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19 December 1996,  
6 April 2000.

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section.

The *Saeima*<sup>1</sup> has adopted and the President has proclaimed the following Law:

## On Natural Resources Tax

### Chapter I General Provisions

#### Section 1. Terms Used in this Law

The following terms are used in this Law:

1) **use of natural resources** is:

- a) direct extraction (involvement in economic activity) of natural resources,
- b) release or discharge of polluting substances into the environment,
- c) consumption of goods and products harmful to the environment, and
- d) any act or failure to act which degrades the environment or natural resources;

2) a **permit to use natural resources** is a special document which determines the quantitative and qualitative limits for the extraction of natural resources, environmental pollution, or sale or importation (import) of goods and products harmful to the environment, as well as imposes additional obligations upon its receiver. Permits to use natural resources shall be issued in accordance with procedures provided for by regulatory enactments by institutions authorised by the Ministry of Environmental Protection and Regional Development and institutions specified in other regulatory enactments;

3) **limits for the use of natural resources** are quantitative restrictions on the extraction of natural resources, release of polluting substances, or other quantitative restrictions for these activities, which have been determined for a specified period of time by institutions authorised by the Ministry of Environmental Protection and Regional Development;

4) **goods or products harmful to the environment** are such raw materials, products, articles of consumption, or their packaging that cause environmental pollution or degradation during their life cycle. The life cycle of goods or products includes the

<sup>1</sup> The Parliament of the Republic of Latvia

extraction and processing of raw materials, the manufacturing, storage, sale, consumption and recycling of goods or products;

5) a **licence for use of natural resources** is a special type of licence which is issued by the Ministry of Environmental Protection and Regional Development (or its authorised institution) and which is, in the amount of its paid-up (amortised) part, equivalent to the payment of natural resource tax;

6) **economic activity** is the manufacturing of goods, performance of work, trade, provision of services and other activities carried out for remuneration;

7) **packaging** is the whole amount of materials attached to goods or products which ensures the safe and convenient transportation, storage or sale of a particular quantity of goods or products, but is not directly connected with the use of the goods or products;

8) a **container** is a type of packaging which retains the value of repeat utilisation also after separation from the packaged goods or products contained, regardless of whether or not it is utilised repeatedly; and

9) **wrapping** is a type of packaging which is attached to a set (purchase) of packaged goods or products by the trader for the purpose of preserving the quality of the goods or products, for the purpose of purchaser comfort or of aesthetic or advertising presentation.

[19 December 1996; 6 April 2000]

## **Section 2. Purpose of the Natural Resources Tax**

The purpose of the Natural Resources Tax (hereinafter – tax) is to restrict ineffective use of natural resources and pollution of the environment, reduce manufacturing and sale of environment polluting substances, promote implementation of new and improved technology which reduces environmental pollution, support the strategy of sustainable development in the economy, as well as to ensure a financial basis for environmental protection measures.

## **Section 3. Utilisation of Tax Revenues**

(1) All moneys obtained from payments of the tax (tax revenues) shall be utilised only for the financing of such measures and projects which are directly related to the protection, restoration, re-cultivation of the environment, recycling or processing of environmentally harmful waste, research or renewal of natural resources.

(2) Tax revenues shall be paid into a State environmental protection special budget and the environmental protection special budgets of local governments in accordance with the distribution specified in Section 11 of this Law.

#### **Section 4. Taxpayers**

(1) Taxpayers shall be all legal persons and natural persons or their associations which, in compliance with a relevant permit (if the existing regulatory enactments provide for the necessity to receive such permit), perform any of the following activities:

1) the obtaining of taxable natural resources in the territory of the Republic of Latvia (or its continental shelf);

2) the release of taxable pollutants into the environment in the territory of the Republic of Latvia (or the continental shelf);

3) the bringing in (import) of goods or products harmful to the environment, goods or products in packaging, for free circulation in the customs territory of the Republic of Latvia; or

4) in the Republic of Latvia, the selling of goods or products manufactured domestically, harmful to the environment, or goods or products in packaging.

(2) The activities referred to in Paragraph one of this Section, if the relevant persons perform such without the necessary permit, shall be considered to be unlawful, and in such cases the provisions of Section 19 of this Law shall be applied in regard to taxpayers.

