

Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

- 27 April 1993 [shall come into force from 20 May 1993];
- 31 March 1994 [shall come into force from 20 April 1994];
- 24 November 1994 [shall come into force from 27 December 1994];
- 12 October 1995 [shall come into force from 15 November 1995];
- 5 January 1996 [shall come into force from 12 January 1996];
- 30 July 1996 [shall come into force from 7 August 1996];
- 8 May 1997 [shall come into force from 6 June 1997];
- 15 April 1999 [shall come into force from 5 May 1999];
- 1 November 2001 [shall come into force from 30 November 2001];
- 12 August 2003 [shall come into force from 21 August 2003];
- 8 April 2004 [shall come into force from 1 May 2004];
- 14 October 2004 [shall come into force from 17 November 2004];
- 30 June 2005 [shall come into force from 1 September 2005];
- 15 June 2006 [shall come into force from 4 July 2006];
- 8 January 2007 (Cab. Reg. No. 29) [shall come into force from 10 January 2007];
- 14 June 2007 [shall come into force from 1 August 2007];
- 6 December 2007 [shall come into force from 1 January 2007];
- 17 July 2008 [shall come into force from 13 August 2008];
- 15 April 2009 (Judgment of the Constitutional Court) [shall come into force from 21 April 2009];
- 22 October 2009 [shall come into force from 1 November 2009];
- 21 October 2010 [shall come into force from 24 November 2010];
- 16 December 2010 [shall come into force from 1 January 2011];
- 27 January 2011 (Judgment of the Constitutional Court) [shall come into force from 1 February 2011];
- 14 April 2011 [shall come into force from 28 April 2011];
- 22 September 2011 [shall come into force from 19 October 2011];
- 12 September 2013 [shall come into force from 1 January 2014].

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. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

Supreme Council of
the Republic of Latvia

20 November 1991

Law On Land Reform in the Cities of the Republic of Latvia

Terms Used in this Law

Land – within the meaning of this Law – any territory, also the territory occupied by forests and water.

Plot of land – a specific territory legally determined to a particular owner or user of land.

Land reform – the systematic, gradual reorganisation process of the relationship of land property and the use of land.

Cadastral of land – the collection of data regarding the natural, economic and legal condition of any land, as well as accounting data regarding the model values of the land and actual values of the land.

Land Register – a register of owners of land and users of land, the basic document of the cadastral of land.

Land survey project – a plan for the use of land, in which the borders, area and engineering utilities of each plot of land, as well as perspective amendments to such territories for the implementation of objects that are of importance to society are indicated.

Model value of land – value of land calculated pursuant to single methodology for determination of taxes and lease payment.

Former owner of land – a natural person or a legal person to whom the land property belonged in the Republic of Latvia on 21 July 1940.

Usage of land lease – [31 March 1994].

Partial usage of land – [31 March 1994].

Planning project – a project developed for a specific territory determining types and requirements of usage thereof in accordance with an economic and social development programme of a local government of the territory for the immediate future and perspective; usually a master plan of city construction and detail design of district planning.

Building project – a project, according to which building on a plot of land is to be implemented.

Provisions for city building – individual provisions for each city, which are developed on the basis of an approved building master plan of the city.

Objects of importance to society – [31 March 1994].

Residential building – a residential house, a summer cottage or other building intended for inhabitation and built in accordance with a project approved by a respective architect.

Compensation – reimbursement guaranteed by the State and local government in money or securities for land not returned to a former owner of land in accordance with the procedures and terms stipulated by the Cabinet.

[31 March 1994; 12 October 1995]

Chapter 1

General Provisions

Section 1. Purpose of the Law

This Law prescribes the procedures for performance of the land reform in the cities of the Republic of Latvia.

Section 2. Objective of Land Reform

The objective of the land reform is to reorganise the legal, social and economic relationships of a land property and the use of land in cities during the gradual denationalisation, conversion, privatisation of State property and unlawfully alienated land properties in order to promote formation of city building corresponding to the interests of society, protection and rational utilisation of land.

Section 3. Tasks of Land Reform

Tasks of land reform shall be the following:

- 1) to establish legal grounds in the regulation of land relationships and in protection of the rights and observance of the duties of an owner and a user of land;
- 2) to restore the ownership rights to land or to transfer land in ownership, as well as to allocate land for usage to the persons referred to in Section 9;
- 3) [31 March 1994];
- 4) to ensure the inviolability of the borders of plots of land with the assistance of Land Registers and cadastre documents.

[31 March 1994]

Section 4. Basic Principles of Land Reform

(1) Upon coming into force of this Law any deeds accepted since 21 July 1940 regarding nationalisation, alienation and granting of land to natural persons and legal persons in all cities of the Republic of Latvia are repealed. The present users of land shall preserve the rights of temporary use of land and duties until the transfer of land into ownership or granting for usage in accordance with Section 6, 7 and 8 of this Law.

(2) Any land, also land occupied by forests and water within the administrative borders of cities shall be transferred at the disposal of local governments of such cities until the settlement of ownership rights.

