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Text consolidated by Tulkošanas un terminoloģijas centrs (Translation and Terminology Centre) with amending laws of:

6 November 1996;
27 December 1996;
22 May 1997;
21 October 1998;
22 April 1999;
5 August 1999;
4 November 1999;
20 December 2001;
19 March 2002;
23 December 2002 (Constitutional Court judgment);
19 February 2004;
25 October 2004 (Constitutional Court judgment);
6 April 2005 (Constitutional Court judgment);
9 June 2005;
20 October 2005;
2 November 2006.

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.

The *Saeima*¹ has adopted
and the President has proclaimed the following Law:

On State Pensions

Chapter I General Provisions

Section 1. Terms Used in this Law

The following terms are used in this Law:

1) **length of period of insurance** – the time period expressed in full years that the socially insured person (hereinafter – insured person) has personally made social insurance contributions or these social insurance contributions have been made or had to be made for them that are related to those socially insured persons for whom social insurance contributions are made through a third person or for whom payments are made by another person;

2) [20 December 2001]

3) **insurance contributions** – social insurance contributions for pension and invalidity insurance that are made for the insured person by their employer or by the insured person themselves or are made from the State general budget or from the respective special social insurance budgets or those social insurance contributions that had to be made for those socially insured persons for whom social insurance contributions are made through a third person or for whom payments are made by another person;

¹ The Parliament of the Republic of Latvia

4) **wage subject to insurance contributions** – income that is used to calculate the social insurance contribution; and

5) **the insurance contribution wage index** – the relationship between the totals of the current and previous year's insurance contribution wage .

[20 November 1997; 20 December 2001; 20 October 2005]

Section 2. Purpose of the Law

The purpose of this Law is to specify:

1) the mandatory State pension insurance system principles based on insurance contributions; and

2) the procedures, by which a State social insurance pension shall be ensured in the case of old-age, invalidity and the loss of a provider.

Section 3. Right to a State Social Insurance Pension

(1) The right to a State social insurance pension (hereinafter – State pension) in accordance with the conditions of this Law is held by persons living in the territory of Latvia who were subject to the State mandatory pension insurance scheme.

(2) A person who concurrently has the right both under this Law to a prescribed State pension and a pension that is paid out of the State budget in accordance with another law, shall be granted one pension taking into consideration such person's chosen option if different procedures have not been specified otherwise in other laws.

[20 December 2001; 20 October 2005]

Section 4. Persons Subject to the Mandatory State Pension insurance Scheme

[20 November 1997]

Section 5. Annual income, from which the Contributions for Social Insurance are Made, and the Amount of such Contributions

[20 November 1997]

Section 6. Funding for Paying Out the State Pension

[20 November 1997]

Section 7. Types of State Pensions

In accordance with this Law there are the following types of State pensions:

old-age pension;
invalidity pension; and
survivor's pension.

Section 8. Largest State Pension to be Granted in terms of Amount

An insured person, who has concurrent rights to several different types of State pensions, shall be granted the largest State pension allocation in terms of amount. A pension

may be requested at any time without time period restrictions, as soon as the right to a pension has eventuated.

Section 9. Necessary Length of Period of Insurance for the Granting of a State Pension

(1) The amount of a State pension is dependent upon the length of period of insurance, in which shall be counted the months in which insurance contributions were made or needed to be made for the relevant type of social insurance.

(2) The length of period of insurance shall be formed by the insurance contribution periods during which:

