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PROPERTY TAX RATE MUST BE REDUCED BEFORE NEW CADASTRAL VALUES COME INTO FORCE1

Property tax rate must be reduced before new cadastral values come into force

RIGA - If cadastral values of real estate properties are to increase, property tax rate must be lowered before the new cadastral values come into force, so residents would not have to pay more, New Unity Saeima group's chairman Ainars Latkovskis told LETA.

Residents' property tax payments must not increase after the cadastral values change, emphasized Latkovskis.

As reported, Prime Minister Krisjanis Karins (New Unity) believes that property tax rates will have to be revised before the new cadastral values come into force. Property tax rates will have to be lowered so residents' tax burden does not increase when the cadastral values change, said Karins.

LETA also reported, Justice Minister Janis Bordans (New Conservative Party) will do everything in his power to prevent the entry into force of the new cadastral values developed by the Justice Ministry and the State Land Service - until property tax rates are revised, including by abolishing property tax on primary homes and reducing tax rates for small and medium-sized businesses, including farms.

On the other hand, the Finance Ministry's Parliamentary Secretary Atis Zakatistovs, chairman of KPV LV Saeima group, told Latvian Radio that he considered Bordans' proposal populist. According to Zakatistovs, a solution must be found to help indigent residents cope with the new property tax rates.