(3) Land reform shall include all built-up and vacant lands of the cities of the Republic of Latvia and users thereof. It shall be carried out in complex and gradually, complying with the laws on denationalisation, conversion, privatisation of State property, denationalisation and returning of building properties to lawful owners, the agrarian reform in the Republic of Latvia.

(4) A city council shall:

- examine decisions of a city land commission regarding restoration of land ownership rights, transfer of land into ownership in return for payment and compensation of land property received in accordance with appeal procedures and shall take a relevant decision;

- allocate land for use;

- sell the land of a local government to natural persons and legal persons in accordance with the procedures laid down in legal acts;

- keep at the disposal thereof land to be used for termination of the land reform in accordance with the requirements of this Law and the Law On the State and Local Government Land Ownership Rights and Recording of Such Rights in Land Registers.

(5) If an owner of land and an owner of a building thereon are different persons (Section 14, Paragraph one of the Law On Time and Procedures for Coming into Force of Introduction, Inheritance Law and Property Law Part of the Renewed Civil Law of the Republic of Latvia of 1937), their mutual relationship shall be regulated in accordance with Section 12 of this Law. Provisions of the Civil Law shall be applied in relationships, which the referred to Section does not regulate.

[31 March 1994; 12 October 1995]

Chapter 2

Sequence of Performance of Land Reform

Section 5. Rounds of Land Reform

(1) Land reform shall be performed in three rounds:

- the first round – acceptance of requests of land;

- the second round – restoration of land ownership rights, land-use planning and forcible termination of land use rights;

- the third round – transfer of land into ownership and allocation for use.

(2) Measures of the third round of land reform shall be performed as concurrently as possible with the measures of the second round.

Section 6. First Round of Land Reform

During the first round of land reform:

- 1) up to 20 June 1992 former owners of land, any present users of land and other requesters of land shall submit a request for restoration of land ownership rights, transfer of

land into ownership or for allocation of land in use to such city local government, in the territory of which the requested plot of land is located;

2) upon coming into force of this Law city local governments shall discontinue allocation of land for use to natural persons and legal persons without the consent of the former owners of land or their heirs, except for the cases when land is to be granted for the building of objects of national significance by a special law;

3) city local governments shall determine the model values of the land of cities according to the methodology stipulated by the Cabinet;

4) city land commissions shall compile requests of land and take decisions in accordance with the procedures laid down in the Law On Land Commissions.

[31 March 1994; 12 October 1995; 8 May 1997]

Section 7. Second Round of Land Reform

During the second round of land reform on the basis of compiled requests, city councils shall:

1) develop an economic and social development programme of the city;

2) develop or correct the city master plan pursuant to the economic and social development programme, provide the necessary raw data for drawing up of the land survey project for a city, cadastre group of the city or a separate plot of land and take decisions regarding approval thereof after drawing up of such projects (parts of a project).

[12 October 1995]

Section 8. Third Round of Land Reform

During the third round of land reform:

1) city land commissions shall:

- transfer land into ownership in settling the land ownership relationship in accordance with the provisions of Section 12 of this Law;

- give the task to survey the land transferred into ownership and use and to allocate the borders thereof on site;

- issue documents related to the land ownership and the use of land;

2) city local governments shall:

- allocate land for use;

- perform an inventory of the land of local government;

- specify more precisely the administrative borders of the city.

[12 October 1995]

Chapter 3 Holders of Land Ownership Rights *[15 April 1999]*

Section 9. Holders of Land Ownership Rights

(1) Holders of land ownership rights in cities of the Republic of Latvia may be the State, foreign states (for the needs of diplomatic or consular missions thereof), local governments, Latvian citizens, as well as other persons in accordance with the legislation of the Republic of Latvia and international agreements approved by the *Saeima*.

(2) Land ownership rights shall be restored:

1) to natural persons – former owners of land or their heirs – to plots of land, which belonged to them on 21 July 1940 within the present administrative borders of cities regardless of the citizenship of the requesters;

2) to legal persons – former owners of land – to plots of land, which belonged to them on 21 July 1940, if a court determines the fact of succession of rights in accordance with the procedures prescribed by Law. The referred-to provisions shall not be applicable to legal persons, to whom other procedures for the recovery of properties are provided for in the legislation of the Republic of Latvia;

3) to legal persons if the former owners of land have left them their land properties by a will.

(3) If land ownership rights according to the situation on 21 July 1940 are not confirmed by statements of State archives, court adjudications or other documents confirming land ownership rights, also by deeds of Land Registers drawn up until 21 July 1940 or notarially certified contracts regarding the purchase of land, a court shall recognise the ownership rights on the basis of a contract entered into regarding alienation of land, a rental – redemption or a redemption contract if legality of such transactions has been determined and if in the case of redemption of land the purchase payment has been partially or completely settled.

(3¹) For persons who up to 21 July 1940 commenced the purchase (purchased) of immovable property left in Latvia by German emigrants from the “Vispārējās Lauksaimniecības banka” [General Agricultural Bank] or the “Valsts zemes banka” [State Land Bank], as well as the heirs of such persons, documents confirming land ownership rights may be deemed to be a statement from the State archives in which the purchaser of the immovable property, data regarding the immovable property and the money amounts paid into the bank are indicated.

