



LATVIJAS REPUBLIKAS FISKĀLĀS DISCIPLĪNAS PADOME

Reģ.nr. 90010248231; Smilšu ielā 1-512, Rīgā, LV-1919
tālrunis: (+371) 6708 3650; e-pasts: info@fdp.gov.lv; mājaslapa: http://fdp.gov.lv

Fiscal Risk Working Group Meeting

Minutes No 1 (6)

Riga

1 February 2016

Chairperson:

Chairman of the Fiscal Discipline Council – J.Platais

Participants of the meeting:

Deputy Director of the Fiscal Discipline Council	I. Eriņš
Member of Fiscal Discipline Council (participating in teleconference mode)	A. Ūbelis

Council secretariat:

Secretary of Fiscal Discipline Council	D. Kalsone
Fiscal risks expert of Fiscal Discipline Council	E. Ķīlis
Macroeconomics expert of Fiscal Discipline Council	E. Veide
Fiscal Discipline Council economist	E. Lucka

Invited persons paragraph 2 of the agenda:

State Revenue Service, Head of Tax Administration Tax Administration Planning and Analysis Division	N. Fiļipoviča
Ministry of Finance, Tax Analysis Department, Head of Tax Revenue Analysis and Forecasting Division	I. Dzenīte
Ministry of Finance, Tax Analysis Department, Deputy Head of Tax Revenue Analysis and Forecasting Division	E. Zarakovskis

Invited persons paragraph 3 of the agenda:

Ministry of Finance, Deputy Head of Fiscal Policy Department, Head of Fiscal Governance Division	G. Trupovnieks
--	----------------

Meeting Secretary:

Fiscal Discipline Council economist

E. Lucka

Meeting starts at 15:00 on 1 February 2016.

J.Platais opens the meeting

The Chairman of the Fiscal Discipline Council J.Platais opens the meeting and announces the agenda.

1 Approval of the minutes of the previous meeting.

Reporter: J.Platais

Decision:

1.1 Approve 11 November 2015 meeting minutes of the Fiscal Risks Working Group.

J. Platais – votes for;
I. Eriņš – votes for;
A. Ūbelis – votes for.

2 Micro-enterprise tax fiscal impact issue.

Reporter: E.Veide

E.Veide reports on the social, economic and fiscal impact of the micro-enterprise tax (presentation attached).

N.Filipoviča notes that the impact of the micro-enterprise tax (MET) is not straightforward. After the crisis period, MET facilitated the development of the domestic market. Currently, MET causes market distortion, and there is a lack of monitoring of intermediate consumption.

E.Zarakovskis notes that the Ministry of Finance in cooperation with the Ministry of Welfare estimate that with the current rate for social contributions ME employees from would receive a pension of 45 euro, thus creating a 17 million euro burden on the budget in the future.

Participants' discussion on the micro-enterprise tax social, economic and fiscal impact issue.

Decisions:

- 2.1 Take note of the information provided on the social, economic and fiscal impact of MET.
- 2.2. Ask the Fiscal risk expert to contact the Ministry of Economics regarding MET.
- 2.3 Ask the State Revenue Service to provide the Council with MET 2015 statistics by the end of February 2016.
- 2.4 Ask the Council Secretariat to prepare a renewed MET social, economic and fiscal impact assessment for 2015.

J. Platais – votes for;
I. Eriņš – votes for;
A. Ūbelis – votes for.

3 Fiscal risks declaration issues.

Reporter: J.Platais

J.Platais reports on the need to improve the fiscal risk impact assessment matrix, including conducting research on the impact of one-offs since the re-establishment of Latvia's independence.

G.Trupovnieks notes that it is essential to resume an in-depth spending review on the budget expenditure side to make it as effective as the budget revenue side.

Participants' discussion on the declaration of fiscal risks.

Decisions:

- 3.1 Ask the Council Secretariat to contact the Central Statistical Bureau on the history of one-off measures, as well as the European system of accounts corrections.

J. Platais – votes for;
I. Eriņš – votes for;
A. Ūbelis – votes for.

Meeting ends at 17:00.

Council chairman

J.Platais

Meeting secretary

E. Lucka

01.02.2016. 17:07

545

E.Lucka

67083650; elina.lucka@fdp.gov.lv