- 1) the person was a mandatorily socially insured person as:
 - a) an employee for whom insurance contributions were made or needed to be made, or
 - b) a self-employed person who made insurance contributions;
 - 2) an insured person classified as an invalid, who is not employed and for whom insurance contributions were made from the invalidity, maternity and sickness special budget. In calculating the old-age pension, the referred to insured person's period of invalidity shall only be taken into account up until the necessary age to be granted an old-age pension has been attained;
 - 3) the insured person in accordance with the Law On Compulsory Social Insurance in Respect of Accidents at Work and Occupational Diseases receives in relation to a disease or loss of ability to work a sickness benefit or compensation for the loss of ability to work and for such person the insurance contributions were made from the occupational accident special budget. An insured person classified as an invalid in relation to an accident at work or an occupational disease, who is not employed and for whom insurance contributions have been made from the occupational accident special budget. In calculating the old – age pension, the period of invalidity of the referred to insured person shall only be taken into account up until the necessary age to be granted an old-age pension has been attained;
 - 4) an insured person receives unemployment benefits and in accordance with the Law on Compulsory Social Insurance in the Case of Unemployment for such person insurance contributions have been made from the employment special budget;
 - 5) a person who is absent from work due to illness receives sickness or maternity benefits and for such person insurance contributions have been made from the invalidity, maternity and sickness special budget; or
 - 6) a person who has voluntarily joined the social insurance and has made insurance contributions to the relevant types of social insurance.
- (3) If insurance contributions have been made from the State basic budget, the length of period of insurance is also formed from the following insurance contribution periods:
- 1) mandatory active military service and alternative service;
 - 2) [27 December 1996]
 - 3) the time for nursing a child until he or she reaches the age of one and a half years;
 - 4) the time when a person whose spouse (who has been granted a diplomatic rank in accordance with the Diplomatic and Consular Service Law) performs diplomatic and consular service in foreign states and who stays in the relevant foreign state as a spouse of the person performing diplomatic and consular service;
 - 5) the time when a person whose spouse performs military service duties outside the country, except in cases where this soldier is taking part in an international operation, military training, manoeuvres or is on official business and is resident with their spouse abroad;
 - 6) the time when a person received compensation for caring for an adopted child; and

7) the time when a person cared for an invalid child.
[6 November 1996; 27 December 1996; 20 November 1997; 20 December 2001; 20 October 2005]

Section 10. Certification of the Length of Period of Insurance

The length of period of insurance shall be certified by the accumulated data of the State Social Insurance Agency, which prove the insurance contributions made.
[20 November 1997]

Chapter II Right to an Old-Age, Invalidity and Survivor's pension

Section 11. Right to an Old-Age Pension

(1) Women and men who have reached the age of 62 years and whose length of period of insurance is not less than 10 years have a right to an old-age pension.

(2) [5 August 1999]

(3) [20 December 2001]

(4) A person whose length of period of insurance is not less than 30 years and who has cared for five or more children or an invalid child has the right to request an old-age pension five years prior to reaching the age specified in Paragraph one of this Section. In such case, all the children must have reached at least the age of eight years. A person for whom the rights of child care or custody have been taken away shall not have such a right.

(5) A person who has been granted an old-age pension, shall be issued with a pension certificate by the State Social Insurance Agency according to the procedures prescribed by the Cabinet.

[4 November 1999; 5 August 1999; 20 December 2001; 20 October 2005]

Section 12. Calculation of the Old-age Pension

(1) The old-age pension shall be calculated on the basis of the following formula:

$$P = K/G$$

P – annual pension, the twelfth part of which is the monthly pension;

K – the insured person's pension capital, which is formed by the amount of insurance contributions registered in such person's account and the annual capital gains.

The pension capital is dependent upon the insurance contribution wage index. The updating of the pension capital and the procedures for the calculation of the insurance contribution wage index shall be determined by the Cabinet.

Pension capital to which the insurance contribution wage index has been applied, taking into account the insured person's choice in requesting an old age pension, shall be supplemented with:

1) the funded pension capital that has accrued in accordance to the State Funded Pension Law;.

2) [20 October 2005]

G – the time period (in years) in respect of which from the year of granting the old-age pension, the payments of the old-age pension are planned.

(2) For a person to whom an old-age pension has been granted upon reaching the age specified in Section 11, Paragraph one of this Law, the amount of pension may not be less than the minimum old-age pension specified by the Cabinet.

(3) [2 November 2006]

[22 May 1997; 20 November 1997, 4 November 1999; 5 August 1999, 20 December 2001; 2 November 2006]

Section 13. Time period (in years) to be Applied in Calculating a Pension for which from the Year of Granting of a Pension, Old-age Pension Payments are Planned.

The Cabinet, on the basis of data of the State Statistics Committee and calculations by the Ministry of Welfare, shall determine the planned old-age pension payment time period (in years) to be applied for the calculation of a pension, in respect of which from the year of granting the old-age pension, the payment of the old-age pension is planned. This shall be published annually in the newspaper *Latvijas Vēstnesis* [the official Gazette of the Government of the Republic of Latvia].