(4) Former owners of land or their heirs shall be exempted from the State fee, if their ownership rights have been recognised with a court adjudication.

[31 March 1994; 12 October 1995; 8 May 1997; 15 April 1999; 14 October 2004; 14 June 2007]

Chapter 4

Submission, Examination and Satisfaction of Requests of Land

Section 10. Content and Justification of Requests of Land

(1) Requesters of land shall undertake liabilities to fulfil the town building provisions in a request regarding the restoration of land ownership rights, transfer of land into ownership and allocation thereof for use.

(2) Present users of land shall indicate in the request the size of the present utilised plot of land justifying it with the present economic activity and economic activity to be developed in perspective therein.

(3) Latvian citizens shall indicate whether and with what conditions they will want to acquire the land in ownership or to receive it in use.

(4) Former owners of land and present users of land shall append documents confirming their land ownership or utilisation rights to the request. The grounds for restoration of ownership rights may be an entry in the Land Register, other documents confirming ownership rights or also a court adjudication.

(5) Land ownership rights may be restored to heirs if they submit documents confirming kinship. Documents confirming the death of an owner of land shall not be required if the owner of land has not submitted a request for restoration of land ownership rights.

[8 May 1997; 15 April 1999; 14 October 2004]

Section 11. Examiner of Requests of Land

The relevant city land commission shall compile any requests of land and take decisions in accordance with the procedures laid down in the Law On Land Commissions.

[12 October 1995]

Section 12. Satisfaction of Requests of Land

(1) Former owners of land or their heirs shall be restored land ownership rights to the plots of land that have previously belonged to them within the boundaries, which are specified in the utilisation projects of cities or individual plots of land approved by local governments, except for the cases:

1) if the former owners of land or their heirs have alienated the buildings and structures on the plots of land (or parts thereof) that have previously belonged to them after 22 July 1940 in accordance with the procedures laid down in Law. In such case the present owner of a building – a Latvian citizen – has the right to receive a plot of land in ownership in return for payment, the size of area of which complies with the size of area at his or her disposal for the building at the day when the buildings and structures were alienated, but not larger than 1 200 square meters, except for the cases when the remaining part of the plot of land is smaller than the minimum size of building land specified for city building; in such cases part of such plot of land shall be added to the building land of the owner of the building. The value of the land shall be reimbursed to the former owner of land or his or her heirs according to the amounts and terms stipulated by the Cabinet;

2) if Latvian citizens have built or also are building residential buildings in accordance with the procedures laid down in Law on plots of land (or parts thereof) of former owners of land or also have obtained residential buildings in ownership until 20 June 1992 in accordance with the procedures laid down in Law. Then the owner of the residential building – a Latvian citizen – has the right to receive a plot of land in ownership in return for payment, the size and boundaries of which comply with the size and boundaries allocated for the building, but not larger than 1 200 square meters, except for the cases when the remaining part of the land usage is smaller than the minimum size of building land specified for city building; in such cases part of such plot of land shall be added to the building land of the owner of the building. A member of a horticulture society – a user of an orchard – also has the same right to receive a plot of land in ownership, if he or she has been allocated land for the establishment of an orchard with building rights on an area the size of which does not exceed 600 square meters, except for the cases when the remaining part of the land usage is smaller than the minimum size of a plot of land specified for the establishment of a city orchard; in such cases part of such plot of land shall be added to the plot of land of the owner of the orchard. The value of the land shall be reimbursed to the former owner of land or his or her heirs according to the amounts and terms stipulated by the Cabinet or an equivalent plot of land shall be allocated within the administrative territory of the same city.

Note. If in the cases referred to in Paragraph one, Clauses 1 and 2 of this Section the owner of the building does not want to receive land in ownership in return for payment or he or she does not have the right to acquire land in ownership, the land shall remain in the ownership of a natural person, his or her heirs or a legal person, to whom it belonged until 21 July 1940 and who has requested the land, but the owner of the building shall be guaranteed the land lease rights according to the size of the land, which was in his or her legal use (for building), and the fee for the land lease shall be determined by mutual agreement of parties in writing. If the parties cannot agree, the fee for land lease shall be determined in amount of 6% per year from the cadastral value of the land. In addition to the fee for land lease, the lessee shall compensate to the lessor a payment for the immovable property for land;

3) if State specially protected nature objects (or parts thereof), lists of which are determined by the Cabinet, or educational, cultural and scientific objects of national significance, national sports centres, as well as engineering technical objects and objects of transport infrastructure of State or municipal significance – streets, bridges, tunnels, road crossings, railway lines and ports – are located on the land of the former owners of land. In such case the ownership rights to the land shall be recorded to the State or the relevant local

government after the former owners of land or their heirs, according to their choice and in accordance with the procedures laid down in Law, have received a compensation or an equivalent plot of land in another place from the lands, which remain at the disposal of local governments and are used for the termination of land reform in accordance with the Law On the State and Local Government Land Ownership Rights and Recording of Such Rights in Land Registers.