[19 December 1996; 6 April 2000]

#### **Section 5. Taxable Objects**

The following shall be taxable:

1) any natural resources acquired as a result of economic activities which are referred to in Annexes 1 and 2 of this Law;

2) pollutants of the environment – waste, discharged matter and polluting substances which are referred to in Annexes 3-6 of this Law;

3) goods and products harmful to the environment which are referred to in Annex 7 of this Law; and

4) packaging of the goods or products imported and manufactured domestically, in accordance with Annex 8 of this Law.

[19 December 1996; 6 April 2000]

#### **Section 6. Tax Rates**

The tax shall be calculated according to basic rates and additional rates. The basic rates for the types of use of natural resources for which the tax must be paid are specified in the Annexes of this Law. For the use of natural resources over the amounts specified by the limits, the basic rates as well as additional rates shall be applied concurrently for tax calculations which shall be three times higher than the respective basic rates.

## **Section 7. Limiting the Use of Natural Resources**

(1) Limits for the use of natural resources shall be determined by issuing a permit provided for each relevant type of activity.

(2) Every taxpayer shall be required to obtain a permit for the extraction of all types of natural resources, and for the release of polluting substances into the environment. The permit shall be issued, upon assessment of the reserves of natural resources, the state of the environment and the specific production (extraction) technology, by institutions authorised by the Ministry of Environmental Protection and Regional Development and institutions specified in other regulatory enactments.

(3) Permits for the extraction of natural resources (also for the use of waters), for the release of polluting substances into the atmosphere or bodies of water, for the sale or importation (import) of goods and products harmful to the environment shall be issued to undertakings (companies) whose entrepreneurial activity is connected with these types of uses of natural resources. Permits for the storage of waste in waste disposal sites shall be issued to such undertakings which have been designated, by a decision of the Cabinet or the relevant local government city council (district or parish council), as supervisors of the waste disposal sites.

(4) A permit shall be issued on the basis of an application by the applicant for a limited period of time. The application shall be submitted not later than four weeks before the expiration of the validity term of the regular permit. The institution responsible shall issue a new permit within four weeks or notify the applicant regarding a substantiated refusal to grant a permit within two weeks. Users of natural resources who are commencing new activities shall be notified of the granting or the refusal of a permit within six weeks from the time of receiving the application.

(5) A permit is not necessary for users of natural resources who use the natural resources within the boundaries of their immovable property, if the use is not connected with the sale of such resources in processed or unprocessed form (involvement of the resources in economic activity), and if such use does not create unfavourable environmental changes beyond the boundaries of the immovable property. Restrictions to this provision shall be determined by the Law On Environmental Protection and the Law On Subterranean Depths.

(6) If a user of natural resources has not received, due to technical (procedural) reasons, the necessary permit in accordance with the procedures and time periods set out by law, the institution responsible shall have the right to extend the period of validity of the previous permit, for a period of time not longer than two months.

(7) Disputes related to the issue of permits shall be examined by the Ministry of Environmental Protection and Regional Development or also the relevant local government – in cases when the granting of permits falls within the competence of local governments. The concerned person is entitled to appeal in court against a decision taken during the examination of the dispute.

[19 December 1996; 6 April 2000]

## **Chapter II**

### **Procedures for Calculation and Payment of the Tax**

#### **Section 8. Calculation of the Tax for the Extraction of Natural Resources and Environmental Pollution**

(1) The tax shall be calculated according to tax rates for a unit of natural resources or pollution. The tax shall be paid for the actual amount of the extraction of natural resources and environmental pollution on the basis of the account data of the payer regarding the extraction of natural resources and environmental pollution and on the limits specified in the permit.

(2) For the use of natural resources in the amounts set out by the limits, the tax shall be calculated according to basic rates.

(3) For the extraction of natural resources above the amounts set out by the limits and for pollution over the limit, if such have been indicated in the reporting documents, the tax shall be calculated by summing the basic rate and the additional rate.

[19 December 1996]

#### **Section 9. Calculation of the Tax for the Sale or Importation (Import) of Goods and Products Harmful to the Environment**

(1) The tax shall be calculated according to tax rates for the type of goods and products in accordance with the classification referred to in Annex 7 of this Law.

(2) The tax for the sale of self-manufactured goods and products harmful to the environment shall be calculated in lati for each unit of the goods or products, or as a percentage of their sales price which shall not include excise duty and value added tax.

(3) The tax for the bringing in (import) of goods and products harmful to the environment shall be calculated in lati for each unit of the goods or products, or as a percentage of their customs value.