Section 14. Right to an Invalidity Pension

(1) An insured person with a length of period of insurance, which is not less than three years, has a right to an invalidity pension before reaching the age as prescribed by Section 11 of this Law if such person has been recognised as an invalid, except for persons where the invalidity is the result of a work accident or an occupational disease.

(2) Persons whose invalidity has been caused by a work accident or occupational disease shall be granted an invalidity pension and it shall be paid in accordance with the Law on Compulsory Social Insurance in respect of Accidents at Work and Occupational Diseases.

[27 December 1996]

Section 15. Specification of Invalidity

The Medical State Commission for Expert-Examination of Health and Working Ability shall determine the classification of invalidity and causes, as well as the time the invalidity commenced and duration.

Section 16. Calculating the Invalidity Pension

(1) The invalidity pension shall be granted dependent upon the invalidity group – first, second or third:

1) in the case of Group I and II invalidity, on the basis of the following formula:

$$\text{Group I invalid persons } P = 0.45 \times V_i + A_{Si} / A_{Sie} \times V_i \times 0.1$$

$$\text{Group II invalid persons } P = 0.4 \times V_i + A_{Si} / A_{Sie} \times V_i \times 0.1$$

P – the pension,

V_i – the average monthly wage subject to insurance contributions of the insured person for any consecutive 36 months (irrespective of the length of time that there was an interruption of work) in the previous five years before the granting of the invalidity pension. Months, in

which the applicant for the invalidity pension worked a number of part-time days, in calculating the invalidity pension shall be taken into account as full working months. If less than 36 months were worked in the five years prior to the granting of an invalidity pension, the average monthly wage subject to insurance contributions shall be calculated for the actual number of months worked,

ASi – the insured person's individual length of period of insurance, and

ASie – the maximum length of period of insurance possible from reaching the age specified in the Law on Social Insurance up to reaching the age specified in Section 11, Paragraph one of this Law; and

2) in the case of Group III invalidity – the State social security benefit level.

(2) The amount of the invalidity pension may not be less than the State social security benefit to which the following coefficient shall be applied:

In the case of a Group I invalidity – 1.6; and

In the case of a Group II invalidity – 1.4.

(3) If a person five years prior to the granting of an invalidity pension has not been subject to invalidity insurance, the invalidity pension shall be granted in an amount that conforms to the invalidity group specified by Paragraph one, Clause 2 of this Section and Paragraph two of this Section.

(4) In the event that the invalidity group changes, the amount of the invalidity pension shall be recalculated from the day the repeated determination of invalidity in accordance to the procedures prescribed in this Section, taking into account the insured person's individual and the maximum possible length of period of insurance and the average (updated) wage subject to insurance contributions as was taken into account in calculating (recalculating) the invalidity pension up until the day the invalidity group was changed. If the invalidity group is changed from a less severe to a more severe one, the recalculated invalidity pension benefit may not be less than the previously received amount of invalidity pension.

[27 December 1996; 21 October 1998; 20 December 2001; 20 October 2005]

Section 17. Suspension of Invalidity Pension Payments

(1) Persons with invalidity, who have attained the age prescribed by Section 11, Paragraph one of this Law, shall receive the old-age pension in place of the invalidity pension.

(2) *[5 August 1999]*

(3) The old-age pension shall be calculated according to the procedures specified in Section 12 of this Law.

[5 August 1999]

Section 18. Right to a Survivor's Pension

(1) The right to a survivor's pension, if the provider was an insured person, in accordance with this Law belongs to his or her family members irrespective of the cause of death of the provider, except in the case mentioned in Paragraph 2 of this Section.

(2) If the cause of death of the provider is a work accident or occupational disease, the survivor's pension shall be granted and paid in accordance with the Law on Compulsory Social Insurance in respect of Accidents at Work and Occupational Diseases.

Section 19. Family members who have a Right to a Survivor's Pension

(1) The right to receive a survivor's pension belongs to the dead provider's family members without the capacity to work, who were in his or her dependents (Section 20). Children of the

deceased provider shall be granted the survivor's pension irrespective of whether they were dependents of the deceased.