Note. If former owners of land or their heirs own residential buildings in the territory of ports, they have the right to restore the ownership rights for the area of land, which is in their use, but which is not larger than 1 200 square metres, except for the residential district of Kundziņsala in the territory of the trade free port of Riga where ownership rights to the former owners of land or their heirs are restored for the whole previously owned area.

(2) If former owners of land or their heirs are restored ownership rights to land, on which the objects referred to in Section 12, Paragraph one, Clause 3 of this Law, as well as objects of water supply, heat supply and energy supply belonging to the State or local governments are located, the fee for land lease shall be determined by mutual agreement of parties in writing. If the parties cannot agree, the fee for land lease shall be determined in amount of 6% per year from the cadastral value of the land. In addition to the fee for land lease, the lessee shall compensate to the lessor a payment for the immovable property for land.

(2¹) If apartment residential houses are located in the land referred to in Paragraph two of this Section, the fee for land lease shall be determined upon agreement of the parties in writing. If the parties cannot agree, the fee for land lease shall be specified in amount of 6% per year from the cadastral value of the land. In addition to the fee for land lease, the lessee shall, starting from 1 January 2010, compensate to the lessor a payment for the immovable property for land.

(3) In other cases upon their choice former owners of land or their heirs have the right to:

- request restoration of land ownership rights and to receive a lease payment from the owner of the buildings and structures;
- or to request to transfer in their ownership or to allocate for use an equivalent plot of land;
- or to receive compensation in accordance with the procedures laid down in Law.

(4) It may be specified with a decision of a city local government that only compensation is to be granted instead of an equivalent plot of land, if there are not sufficiently many areas of land within the administrative boundaries of the city in order to satisfy all requesters. Such decision of a local government may be appealed to the court.

(5) An owner of a residential building – a Latvian citizen who has submitted a request of land after 20 June 1992 has the right to receive a building plot of land in ownership in return for payment in accordance with the procedures laid down in Paragraph one, Clauses 1 and 2 of this Section if the former owners of land or their heirs have not requested the plot of land or they have requested a compensation for it in accordance with the procedures laid down in Law.

(6) The former owners of land or their heirs who have not submitted requests in the term specified in Section 6, Clause 1 of this Law have the right to request the restoration of land ownership rights until 1 June 1994. In case of exceeding the term land ownership rights to former owners of land or their heirs [including persons who up to 21 July 1940 commenced the purchase (purchased) of immovable property left in Latvia by German emigrants from the “Vispārējās Lauksaimniecības banka” [General Agricultural Bank] or the “Valsts zemes banka” [State Land Bank], as well as the heirs of such persons] to plots of land, which belonged to them on 21 July 1940, may be restored by a court if an application regarding restoration of ownership rights is submitted to the court by 1 September 2008, except for the cases where:

- 1) another person (also the State or local government) has restored or acquired land ownership rights in accordance with the procedures laid down in Law;

2) a city land commission has taken a respective statement regarding the transfer of land into ownership in return for payment or regarding an application of a natural person for the purchase of the plot of land, or regarding allocation of the requested plot of land to another former owner of the land or his or her heirs from the compensation fund of equal lands;

3) the land has been transferred for privatisation or alienation as a built-up or vacant property object.

(7) After satisfaction of a request of the former owners of land or their heirs land shall be transferred into ownership in accordance with the procedures laid down in Law or allocated for use to the persons referred to in Section 9 of this Law in the following sequence:

- the land, which is in their use at the day of coming into force of this Law;
- the land, which is being requested anew for the construction of residential buildings and objects of the service sector.

[31 March 1994; 24 November 1994; 12 October 1995; 8 May 1997; 15 April 1999; 1 November 2001; 14 October 2004; 30 June 2005; 15 June 2006; 14 June 2007; Judgment of the Constitutional Court of 15 April 2009; 22 October 2009; 22 September 2011 / The lessee shall pay the compensation for payment of the immovable property tax for land provided for in Paragraph one, Clauses 1 and 2 to the lessor starting from 1 January 2012. See Paragraph 14 of Transitional Provisions]

Section 13. Transfer of Land into Ownership and Allocation of Land for Use

(1) The relationship of a land property and the use of land shall be settled on the basis of a city master plan approved by a city council, a land survey project and specified model values of land. The city land commission shall determine restrictions of the use of land property during land reform on the basis of this Law, building provisions approved by the city council and other individual laws or court adjudications.

(2) If a city land commission within six months from the date of receipt of all the necessary documentation, has not examined the claim of the former owner of land or his or her heirs to restore the ownership rights to land, the applicants have the right to request the restoration of ownership rights by judicial process.

(3) Disputes between an owner (a user) of land and an owner of buildings, structures and communications shall be examined by a court.

[31 March 1994; 12 October 1995; 15 April 1999]

Section 14. Further Examination of Unsatisfied Requests of Land

(1) If it is not possible to satisfy all the requests of land in the territory of the relevant city, a city land commission shall submit the unsatisfied requests to a district land commission with the consent of the requesters.

(2) A district land commission, with the consent of the requester of land, shall send requests to other district cities thereof, the territory of which includes free land.