(4) The tax for the packaging of goods and products shall be calculated according to the rates referred to in Annex 8 of this Law for each physical unit (weight) of the packaging material. The amount of packaging material shall be substantiated: for imported goods – with a freight certificate or documents certified by the supplier confirming the packaging, but for goods manufactured domestically – with accounting documents. The Cabinet shall issue regulations for the procedures for the application of this Paragraph.

[19 December 1996; 6 April 2000]

#### **Section 10. Procedures for Calculation and Payment of the Tax**

(1) The procedures for the use of natural resources, the setting of limits, the accounting of environmental pollution and goods and products harmful to the environment, and the calculation and payment of the tax shall be determined by the Cabinet.

(2) The payer shall co-ordinate the report on the extraction of natural resources and environmental pollution, and the tax calculation, before submitting them to State Revenue Service offices, with an institution authorised by the Ministry of Environmental

Protection and Regional Development. Only such data on the extraction of natural resources or pollution shall be used for tax calculations, as are based on the results of analyses from laboratories accredited (attested) in accordance with specified procedures or evaluated and recognised by the Ministry of Environmental Protection and Regional Development, or based on standardised methods of calculation.

(3) A payer shall calculate the tax and pay it into a budget account specified by the State Revenue Service for the preceding quarter by the 20<sup>th</sup> of the following month. The tax for the importation (import) of goods or packaging harmful to the environment shall be calculated and paid at such time when the goods are imported for free circulation in the customs territory of the Republic of Latvia. Distribution of payments into budgets shall be performed by State Revenue Service offices according to the place of registration of the taxpayer.

[19 December 1996]

### **Section 11. Inclusion of Tax Payments in the Budget**

(1) Tax payments for the extraction of natural resources or environmental pollution within the amounts specified by the limits shall be paid as follows:

1) 40 per cent – into the State special budget for environmental protection; and

2) 60 per cent – into the special budgets of such parishes or local governments of such towns in the territory of which the relevant activity is performed.

3) [19 December 1996]

(2) [19 December 1996]

(3) The tax payments for the sale or importation (import) of goods and products harmful to the environment, as well as for the extraction of natural resources over the amount specified by the limits, and for pollution over the limit, shall be included in the State special budget for environmental protection.

(4) Fines collected for violations of this Law and fines for late payment shall be included in the special State budget of environmental protection.

[19 December 1996]

## **Chapter III**

### **Utilisation of the Licence Market in the Administration of the Tax**

#### **Section 12. Implementation of Licensing in the Administration of the Tax**

(1) In regions of Latvia with unfavourable trends of changes in the environmental situation, in regions with an unbalanced relationship between the economic activities and the self-regeneration potential of the environment, as well as for certain types of entrepreneurial activity which are harmful or potentially dangerous to the environment, a licence market mechanism may be implemented for administration of the tax. The procedures for issuance of and payment (amortisation) for licences, and the activities with licences shall be regulated by the Cabinet.

(2) If a licence market mechanism has been implemented in the tax administration, it shall exclude the application of other tax administration methods to the relevant taxable

object (except in cases specified in Section 13, Paragraph two of this Law). Payments for licences shall be included in budgets in accordance with the general procedures for tax payments pursuant to the provisions of this Law.

(3) Licences shall be issued in regular and limited quantities. Licensing may be specified for certain types of natural resources or pollution, or for groups of such within the boundaries of a particular region, or for particular types of entrepreneurial activity. Licensing may also be specified for the regulation of sale and importation (import) of certain goods or products harmful to the environment. Different types of licences shall not be mutually interchangeable.

### **Section 13. Functions of a Licence**

(1) An acquired licence shall be equal to the payment of the tax for such objects of the natural resource tax as the licence is provided for, and in such amount as the licence has been paid for (amortised). The total amount of licences at the disposal of a licence holder shall be considered as the limit of the extraction of natural resources or environmental pollution.

(2) If the actual amounts of the extraction of natural resources or environmental pollution exceed the amount covered by the paid-up (amortised) licences, then the user of the natural resources shall pay the tax for the excess amount according to basic rates and additional rates, in accordance with the procedures of general tax administration, as for the extraction of natural resources over the amount set by the limits or for pollution over the limit.

(3) The system of licensing shall not revoke or alter the existing procedures for the regulation of environmental pollution, project harmonisation and procedures for issuance of permits.