(2) Family members considered to not have the capacity to work are :

1) children who are younger than 18 years of age, as well as children irrespective of their age, if they have become invalids before attaining the age of 18 years; and

2) brothers, sisters and grandchildren who are younger than 18 years of age if they do not have parents with the capacity to work, as well as brothers, sisters and grandchildren irrespective of their age, if they do not have parents with the capacity to work and if they have become invalids before attaining the age of 18 years.

(3) The provisions of this Law, that are applicable to the family of the deceased, shall also apply to members of the family of a person whose whereabouts are not known, if the providers unknown whereabouts has been recognised in accordance with the procedures specified by law.

(4) Family members shall be classified as not having the capacity to work if they are persons as indicated in Paragraphs two and three of this Section, if at the time of the provider's death or later were studying at general, vocational training institutions, or at an institution of higher education during the day (full time studies) and are not older than 24 years of age.

[20 December 2001]

Section 20. Family members who are Considered to be Dependants

Family members of the deceased shall be considered to have been dependent upon him or her if he or she maintained them or they received assistance from him or her, which was permanent and their main source of the means of existence.

Section 21. Right of an Adoptee to a Survivor's Pension

(1) An adoptee has the same rights to a survivor's pension as those of legitimate children.

(2) The right to a survivor's pension, that the adoptee had acquired before adoption, shall be lost from the month, which follows the month in which the State Social Security Agency office receives information regarding the fact of the adoption. A court shall send information regarding the fact of adoption to the State Social Security Agency within a period of 15 days from the day of the coming into effect of the judgment.

[2 November 2006]

Section 22. Right of a Stepson and Stepdaughter to a Survivor's Pension [2 November 2006]

Section 23. Calculating the Survivor's pension

(1) The amount of survivor's pension for the family members of the deceased provider referred to in Section 19 of this Law may not be less than 65 per cent of the State social security benefit, and it shall be calculated from the providers prospective old-age pension in the following amounts:

1) for one child – 50 per cent of the pension;

2) for two children – 75 per cent of the pension; and

3) for three or more children – 90 per cent of the pension.

(2) For children who have lost both parents, the survivor's pension shall be calculated according to the procedures specified in Paragraph one of this Section from the father's and mother's prospective old-age pensions. The amount of the survivor's pension in respect of

each of the parents may not be less than the amount specified for each child in Paragraph one of this Section.

(3) The prospective old-age pension shall be calculated according to the procedures specified in Section 12, Paragraphs one and two of this Law, assuming that until the month in which the provider would have reached the necessary age to be granted an old-age pension, social insurance contributions have been made for such a wage subject to insurance contributions that was the average for the provider for work or in equivalent periods thereof, but if the average wage subject to insurance contributions was less than 40 per cent of the average wage subject to insurance contributions as determined by the State (in a calendar year, that finished the year before the year in which the old-age pension is granted), or also if, after this Law came into force the provider has not been at work at all or in an equivalent period thereof – 40 per cent from the State determined average wage subject to insurance contributions (in a calendar year, that finished the year before the year in which the old-age pension is granted).

(4) The total amount of the pension that has been calculated according to the procedures specified in this Section may not be less than the amount of the State social security benefit.

(5) If the amount calculated for the survivor's pension, which has been calculated taking into account the provider's insurance contributions, does not reach the amount specified in Paragraph one of this Section, the difference shall be covered from the State basic budget according to procedures specified by the Cabinet.

(6) If a survivor's pension has already been granted for one of the parents (irrespective of when it was granted) it shall not be recalculated upon the loss of the other parent. The survivor's pension part for the second parent shall be granted according to the time periods set out in Section 30, Paragraph four of this Law, and according to the procedures for the calculation thereof as are set out in Paragraph one of this Section, taking into account the conditions in relation to the amount of the survivor's pension are referred to in Paragraph two of this Section.

(7) A recipient of a survivor's pension has the right to ask for his or her rightful share of the pension to be separated out from the total amount of the pension. The pension share shall be separated according to the time periods set out in Section 30, Paragraph four of this Law, taking into account the sums that have already been paid out from the pension. If one of the recipients of a share of the separated pension loses the right to a pension, the others shall continue to be paid the share of pension previously specified (except in the case, where the payment ceases as a result of reaching the age referred to in Section 19, Paragraph four of this Law. If the lost rights have not been renewed within a period of three months, the other survivor's pension recipients pensions shall be recalculated according to the procedures specified in Section 25, Paragraph three of this Law.