(3) The Central Land Commission of the Republic of Latvia shall compile the unsatisfied requests of land in Riga, republic cities and districts and after co-ordination with the requesters of land shall send to other republic cities and districts, the territory of which includes free land, or organise the development of programmes for the acquiring of areas necessary for the satisfaction of requests.

(4) In cases when a former owner of land has not been restored the land ownership rights due to reasons provided for in this Law, the referred to rights shall be restored as soon as the aforementioned obstacles for restoration of ownership rights have ceased to exist if compensation or an equal plot of land in other place has not been received.

[31 March 1994]

Section 15. Public Access to Land Reform

The duty of local governments during land reform shall be to inform residents by publishing the following information in at least one of the local newspapers and displaying in specific places:

- 1) the lists of natural and legal persons who have requested to transfer land into ownership or to allocate it for use;
- 2) the economic and social development programme of the city;
- 3) the city planning projects and the most important building projects;
- 4) the model values of land.

[14 October 2004]

Section 16. Rights of Former Owners of Land to Request Restoration of Their Rights

(1) A court shall recognise the ownership rights of natural persons, which have occurred to them in the result of transactions in the time period from 22 July 1940 to 8 May 1945 by examining the compliance of such transactions with the requirements of the Civil Law.

(2) Former owners of land or their heirs shall be exempted from the State fee, if they request restoration of ownership rights in a court.

[31 March 1994]

Section 17. Pre-emptive Rights to Land, Buildings, Structures and an Orchard (Trees)

(1) Former owners of land or their heirs (if they have not received an equivalent plot of land instead of their land or a compensation) have the pre-emption rights to acquire buildings, structures and an orchard (trees), which are located on such land, in their ownership. Owners of buildings, structures and an orchard (trees) shall have the same pre-emption rights if a plot of land is being sold. If the referred to persons have not been able to use pre-emption rights due to the fault of the vendor, they shall have the rights of redemption.

(2) If an owner of buildings, structures and an orchard (trees) does not use the pre-emption rights, a local government shall have such rights (except for the cases provided for in Section 29 of this Law).

[8 May 1997]

Section 18. Financing of Restoration of Ownership Rights

(1) The procedures and sequence by which applications shall be examined and the cadastral survey work of land for the funds of the State budget if it associated with the restoration of land ownership rights or the compensation of land ownership with equivalent land to former owners of land who on 21 July 1940 had land in ownership in the Republic of Latvia, and their surviving spouses, children and grandchildren, politically repressed and Group 1 disabled persons shall be determined by the Cabinet. The cadastral survey work of land for the funds of the State budget if it associated with the restoration of land ownership rights or the compensation of land ownership with equivalent land shall be performed only in such administrative territory in which the former land in ownership is located.

(2) Former owners of land or their heirs and persons who acquire land in ownership in return for payment shall be exempted from payment of the State fee during the process of restoration of ownership rights, as well as in acquiring land in ownership in return for payment.

(3) The State Land Service shall take decisions on cadastral survey work of land to be performed using the funds from the State budget and organise cadastral survey work of land to be performed using the funds from the State budget.

[31 March 1994; 12 October 1995; 8 January 2007; 14 June 2007; 22 September 2011 / The new wording of Paragraph three shall come into force on 1 January 2012. See Paragraph 11 of Transitional Provisions]

Chapter 5 **Transactions Involving Land Properties** *[8 May 1997]*

Section 19. Object of Transaction

(1) Transactions may be performed only involving land, ownership rights to which have been recorded in the Land Register.

(2) Within the meaning of this Chapter any transactions, in the result of which an owner of land changes, including contractual inheriting of land, alienation of pledged land and investing of land in the fixed capital of incorporated companies, shall be regarded transactions involving land properties.

(3) Restrictions referred to in this Chapter shall also be applicable to legal and testamentary inheriting of land.

[15 April 1999; 30 June 2005]

Section 20. Subjects of Transactions

(1) Land may be acquired in ownership in accordance with the Civil Law and other laws by:

- 1) Latvian citizens and citizens of other European Union Member States;
- 2) State and local governments, State and local government undertakings (incorporated companies);
- 3) an incorporated company registered in the Republic of Latvia or another European Union Member State:

a) more than a half of the fixed capital of which belongs to Latvian citizens, citizens of other European Union Member States, the State of Latvia or local governments – to each subject individually or to several such subjects jointly;

b) more than a half of the fixed capital of which belongs to natural or legal persons from states, with which the Republic of Latvia has entered into international agreements regarding the promotion and protection of investments, which the *Saeima* had approved until 31 December 1996. The referred to shall also be applicable to natural or legal persons from states, with which international agreements have been entered into after 31 December 1996, if such agreements provide for the rights of natural and legal persons registered in the Republic of Latvia to purchase land in the relevant state;

c) more than a half of the fixed capital of which belongs to several subjects referred to in Sub-clauses “a” and “b” jointly;

d) which is a public joint stock company if the shares thereof are quoted in the stock exchange;

4) religious organisations registered in Latvia until 21 July 1940;

5) State and local government institutions of higher education.

(2) Other natural persons and legal persons who are not referred to in Paragraph one of this Section may acquire land in ownership with the restrictions laid down in this Chapter.