### **Section 14. Issuance, Sale and Amortisation of Licences**

(1) Licences shall be issued by the Ministry of Environmental Protection and Regional Development (or its authorised institution). A licence shall be valid only in the region and/or for the type of entrepreneurial activity for which it has been issued. Types of licences and their conformity with specific types of natural resources and pollution shall be determined by the Ministry of Environmental Protection and Regional Development.

(2) The sale of licences shall be performed by their issuers through the local governments of the relevant region.

(3) Extractors of natural resources and polluters of the environment shall pay for (amortise) the licences in stages in accordance with a schedule, which shall be determined by their issuer for each release of licences.

(4) A holder of licences shall register the licences, within ten days after acquiring them, at an institution authorised by the Ministry of Environmental Protection and Regional Development.

### **Section 15. Free Trading of Licences**

(1) A holder of licences has the right to sell unpaid (unamortised) or partially paid (partially amortised) licences which have become unnecessary for them as a result of changes in the direction of the entrepreneurial activity, technological or other changes. Licences shall be sold for a price which is set by mutual agreement of the parties. Free trading of licences shall be arranged by local governments of the relevant region.

(2) The fact of purchasing and selling licences shall be registered within ten days at the institution authorised by the Ministry of Environmental Protection and Regional Development.

(3) Licences (permits) for using subterranean depths which have been issued in accordance with the procedures set out in the Law On Subterranean Depths shall not be sold.

[19 December 1996]

## **Chapter IV** **Tax Relief, Rebates and Repayments**

[6 April 2000]

### **Section 16. Tax Allowances**

(1) A taxpayer who finances projects, the purpose of which is to decrease environmental pollution or consumption of natural resources by carrying out technological improvements or measures of environmental protection, may receive a tax allowance equal to the amount which is necessary for the implementation of such a project.

(2) A taxpayer who does not have tax debts may receive a tax allowance in accordance with procedures prescribed by the Cabinet. A decision on granting an allowance from the State environmental protection special budget shall be taken by the Ministry of Finance, but from the environmental protection special budget of a local government - by the relevant local government on the basis of an opinion of the Ministry of Environmental Protection and Regional Development.

(3) A tax allowance may be granted for the whole period of implementation of a project, but an annual allowance may be granted for the maximum amount as constituted by the tax payments in the current year according to the basic rates for the decrease of the pollution level as provided for by the project.

(4) Receiving a tax allowance shall not cancel the limits for the extraction of natural resources and environmental pollution. Tax payments for the extraction of natural resources over the amount specified by the limits and for pollution over the limit shall be paid in accordance with the procedures provided for in this Law.

(5) After the expiration of the annual tax allowance period, the Ministry of Environmental Protection and Regional Development shall evaluate the quality of the project implementation and prepare an opinion for the Ministry of Finance and the relevant local government. If a project has not been implemented in good time and quality, the allowance shall be repaid in full in accordance with a refinancing rate set by the Bank of Latvia.



### **Section 16.1. Tax Relief and Rebates for Undertakings, which Voluntarily Implement Packaging Management Programmes**

On the basis of a recommendation from the Packaging Management Council, the Ministry of Environmental Protection and Regional Development is entitled to determine tax relief and rebates for undertakings which voluntarily implement used packaging management programmes in accordance with the Latvian Green Point (a voluntary association of undertakings in co-operation with State and other organisations for the management of used packaging) operational principles. The Cabinet shall determine the procedures for the application of the tax relief and rebates, and the institutions to be represented in the Packaging Management Council, as well as approve the by-laws of the council. The Packaging Management Council shall be established by the Minister for Environmental Protection and Regional Development, including in it representatives of interested ministries and other authorities.

[6 April 2000]

### **Section 17. Procedures for Refund of the Tax**

(1) Payments for the consumption of goods and products harmful to the environment shall be partly refunded in accordance with the procedures specified by the Cabinet, to undertakings which, in accordance with the technological and environmental protection requirements set by the Ministry of Environmental Protection and Regional Development, perform the recycling or processing of such goods.

(2) Refunding rules are set out in Annex 7 of this Law.

[6 April 2000]

## **Chapter V Final Provisions**

### **Section 18. Responsibilities of Tax Administration**

(1) The use of natural resources and the tax calculation shall be controlled by the Ministry of Environmental Protection and Regional Development and its authorised institutions. The control, accounting, levy and distribution of the tax payments shall be performed by institutions of the State Revenue Service.

