18% 18% 18%		state revenue service	state budget	
Other Energy Products							
Excise tax	revenue raising taxes	oil gases heavy fuel oil coal natural gas electricity district heating	30 LVL/t; 48 EUR/t 2 LVL/t; 3.21 EUR/t		state revenue service		Tax revenues from mineral oils such as heating fuel will be transferred to the special state budget (National Environment Fund) from 01/01/1999.
VAT	revenue raising taxes	Gas oil Heavy fuel oil Coal Natural gas Electricity	18% 18% 18% 18% 18%		state revenue service	state budget	

		District heating	18%				
Air Emission Charges							
Emission charges	incentive/ earmarked environmental charge	SO ₂ NO _x Dust CO ammonia, C _n H _m , other inorganic compounds Lead, mercury, heavy metals	10 LVL/t; 16.05 EUR/t 10 LVL/t; 16.05 EUR/t 3 LVL/t; 4.82 EUR/t 4.5 LVL/t; 7.22 EUR/t 10 LVL/t; 16.05 EUR/t 800 LVL/t; 1284 EUR/t		state revenue service	40% environmental fund 60% municipal environment fund	4 classes of pollutants exists with over 160 chargeable pollutants
Emission non-compliance fee	compliance/ earmarked environmental charge	4 classes with more than 160 air pollutants	3 × EC for emissions above the limit; 12 × EC for illegal or no reporting.		state revenue service	environment fund	
Transport Related Taxation							
Excise tax	revenue raising taxes	Tax for automobiles			state revenue service	state budget	
Annual vehicle tax							
Registration charge							
Air Transport							
Flight transportation tax/ noise charges/ etc.							
Agricultural Inputs							
Pesticides tax / charge							

Fertilisers tax / charge							
Waste Related Product Charges							
Batteries/ accumulators	incentive/ earmarked environmental charge	Accumulators of electric power and chemical power supplies: - lead with capacity up to 50 Ah; - lead with capacity from 51-100 Ah; - lead with capacity from 101-150 Ah; - lead with capacity from 151 Ah + - other	1.5 LVL; 2.41 EUR 3.0 LVL 4.82 EUR 4.5 LVL; 7.22 EUR 6.0 LVL; 9.63 EUR 15% of value	468,435 LVL; 751,902 EUR	state revenue service	environmental fund	Payments for consumption of goods and products harmful for the environment are partly refundable to the persons handling these goods for recycling or reuse and the enterprises disposing or recycling these goods in compliance with the technological and environmental protection standards established by the Ministry of Environment and Protection and Regional Development.
Disposable containers/ packaging	incentive/ earmarked environmental charge	Packaging: Method 1 - LVL/kg of packaging material: Glass Plastic Metal Paper/ cardboard with metal/plastic	0.025 LVL/kg; 0.04 EUR/kg 0.075 LVL/kg; 0.12 EUR/kg 0.05 LVL/kg; 0.08 EUR/kg 0.06LVL/kg; 0.096 EUR/kg		state revenue service	environmental fund	

		components Wood or natural material Method 2 - LVL/kg or liter of packed goods: Glass Plastic	0.01LVL/kg; 0.016 EUR/kg 0.01LVL/kg; 0.016 EUR/kg 0.0075 LVL/kg; 0.012 EUR/kg				
Tyres	incentive/ earmarked environmental charge	All types of tyres	0.05 LVL/kg; 0.08 EUR/kg	303,044 LVL; 486,427 EUR	state revenue service	environment fund	
CFCs and/or halons	incentive/ earmarked environmental charge	Ozone depleting substances (freon, halon, etc.)	1.0 LVL/kg × Ozone depletion potential; 1.61 EUR/kg × Ozone depletion potential		state revenue service	environment fund	
Light Bulbs	incentive/ earmarked environmental charge	Mercury luminescent bulbs	0.1 LVL/item; 0.161 EUR/item	2,005 LVL; 3,218.3 EUR	state revenue service	environmental fund	
Lubricants	incentive/ earmarked environmental charge	Lubricant oils	0.02 LVL/kg; 0.032 EUR.kg		state revenue service	environmental fund	
Waste							
Waste disposal charge/tax	incentive/ earmarked environmental charge	For solid waste disposal: non-toxic waste; toxic waste; highly toxic	0.25 LVL/m ³ ; 0.40 EUR/m ³ LVL/m ³ ; 2.41 EUR/m ³ 50.0 LVL/m ³ ; 80.26 EUR/m ³		state revenue service	40% environmental fund 60% municipal environmental fund	

		waste;					
Waste non-compliance fees	compliance/earmarked environmental charge	For solid waste disposal	3 × EC for emissions above the limit; 12 × EC for illegal or no reporting		state revenue service	environmental fund	
Levies related to nuclear waste management	cost recovery	Radioactive waste	Differentiated by toxicity		state revenue service	radiation waste management company, local municipality	
Water							
Instruments for Managing Water Quality							
Water effluent charge	earmarked environmental charge	Non-toxic substances; Suspended substances; Medium dangerous substances; Dangerous substances; Highly dangerous substances	3.0 LVL/t; 4.82 EUR/t 10.0 LVL/t; 16.05 EUR/t 30.0 LVL/t; 48.15 EUR/t 8,000 LVL/t; 12,841 EUR/t 50,000 LVL/t; 80,257 EUR/t		state revenue service	40% environment fund 60% municipal environment fund	charge rates linked to water pollution hazard categories, ambient standards and effluent standards of 36 pollutants
Water pollution non-compliance fee	compliance/earmarked environmental charge	Water pollution hazard categories, ambient standards and effluent standards of 36 pollutants	3 × EC for emissions above the limit; 12 × EC for illegal or no reporting		state revenue service	environment fund	
Water	earmarked	ground water	0.01 LVL/m ³ ; 0.016		state	40%	

extraction charge	environmental charge	Surface water Medical mineral water Table mineral water Thermal water	EUR/m ³ 0.002LVL/m ³ ; 0.003 EUR/m ³ 0.1 LVL/m ³ ; 0.161 EUR/m ³ LVL/m ³ ; 0.24 EUR/m ³ 0.05 LVL/m ³ ; 0.08 EUR/m ³		revenue service	environment fund 60% municipal environment fund	
Natural Resource and Mining							
Mining/natural resource extraction charge	earmarked environmental charge	Soil Construction sand Glass and molding sand Sand gravel, gravel Clay for cement and brick Clay for ceramic and ceramsite dolomite Decorative dolomite	0.2 LVL/m ³ ; 0.32 EUR/m ³ 0.05LVL/m ³ ; 0.08 EUR/m ³ 0.2 LVL/m ³ ; 0.32 EUR/m ³ 0.1LVL/m ³ ; 0.161 EUR/m ³ 0.1LVL/m ³ ; 0.161 EUR/m ³ 0.13LVL/m ³ ; 0.21 EUR/m ³ 0.06 LVL/m ³ ; 0.096 EUR/m ³ 0.25 LVL/m ³ ; 0.40 EUR/m ³		state revenue service	40% environment fund 60% municipal environment fund	
Instruments for Biodiversity and Nature Protection							
Hunting charges							
Fishing charges		Charges based on permit				fish Foundation	
Natural park entrance							

charges							
Nature protection non-compliance charges							
Tree cutting charges	resource management/ revenue raising	Selling and growing trees	The prices are differentiated according to the tree species, quality category, average level tree diameter, tree height, and kind of cutting		state forestry service	30% local budget 70% forestry development fund	