[14 October 2004; 30 June 2005]

Section 21. Restrictions to Transactions Involving Land Properties

(1) The persons referred to in Section 20, Paragraph two of this Law may acquire land in ownership in accordance with the procedures laid down in Section 22 of this Law.

(2) The persons referred to in Section 20, Paragraph two of this Law may not acquire in ownership:

- 1) land in State border zones;
- 2) land in the protection zones of the Baltic Sea and the Gulf of Riga and in the protection zones of other public reservoirs and water courses, except for the cases when they are intended for building pursuant to the master plan of a city;
- 3) agricultural and forest land pursuant to the territorial planning of city local government.

(3) The restrictions referred to in this Section relating to transactions involving land properties shall not be applicable to the acquisition of land by means of inheriting a property.

[14 October 2004; 30 June 2005]

Section 22. Procedures for Examination of Transactions

(1) The persons referred to in Section 20, Paragraph two of this Law who want to acquire land into ownership shall submit a submission, in which the objectives of further usage of the land are indicated, to the council of such city or county, in the territory of which the relevant land is located. A true copy of a deed of transaction shall be appended to the submission.

(2) The Chair of a city or county council shall examine a submission. If the objective of further usage of the land indicated in the submission does not contradict with the master plan of the city, which has been approved and has come into legal force in accordance with Territorial Planning Regulations issued by the Cabinet, and the restrictions referred to in Section 21 of this Law are observed, the Chair of the city or county council shall agree to acquisition of land in ownership within 20 days. The consent shall be drawn up as a statement, and it shall be signed by the Chair of the city or county council. The objective of usage of the land to be acquired in ownership shall also be indicated in the statement. A deed of transaction shall be valid for entering into the Land Register only if the referred to statement is appended thereto, except for a judgement of a court regarding approval in inheritance rights or also a will with a note regarding the coming thereof into legal force, which shall be entered into the Land Register also in case if a refusal of consent has been received. Parties to the transaction have the right to appeal the refusal of consent to the court.

[15 April 1999; 30 June 2005; 16 December 2010; 14 April 2011]

Section 23. Publishing of Information Regarding Concluded Transactions

The Ministry of Justice shall publish information regarding transactions, in the result of which the persons referred to in Section 20, Paragraph one, Clause 3, Sub-clause “b” and Paragraph two of this Law have acquired an immovable property, in the newspaper “*Latvijas Vēstnesis*” [the official Gazette of the Government of Latvia] not less than twice a year specifying therein the size, cadastral value of such properties, proportion thereof in cities and other indicators stipulated by the Cabinet.

Section 24. Preservation or Termination of Land Ownership Rights to Natural Persons who have Acquired Land in Ownership by Means of Inheriting

[30 June 2005]

Section 25. Preservation or Termination of Land Ownership Rights of Natural Persons and Legal Persons

(1) If changes have occurred in the fixed capital of an incorporated company referred to in Section 20, Paragraph one, Clause 3 of this Law, in the result of which the incorporated company does not comply with the conditions of Section 20, Paragraph one, Clause 3 of this Law, for the purpose of further preservation of land ownership rights such company shall submit a submission to a council of such city or county, in the territory of which the relevant land is located, within one month from the day of registration of changes in the Register of Enterprises.

(2) The head of a city or county council shall examine the submission in accordance with the procedures laid down in Section 22, Paragraph two of this Law. If the Chair of a city or county council does not give a consent, land property shall be alienated from an incorporated company within two years from the day when changes in the Register of Enterprises have been registered. An incorporated company has the right to appeal a refusal of consent to the court.

(3) If the natural or legal persons referred to in Section 20, Paragraph two of the Law do not use the land property acquired in the result of transactions for the indicated purposes, such property shall be alienated within two years.

(4) The Cabinet shall determine the procedures for further utilisation and alienation of non-alienated land property.

[15 April 1999]

Section 26. Restrictions of the Size of Land Properties [15 April 1999]

Chapter 6

Privatisation and Alienation of State and Local Government Land

[8 May 1997]

Section 27. Basic Conditions for the Privatisation and Alienation of State and Local Government Land

(1) This Chapter shall determine:

1) the procedures and conditions for privatisation of such land, on which the State and local government property objects transferred for privatisation in accordance with the Law On Privatisation of State and Local Government Property Objects, as well as already privatised State and local government property objects are located;

2) the procedures and conditions for alienation of such land, on which State and local government property objects are located, alienation of which takes place in accordance with the Law On Alienation of State and Local Government Property or which have already been alienated in accordance with the referred to Law;

3) the procedures and conditions for privatisation of such State or local government land, on which objects are located, which an owner thereof has acquired in cases provided for in other laws and regulatory enactments;

4) the procedures and conditions for alienation and privatisation of vacant State or local government land.

(2) The conditions of this Chapter shall not be applicable in cases where State or local government land is being privatised or alienated, on which residential houses privatised in accordance with the Law On Privatisation of State and Local Government Residential Houses are located, as well as in cases when an owner of a denationalised building property as the permanent user of the relevant building land is entitled to receive land in ownership in return for payment in accordance with the procedures laid down in Chapter IV of this Law.