(8) If, in calculating the prospective old-age pension in accordance with Section 3 of this Law, the prospective length of period of insurance up to the day, when the provider would have attained the necessary age to be granted an old age pension, overlaps in two or more states, for the calculation of the applicable prospective length of period of insurance shall be calculated on the basis of the following formula:

$$AS = AS_{ie} / AS_i \times AS_L$$

AS – period of insurance

AS_i – the deceased provider's individual length of period of insurance (the total for all states);

ASie – length of period of insurance, that would have accrued from the day of the provider's death to the day that the provider would have attained the necessary age to be granted an old-age pension;

ASL – the accrued length of period of insurance of the deceased provider, which is specified in accordance with this Law.

[6 November 1996; 21 October 1998; 20 December 2001; 20 October 2005]

Section 24. Increasing the amount of the pension in connection with insurance contributions made during the period after the pension has been granted

(1) If during the period after an old-age or invalidity pension (in the case of invalidity Groups I or II) was granted (recalculated) insurance contributions were made or needed to be made, the granted (recalculated) pension, based on the request of the recipient thereof, shall be recalculated, but not more often than once per year. / See Paragraph 44 of the Transitional Provisions/

(2) The recalculated old-age pension is formed from the earlier granted (recalculated) pension, taking into account the conditions referred to in Section 12, Paragraph two of this Law, and the pension that has been calculated in accordance to the procedures specified in Section 12, Paragraph one of this Law, taking into account the pension capital, that the person has accrued after the pension was granted (recalculated).

(3) [5 August 1999]

(4) [5 August 1999]

(5) Group I and II invalidity pensions shall be recalculated, taking into account the supplemented length of period of insurance, according to the formula, that had been applied for the specification of the pension amount before the recalculation of the pension.

[6 November 1996; 27 December 1996; 5 August 1999; 20 December 2001; 20 October 2005; 2 November 2006]

Section 24.¹ Increasing the Amount of the State Pension in Relation to the Added Funded Pension Capital

There is a right to recalculate the State pension in accordance with the procedures specified in Section 24, Paragraph two of this Law in relation to the added funded pension capital irrespective of the length of the accrual period.

[20 December 2001; 20 October 2005]

Section 25. Cases and Time Periods by which Granted State Pensions shall be Recalculated.

(1) The right to an increase in the State pension may be acquired by :

1) supplementing the insurance contributions according to the procedures specified in Section 24 of this Law;

2) increasing the number of such family members who have a right to receive a survivor's pension; and

3) the addition of funded pension capital;

4) [20 October 2005]

(2) If the right to increase a State pension has been acquired, the pension shall be recalculated within the following time periods:

1) in the case specified in Paragraph one, Clause 1 of this Section – on the first day of the month in which the pensioner has requested that his or her pension be recalculated, if the relevant submission and all the necessary documents have been submitted by and including the 15th date of the month, and with the first day of the next month, if the submission and all the necessary documents have been submitted after the 15th date of the month;

2) in the case specified in Paragraph one, Clause 2 of this Section – in the time period specified in Section 30, Paragraph four of this Law; and

3) in the case specified in Paragraph one, Clause 3 of this Section – on the day, when the pensioner requested that the pension be recalculated;

4) [20 October 2005]

(3) If the number of family members, who are entitled to receive the survivor's pension, has decreased, the survivor's pension is recalculated from the day the changed circumstances occurred.

[20 December 2001; 20 October 2005]

Section 26. Increases in the State Pension Dependent upon Changes in the Consumer Price and Insurance Contribution Wage Indexes

The amount State pension shall be reviewed annually according to the procedures specified by Cabinet, taking into account the actual consumer price index and 50 per cent of the real increase in the wage subject to insurance contributions index.

[20 December 2001]

Section 26.¹ Average Wage subject to Insurance Contributions

(1) The average wage subject to insurance contributions in the State shall be calculated by the State Social Security Agency based upon the data available to them regarding the amount of payments of wages subject to insurance contributions by the socially insured person in the accounting period, from which were made or should have been made insurance contributions, and the number of months in such period regarding which insurance contributions were made or should have been made for the socially insured person.