(2) The Cabinet shall approve, in accordance with the classification set in the Annexes of this Law the procedures for determining:

1) the classification of particular natural resources and polluting substances and their conformity to the groups of tax rates;

2) the annual amounts of the extraction of natural resources and the technical conditions for separate types of resources;

3) the regulations for environmental pollution and the annual amounts of separate types of pollution; and

4) the classification and technical descriptions of such goods and products harmful to the environment which are subject to the tax.

## **Section 19. Liability for Concealment or Distortion of Data**

A fine shall be collected from the payer for the amounts of extraction of natural resources, of pollution released into the environment, amounts of goods sold or imported, which are unlawful and not mentioned (concealed) in the reports, which equals twice the sum of the unpaid tax, in addition to the concealed sum of the tax amount.

## **Section 20. Fines for Late Payments**

Fines for late payments shall be calculated and collected in accordance with the procedures prescribed in the Law On Taxes and Fees.

### **Transitional Provisions**

With the coming into force of this Law, the Law On Natural Resources Tax (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1991, No. 3 and 23; 1992, No.1) is repealed.

2. Amendments to Annex 4 shall come into force on 1 January 2002.

3. Amendments to Section 9, Paragraph four and consequent amendments to Annex 7, Paragraph 1, as well as amendments to Annex 8 shall come into force on 1 October 2000.

4. Up to the adoption of the relevant Cabinet regulations, but not later than 1 October 2000, the 25 May 1999 Cabinet Regulation No. 188 – Procedures for Determining Natural Resources Tax Relief for Undertakings (Companies), which Voluntarily Implement Used Packaging Management Programmes, insofar as it is not in contradiction to this Law, shall be in force.

[6 April 2000]

This Law has been adopted by the *Saeima* on 14 September 1995.

This Law shall come into force on 1 January 1996.

President

G. Ulmanis

Riga, 4 October 1995

**Annex 1**  
**to the Law On Natural Resources Tax**

**Tax Rates for the Extraction of Natural Resources**

1. In conducting the extraction of sand-gravel and gravel for construction work below the groundwater level determined in the course of geological investigations, a tax rate relief coefficient of 0.6 shall be applied.

[6 April 2000]

2. For non-useful losses which have occurred in the course of the extraction, for losses related to damages of the condition of the mineral, and for the amounts of extracted minerals as do not conform to the type and condition of the mineral indicated in the report on the exploration, tax shall be paid, in accordance with the procedures prescribed by the Cabinet, according to the basic rate and the additional rate as for extraction over the limit.

3. The tax rate for the extraction of soil shall be applied in cases of sale of such natural resource, or upon determining payments for its damages or non-useful losses in accordance with the provisions set out in the previous clause.

4. If peat from upland swamps, transitional swamps, lowland swamps, or sapropel for agriculture, is used to increase fertility of the soil, the relief coefficient 0.3 of the tax rates shall be applied, in accordance with the procedures prescribed by the Cabinet.

5. Natural resources which are extracted and realised for underground and above-ground construction (deeper than 5 metres below the ground surface), the installation of dams, ponds and other bodies of water, the cleaning or deepening of water courses and bodies of water, and as the result of other such economic activity, which does not relate to the extraction of mineral deposits from the subterranean depths, or extracted mineral deposits for which tax has not been paid and which are involved in economic activities, the referred to natural resources tax rates shall be applied. In these cases the utilisation of natural resources permits shall be issued by institutions authorised by the Ministry of Environmental Protection and Regional Development.

[6 April 2000]

6. For the collection of park edible snails (*Helix pomatica L.*) a tax rate of 0,03 lati per one kilogram shall be applied according to the procedures specified by the Cabinet.

[6 April 2000]