(3) Procedures for, methods, techniques of privatisation of land and other issues related thereto, which are not regulated by this Law, shall be determined by the Law On Privatisation of State and Local Government Property Objects, but procedures for, methods, techniques of alienation of land and other issues related thereto, which are not regulated by this Law, shall be determined by the Law On Alienation of State and Local Government Property.

[30 June 2005]

Section 28. Procedures for the Privatisation and Alienation of State and Local Government Land

(1) Only such land, State or local government ownership rights to which have been recorded in the Land Register, may be privatised or alienated in accordance with the provisions of this Chapter.

(2) *[1 November 2001]*

(3) Privatisation or alienation of land in the cases where local government property objects that have been transferred for privatisation or alienation and privatised or alienated local government property objects are located on it shall be performed by such local government, which owns the relevant land.

(4) If State property objects, which have been transferred for privatisation or have been privatised, are located on land regarding which up to 31 August 2006 privatisation proposals have been submitted, privatisation of such land shall be performed by the State joint stock company “Privatizācijas aģentūra” [Privatisation Agency] (hereinafter – Privatisation Agency).

(5) In other cases, which are not referred to in Paragraphs three and four of this Section, State land shall be alienated by the State stock company “Valsts nekustamie īpašumi” [State Immovable Property] (hereinafter – State Immovable Property) in accordance with the Law On Alienation of State and Local Government Property.

(6) *[14 June 2007]*

(7) State property objects, which are being transferred for privatisation after 17 January 1997, may be privatised or alienated together with the land, on which the property object transferred to privatisation or alienation is located, on the basis of a decision taken by the institution, which performs the privatisation or alienation of the relevant object.

(8) Local government property objects, which are being transferred for privatisation after 17 January 1997, may be privatised or alienated together with land on the basis of a decision of the relevant local government.

(9) Land located in the territory of special economic zones, which belongs or accrues to the State or local government and on which State and local government property objects to be privatised and privatised are located, shall be privatised or alienated by the State or local government accordingly, in co-ordinating privatisation or alienation with the board of the special economic zone.

[15 April 1999; 1 November 2001; 30 June 2005; 14 June 2007]

Section 29. Pre-emption Rights and Utilisation Thereof

(1) In cases provided for in Section 27, Paragraph one of this Law an owner of the object acquired in ownership shall have the pre-emption rights to land owned by the State or local government, on which the relevant object is located.

(2) An institution, which performs the privatisation or alienation of land, shall offer a person who has the pre-emption rights to enter into a purchase contract pursuant to the approved provisions, sending the relevant provisions in a registered letter or handing them over to the referred to person or his or her authorised representative against signature not later than within two weeks after approval of the privatisation or alienation provisions of such land, on

which the privatised, alienated object or object acquired in other cases provided for by laws and regulatory enactments is located.

(3) Persons who have the pre-emption rights shall notify the institution referred to in Paragraph two of this Section regarding the decision taken in writing within one month from the day of receipt of the privatisation or alienation provisions.

(4) If a person who has the pre-emption rights provided for in this Chapter does not use them, he or she shall have land lease rights in relation to a plot of land, on which a property object belonging to the referred to person is located, and the referred to plot of land shall not be privatised or alienated to other persons.

[15 April 1999]

Section 30. Price of the Plot of Land

(1) A plot of land shall be privatised or alienated for a price that is not lower than the cadastral value of the land, which is determined in accordance with the Cabinet regulations regarding the evaluation of city land.

(2) The price of the particular plot of land, for which it is being privatised or alienated, shall be determined by the institution performing the privatisation or alienation.

(3) In selling a State or local government property object, the value of which is formed also by the value of State or local government land, the price of the land and means of payment for the land shall be indicated separately in the sales price of the referred to object (except for the cases when the price of land is included into the price of the capital share of the object).

Section 31. Means of Payment

(1) Payments for the land to be privatised or alienated shall be made:

- 1) in euros; or
- 2) in property compensation certificates.

(2) [21 October 2010]

(3) [30 June 2005]

(4) [30 June 2005]

(5) [21 October 2010]

(6) [21 October 2010]

(7) In the cases of land privatisation provided for in Section 28, Paragraphs seven and eight of this Law, if a State or local government property object is privatised or alienated together with land, a buyer of land – a Latvian citizen – has the right to choose the means of payment referred to in Paragraph one of this Section.

(8) Persons who have acquired certificates for compensation of ownership as a compensation, in settling accounts for the privatised land, are entitled to use all the certificates for compensation of ownership at their disposal, which have been granted to them as a compensation for the property not redeemed.

[21 October 2010; 12 September 2013]

Section 32. Subjects of Privatisation and Alienation of State and Local Government Land

The subjects of transactions referred to in Section 20 of this Law may acquire land in ownership in the result of privatisation and alienation.