(2) Specification of the theoretical pension amount [in the calculation several European Union (EU) and European Economic Area (EEA) member states accrued insurance and the equivalent periods thereof] in accordance with Regulation (EEC) No 1408/71 of the Council of 14 June 1971 on the application of social insurance schemes to employed persons and self-employed persons and their families moving within the Community (hereinafter – Council Regulation No 1408/71) in relation to other EU and EEA member states insurance periods, it shall be assumed that a person's wage subject to insurance contributions for the concrete year is equal to the average yearly wage subject to insurance contributions of the previous year in Latvia.

[21 October 1998; 20 October 2005; 2 November 2006]

Chapter III

Granting of State Pensions

Section 27. Procedures for Requesting State Pensions

The necessary documents required when submitting a request for a pension and for the granting of a pension shall be submitted personally or through the intermediation of an employer to one of the offices of the State Social Security Agency.

[20 November 1997; 5 August 1999; 20 October 2005]

Section 28. Granting and Recalculation of State Pensions in the State Social Security Agency Office

The necessary documents for the request for a pension and for the granting of a pension (recalculation), as well as data regarding the insurance contribution period performed by the applicant for the pension and the amount shall be examined by the State Social Insurance Agency office, and an official thereof shall take a relevant decision.

If the request is rejected; the decision shall indicate the reasons for the rejection.

[20 December 2001; 20 October 2005]

Section 29. Dispute and Appeal of Administrative Acts of the State Social Insurance Agency

An administrative act or actual action of an employee of the State Social Insurance Agency may be disputed within a period of one month from the day the administrative act comes in effect, by submitting an application to the director of the State Social Insurance Agency. The decision of the director of the State Social Insurance Agency may be appealed to a court within a period of one month from the day it comes into effect.

(20.10.2005. [20 October 2005])

Section 30. Time Periods for the Granting of a State Pension

(1) The old age pension shall be granted for life.

(2) The invalidity pension shall be granted for all of the period of invalidity specified by the Medical State Commission for Expert-Examination of Health and Working Ability, but for not longer than the attainment of the age specified in Section 11 of this Law.

(3) The survivor's pension shall be granted for the period that the family member of the deceased is considered to be incapable of working in accordance with Section 19 of this Law.

(4) The pension shall be granted from the day that the right to a pension eventuated, but not earlier than 12 months before the day that the pension was requested and the necessary documents for the granting of a pension were submitted.

(5) A pension, for which the right was lost in the cases specified by law, shall be renewed on the day, that the right is acquired anew, but not earlier than 12 months before the day the necessary documents for renewal of the pension were submitted. In renewing a pension, it shall be examined in accordance with Section 26 of this Law. If five years have elapsed since the day that the invalidity pension payments were discontinued, the invalidity pension shall be granted anew.

(6) *[20 October 2005]*

[20 November 1997; 5 August 1999; 20 December 2001; 20 October 2005]

Section 31. Time Periods for the Granting of a State Pension in Relation to Changes in the Type of Pension

Transfer from one type of State pension to another, the time periods for the granting of the new type pension shall be determined in accordance with the provisions of Section 30 of this Law.

Chapter IV Payment of State Pensions

Section 32. Procedures for the Payment of State Pensions

(1) State pensions shall be paid monthly. The State pension on the basis of a request of the recipient shall be transferred to an account in his or her designated credit institution of the Republic of Latvia or in the postal settlement system (PNS), at the place of payment specified by the service provider or shall be delivered to the place of residence of the pension recipient.

(2) The recipient of a pension may authorise another person to receive his or her pension.

(3) [5 August 1999]

(4) [20 December 2001]

(5) A pension, for which payment has been discontinued, on the basis of a submission from the pension recipient, shall be renewed (irrespective of the period payments were discontinued) from the day that a submission regarding the renewal of pension payments was received. The renewed pension for the time, that payments were discontinued, shall be examined in accordance with Section 26 of this Law.

(6) A pension granted in the Republic of Latvia, the payments for which were discontinued because the person departed to take up residence in a foreign state, shall be renewed from the day a submission has been received, if the person has returned to live in the Republic of Latvia or live in the territory of another EU or EEA member state. If a person resident in the territory of the EU or EEA submits a request for the renewal of a pension by 30 April 2006, the pension payments shall be renewed as of 1 May 2004. The renewed pension for the time, that payments were discontinued, shall be examined in accordance with Section 26 of this Law.