| No. | Type of resource   | Unit of measurement. | Rate (Ls) |
|-----|--|----------------------|-----------|
| 1.  | Soil   | m <sup>3</sup>       | 0.20      |
| 2.  | Sandy loam and clay loam                                       | m <sup>3</sup>       | 0.01      |
| 3.  | Sand for construction work                                     | m <sup>3</sup>       | 0.05      |
| 4.  | Sand for glass and moulds                                      | m <sup>3</sup>       | 0.20      |
| 5.  | Sand-gravel, gravel for construction work                      | m <sup>3</sup>       | 0.10      |
| 6.  | Clay for cement and bricks                                     | m <sup>3</sup>       | 0.10      |
| 7.  | Clay for pottery and lightweight concrete aggregate            | m <sup>3</sup>       | 0.13      |
| 8.  | Dolomite for chips, dolomite powder, building lime and cement. | m <sup>3</sup>       | 0.06      |
| 9.  | Dolomite for decoration, glass and metallurgy                  | m <sup>3</sup>       | 0.25      |
| 10. | Limestone for cement, building lime                            | m <sup>3</sup>       | 0.10      |
| 11. | Limestone, freshwater marl, for liming of soil                 | m <sup>3</sup>       | 0.10      |
| 12. | Limestone for metallurgy, manufacturing of glass and sugar     | m <sup>3</sup>       | 0.18      |
| 13. | Lime, freshwater combined (travertine), for decoration         | m <sup>3</sup>       | 1.00      |
| 14. | Gypsum for cement  | m <sup>3</sup>       | 0.20      |
| 15. | Gypsum for building plaster                                    | m <sup>3</sup>       | 0.25      |
| 16. | Field stones (from deposits) for construction                  | m <sup>3</sup>       | 0.15      |
| 17. | Pigmentary soil for paints and dyes                            | m <sup>3</sup>       | 0.10      |
| 18. | Peat of upland or transitional swamps (moisture – 40 %)        | ton                  | 0.13      |
| 19. | Peat of lowland swamps (moisture – 50 %)                       | ton                  | 0.07      |
| 20. | Sapropel for agriculture (moisture – 60 %)                     | ton                  | 0.10      |
| 21. | Sapropel and mud for medicinal purposes                        | ton                  | 0.50      |

**Annex 2**  
**to the Law On Natural Resources Tax**

**Tax rates for the extraction of water**

| No. | Source or type of water extraction        | Unit of measurement | Rate (Ls) |
|-----|---|---------------------|-----------|
| 1.  | Surface water                             | m3                  | 0.002     |
| 2.  | Underground water, including fresh water: | m3                  | 0.01      |
| 1)  | drinking water                            |                     |           |
| 2)  | technical water                           | m3                  | 0.005     |
| 3)  | mineral waters, including:                |                     |           |
| a)  | table mineral water                       | m3                  | 0.20      |
| b)  | medicinal mineral water                   | m3                  | 0.10      |
| c)  | thermal water                             | m3                  | 0.05      |

[6 April 2000]

**Annex 3**  
**to the Law On Natural Resources Tax**

**Tax rates for regulated environmental pollution with waste storage**

| No | Classification of waste according to the category of hazardousness | Unit of measurement | Rate (Ls) |
|----|--|---------------------|-----------|
| 1. | Non-hazardous waste  | m <sup>3</sup>      | 0.25      |
| 2. | Hazardous waste  | m <sup>3</sup>      | 1.50      |
| 3. | Especially hazardous waste   | m <sup>3</sup>      | 50.00     |

[19 December 1996]

**Annex 4**  
**to the Law On Natural Resources Tax**

**Tax rates for air pollution**

| No. | Classification of discharged matter according to the category of hazardousness | Unit of measurement | Rate (Ls) |
|-----|--|---------------------|-----------|
| 1.  | Non-hazardous discharged matter  | ton                 | 4.00      |
| 2.  | Moderately-hazardous discharged matter   | ton                 | 5.50      |
| 3.  | Hazardous discharged matter  | ton                 | 13.00     |
| 4.  | Especially hazardous discharged matter   | ton                 | 820.00    |

[19 December 1996; 6 April 2000]

**Annex 5**  
**to the Law On Natural Resources Tax**

**Tax rates for water pollution**

| No. | Classification of polluting substances according to the category of hazardousness | Unit of measurement | Rate (Ls) |
|-----|---|---------------------|-----------|
| 1.  | Non-hazardous substances  | ton                 | 3.00      |
| 2.  | Suspended substances (non-hazardous)  | ton                 | 10.00     |
| 3.  | Moderately-hazardous substances   | ton                 | 30.00     |
| 4.  | Hazardous substances  | ton                 | 8 000.00  |
| 5.  | Especially hazardous substances   | ton                 | 50 000.00 |

[19 December 1996]



**Annex 6**  
**to the Law On Natural Resources Tax**

**Tax rates for pollution of soil, ground and beds of bodies of water**

| No. | Classification of polluting substances according to the category of hazardousness | Unit of measurement | Rate (Ls) |
|-----|---|---------------------|-----------|
| 1.  | Moderately-hazardous substances   | ton                 | 100. 00   |
| 2.  | Hazardous substances  | ton                 | 1000.00   |
| 3.  | Especially hazardous substances   | ton                 | 10 000.00 |

**Annex 7**  
**to the Law On Natural Resources Tax**

**Tax rates for the sale or importation (import) of goods and products harmful to the environment**

1. For the goods or products for which the unit of measurement for the calculation of tax has been set as their value in lati, the tax rate shall be calculated as a percentage of their sales price or customs value (table of this Annex, positions 2 and 6).