Section 33. Procedures for the Examination of Submissions Regarding Privatisation and Alienation of Land

In cases when persons referred to in Section 20, Paragraph two of this Law want to acquire land in ownership in the result of privatisation and alienation, an institution performing privatisation of land or the State Immovable Property, which performs the alienation of land, shall submit a submission to the council of such city, in the territory of which the relevant land is located, indicating the objective of further utilisation of such land. The referred to submission shall be examined in accordance with the procedures specified by Section 22 of this Law, taking into account that the referred to persons may not acquire land into ownership in the cases referred to in Section 21, Paragraph two of this Law.

Chapter 7 Final Provisions [8 May 1997]

Section 34. Termination of Land Reform

A decision regarding the termination of land reform in the territory of the relevant local government or in the territorial unit (city) of the local government of the county shall be taken by the Cabinet, by issuing an order on the basis of a submission of the relevant local government.
[17 July 2008]

Transitional Provisions [1 November 2001; 14 October 2004]

1. [30 June 2005]
2. Citizens of other European Union Member States and legal persons registered in the European Union Member States may not acquire agricultural and forest land in ownership in the transition period after accession to the European Union from 1 May 2004 till 30 April 2014. Restrictions of the transition period shall not be applicable to the citizens of other European Union Member States if they want to engage in entrepreneurship in Latvia as self-employed farmers and reside in Latvia for at least three consecutive years, as well as have been engaged in agriculture for at least three consecutive years.
[14 October 2004]
3. [14 April 2011]
4. The norms of this Law shall be applicable if the Law On Completion of State and Local Government Property Privatisation and Utilisation of Privatisation Certificates does not prescribe otherwise.
[30 June 2005]
5. Amendment to Section 12, Paragraph two of this Law in respect of the land lease payment, on which buildings and structures privatised in cases provided for in the laws and regulatory enactments are located, shall be applicable to the lease contracts entered into after 1 September 2005.
[30 June 2005]

6. The Cabinet shall by 1 October 2007 issue the regulations referred to in Section 18, Paragraph one of this Law.
[14 June 2007]

7. The fee for the land lease specified pursuant to the procedures determined in Section 12, Paragraphs one and two of this Law shall not exceed the amount of fee for land lease calculated for the previous year by more than 25 per cent in 2008, 2009 and 2010.
[22 October 2009 / Paragraph, insofar as it applies to the land under apartment residential houses, has been recognised as not conforming to Article 105 of the Constitution of the Republic of Latvia by the Judgement of the Constitutional Court of 27 January 2011 which came into force on 1 February 2011]

7. The fee for the land lease specified pursuant to the procedures determined in Section 12, Paragraphs one, two and 2.¹ of this Law shall not exceed the amount of fee for land lease calculated for the previous year by more than 25 per cent in 2009 and 2010.
[22 October 2009]

8. If the local government of the county has commenced its work and there is a city in the county, the duties of the local government of a city, a city council and a land commission of the city specified in this Law shall, until the completion of the land reform, be performed by the local government of the relevant county, the county council and the land commission of the city.
[17 July 2008]

9. The duties of the local government of a city, a city council and a land commission of the city specified in this Law shall, after 1 July 2009, be continued to be performed by the local government of the relevant republic city, the republic city council and the land commission of the republic city.
[17 July 2008]

10. Amendments to Section 12, Paragraph two of this Law in respect to determination of fee for lease shall come into force on 1 January 2011.
[22 October 2009]

11. Amendment to Section 18, Paragraph three of this Law shall come into force on 1 January 2012.
[22 September 2011]

12. The cadastral survey work of land commenced by the State limited liability company "Latvijas Valsts mērnīeks" [Latvian State Land Surveyor], to be performed using the funds from the State budget, shall be completed until 1 January 2012. If, however, any of the referred-to work is not completed within this time period, the State limited liability company "Latvijas Valsts mērnīeks" [Latvian State Land Surveyor] shall hand over the files related to such work and the financing received for the performance thereof to the State Land Service.
[22 September 2011]

13. The State limited liability company "Latvijas Valsts mērnīeks" [Latvian State Land Surveyor] shall hand over to the State Land Service all the documentation accumulated in relation to the cadastral survey work of land performed using the funds from the State budget until 1 February 2012.
[22 September 2011]

14. The lessee shall pay the compensation for payment of the immovable property tax for land provided for in Section 12, Paragraph one, Clauses 1 and 2 of this Law to the lessor starting from 1 January 2012.

[22 September 2011]

15. The Cabinet shall be assigned to evaluate the compulsory legal order of land lease and until 1 September 2012 submit to the *Saeima* the necessary amendments to the relevant laws.

[22 September 2011]

Chairperson of the Supreme Council of the Republic of Latvia

A. Gorbunovs

Secretary of the Supreme Council of the Republic of Latvia

I. Daudišs

Rīga, 20 November 1991

Transitional Provisions Regarding Amendments to the Law On Land Reform in the Cities of the Republic of Latvia

Transitional Provision

(regarding amending law of 14 June 2007)

With the coming into force of this Law, Cabinet Regulation No. 29, Amendments to the Law On Land Reform in the Cities of the Republic of Latvia (*Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 2007, No. 3) issued in accordance with Article 81 of the Constitution of the Republic of Latvia is repealed.

This Law shall come into force on 1 August 2007.