[6 April 2000]

2. [6 April 2000]

3. The Annex sets out the following refund rules (in per cent) for the use of the tax revenues:

(1) – the refund rule for undertakings, which are engaged in the recycling or repeat utilisation of goods or products; and

(2) – deductions for implementation of target programmes.

[6 April 2000]

4. Tax payments paid into the budget (in accordance with this Annex) shall be determined by Section 3 and Section 11, Paragraph three of this Law. The utilisation of the tax revenues in accordance with the regulations regarding the utilisation of revenues set out in this Annex, as well as the procedures for refunding in accordance with the provisions of Section 3 and Section 17 of this Law shall be regulated by Cabinet regulations.

| No. | Type of goods or products   | Unit of measurement  | Rate (Ls) | Refund rules (in per cent) |     |
|-----|---|----------------------|-----------|----------------------------|-----|
|     |   |                      |           | (1)                        | (2) |
| 1.  | Mineral oils  | kg                   | 0.03      | 80%                        | 20% |
| 2.  | Electric batteries and chemical sources of electricity, lead, with capacity up to 50 Ah | piece                | 1.50      | 90%                        | 10% |
|     | from 51 to 100 Ah   | piece                | 3.00      | 80%                        | 20% |
|     | from 101 to 150 Ah  | piece                | 4.50      | 70%                        | 30% |
|     | from 151 and more Ah  | piece                | 6.00      | 60%                        | 40% |
|     | other   | of the value in lati | 15 %      | 80%                        | 20% |

|    |  |   |      |     |     |
|----|--|---|------|-----|-----|
| 3. | Substances depleting the ozone layer (freons, halons and others) (ODP – ozone depletion potential) | Kg ODP  | 1.00 | 90% | 10% |
| 4. | Mercury luminescent lamps  | piece   | 0.10 | 90% | 10% |
| 5. | All types of tyres   | kg  | 0.06 | 80% | 20% |
| 6. | Non-reusable plastic plates and tableware  | of the value in lati                                  | 25%  | 50% | 50% |
| 7. | Oil filters  | piece   | 0.10 | 80% | 20% |
| 6. | Packaging of goods or products   | In accordance with Annex 8, positions 1-6 of this Law |      | 50% | 50% |

[19 December 1996; 6 April 2000]

**Annex 8**  
**to the Law On Natural Resource Tax**

**Tax rates for the packaging of goods or products**

| No. | Type of goods or products packaging   | Rate (Ls) per 1 kg. of packaging material |
|-----|---|---|
| 1.  | Of glass source materials   | 0.040                                     |
| 2.  | Of plastic (polymer) source materials, except PET (polyethyleneterephthalate)     | 0.090                                     |
| 3.  | Of PET source materials   | 0.105                                     |
| 4.  | Of metal source materials   | 0.06                                      |
| 5.  | Of paper, cardboard and other materials laminate with polymer or metal components | 0.06                                      |
| 6.  | Of timber, paper and cardboard or other natural fibre source materials            | 0.012                                     |

[19 December 1996; 6 April 2000]

**Transitional Provisions Regarding Amendments  
to the Law On Natural Resources Tax**

**Transitional Provisions**  
(regarding amending Law of 19 December 1996)

1. Amendments to Sections 4, 5 and 9, and Section 10, Paragraph three of the Law On Natural Resources Tax shall be applied for the calculation of the tax from 1 October 1996.
2. Fines and late payments shall be applied if the payment for the previous period has not been settled by 20 January 1997, but in respect of payments in accordance with Annex 8 of this Law – by 20 July 1997.
3. Recalculations in accordance with amendments to Sections 4, 5 and 9, and Section 10, Paragraph three of the Law On Natural Resources Tax shall be performed by issuing 1997 quarterly reports, including up to 20 January 1998 overpaid amounts as advance payments, not correcting other tax calculations for previous periods.