[4 November 1999; 5 August 1999; 20 December 2001; 20 October 2005]

Section 33. Advances

(1) If the insured person has the right to a pension, but there is not the necessary information to determine the amount of the pension, the pension applicant shall be paid an advance. The advance shall be paid for not longer than six months, counting from the next month after the day the request for the pension was submitted. The advance payment time period is not applicable in the cases, when Regulation No. 1408/71 is applied.

(2) If the advance paid exceeds the amount, that the person is entitled to, the amount overpaid shall be repaid from future pension payments.

(20.10.2005. [20 October 2005])

Section 34. Duties of State Pension Recipients

It is the duty of a State pension recipient to notify the State Social Security Agency office regarding such circumstances that have come into effect, that cause the discontinuation of pension payments or amend the amount of pension to be paid.

[20 November 1997; 5 August 1999]

Section 35. Payment of a State Pension for a Previous Time Period

(1) Calculated amounts of a State pension that the pension recipient has not received on time, shall be paid for the period that has passed, but not longer than for three years before the day that the request for the pension was submitted.

(2) [2 November 2006]

[2 November 2006]

Section 36. Deductions from a State Pension

(1) Deductions from a State pension shall be made:

1) on the basis of court adjudications and the decisions of other institutions (officials), which in accordance with the law are implemented according to the procedures specified for the implementation of court adjudications;

2) on the basis of decisions of institutions (officials) that are to be implemented on an uncontested basis; or

3) on the basis of a decision of an official of the State Social Insurance Agency office, in order to recover those pension amounts that were overpaid to the pensioner due to the fault of the pensioner. In such case 10% of the pension to paid shall be deducted each month.

(2) The amount deducted from the State pension shall be calculated from the amount to be paid to the pension recipient. The total monthly deduction amount may not exceed 30% of the pension. If the payment of the pension is terminated prior to the debt being extinguished, the State Social Insurance Agency office shall recover the remainder of the debt in accordance with the procedures prescribed by law. Deductions from an invalidity pension shall be made from the amount, which exceeds the State social security benefit.

[20 November 1997; 5 August 1999; 20 December 2001; 20 October 2005]

Section 37. Pensions Not Received in Relation to the Death of a Pension Recipient and Payment of a Funeral Allowance

(1) The spouse and all first-level and second-level kin have the right to receive the amounts of a pension calculated, which have not been paid out up to the death of the pensioner, but another person – on the basis of an inheritance certificate or a court adjudication.

(2) In the case of the death of a pension recipient, a funeral allowance in the amount of two months of pension shall be paid to his or her family or to the person who has undertaken to organise the funeral.

(3) In the case of the death of a pension recipient the surviving spouse, on the basis of his or her request, shall be granted and paid out a once-only benefit in the amount of twice the deceased spouse's pension. The right to the once-only benefit is if on the day of the death of the deceased spouse, the surviving spouse is also a recipient of a pension specified in this Law and the death occurred after 1 January 2007.

[2 November 2006]

Section 38. Pension Payments to Persons who Depart to a Foreign State

The payment of a granted Republic of Latvia pension to persons who depart for permanent residence in a foreign state shall be continued in accordance with procedures specified by the Cabinet if international agreements ratified by the *Saeima* do not specify otherwise.

[20 December 2001]

Transitional Provisions

1. The accrued work and the equivalent periods thereof for Latvian citizens in the territory of Latvia and the territory of the former USSR up to 31 December 1990, as well as the periods accrued outside of Latvia as prescribed by Sub-paragraph 10 of this Paragraph shall be equivalent to lengths of period of insurance. The length of period of insurance of aliens and stateless persons is equivalent to the work and the equivalent periods thereof accrued in the territory of Latvia, as well the work and the equivalent periods thereof accrued in the territory of the former USSR, that are referred to in Sub-paragraphs 4 and 5 of this Paragraph, and the periods accrued outside of Latvia referred to in Sub-paragraph 10 of this Paragraph. Up to 31 December 1990, but in the case referred to in Sub-paragraph 11 of this Paragraph – until 31 December 1995, the length of period of insurance shall be equated to the following work equivalent periods:

- 1) mandatory active military service and alternative (work) service;
- 2) career service for soldiers and service for officers in the Army of the Republic of Latvia, for Latvian citizens – also in the USSR Armed Forces, if as a result of their activities in the interests of Latvia they were demoted or were called up for active military service after serving their mandatory military service or after graduation of a civil institution of higher learning, if they do not receive a pension from another state, in the specification of the amount of which such service period has been taken into account;
- 3) rank and file service and positions of unit commanding personnel in the institutions dealing with internal affairs, with the exception of the VDK (State Security Committee);
- 4) periods of study at institutions of higher education, as well as at other educational institutions after the acquisition of secondary education, but not longer than five years in relation to specialisation, in which the acquisition of an education was specified as not more than five years, and not longer than six years in relation to a specialisation, in which the acquisition of an education was specified as more than five years;
- 5) the period of time of full time doctoral studies, but not longer than three years, the period of post-graduate education and the period when qualifications were raised;
- 6) individual work
- 7) the time period that a Group I invalid person or an invalid child up to the age of 16 years was cared for, as well as a person, who has reached 80 years of age;
- 8) the time period when a mother raised a child up to the age of 8 years;
- 9) paid employment in religious organisations;
- 10) politically repressed persons' in places of imprisonment, included during the deportation period is the work done during deportation and other work done under the supervision of the USSR Interior Ministry Administration for Industry and Building Provision No. 907, as well as the time spent while escaping from such places is to be multiplied by the amount of three, but that spent in the Far North or the equivalent districts thereof – multiplied by the amount of five. The Cabinet shall determine the districts that are classified as being the Far North and the equivalent districts thereof. The calculated length of period shall remain in effect, for those persons, for whom such length of period has been specified as six times the amount; and
- 11) the time period when the insured person is recognised as an invalid and does not work (also in respect to an accident at work or occupational illness), but not longer than up to attaining the age necessary for the granting of the old age pension, the referred to time shall only be taken into account when calculating the initial capital of the old age pension.

[6 November 1996; 27 December 1996; 20 November 1997; 20 December 2001; 20 October 2005 /see Paragraph 45 of the Transitional Provisions/]

2. From 1 January 1991 to 31 December 1995 the length of period of insurance shall be formed by the work and the equivalent periods thereof that are indicated in Sub-paragraphs 1, 2 and 3 of this Paragraph and which had to be made, but in relation to self-employed persons insurance contributions that were made, and the periods equated to work periods indicated in Sub-paragraphs 4, 5, 6, and 7 of this Paragraph, where social security payments have been made. Length of period of insurance shall be equated to the following employment periods:

- 1) mandatory active military service and alternative (work) service;
- 2) career service for soldiers and service for officers in the Army of the Republic of Latvia, for Latvian citizens – also in the USSR military forces if as a result of their activities in the interests of Latvia they were demoted;
- 3) rank and file service and positions of unit commanding personnel in the institutions dealing with internal affairs, with the exception of the VDK (State Security Committee);
- 4) time periods of study at institutions of higher education, as well as at other educational institutions after the acquisition of secondary education;
- 5) time period of postgraduate education and raising of qualifications;
- 6) the time period that a Group I invalid person or an invalid child up to the age of 16 years was cared for, as well as a person, who has reached 80 years of age; and
- 7) the time period when the mother raised a child until the age of 8.

[27 December 1996; 20 December 2001; 20 October 2005]

2.¹ The procedures for the calculation of the period, provision of proof and method of recording specified in Paragraphs 1 and 2 of these Transitional Provisions shall be determined by the Cabinet.

[20 December 2001]

3. Expenses, that are related to inclusion of the periods referred to in Paragraphs 1 and 2 of these Transitional Provisions in the calculation of a pension, shall be covered from the State pension special budget, with the exception of expenses, which are associated with the relief specified in Paragraph 1; Sub-paragraph 10 of these Transitional Provisions. Expenses, that are related to increases in the pension amount, in applying the relief specified in Paragraph 1; Sub-paragraph 10, as well as in Paragraph 10; Sub-paragraphs 3 and 4 of these Transitional Provisions, from 1 January 2003 shall be covered from funds of the State basic budget according to the procedures specified by the Cabinet.

[20 December 2001]

4. Insurance contributions from the State Social Insurance Agency shall be made:

1) for a person who has been granted unemployed person status and who receives an unemployment benefit, up to the day that the Law on Mandatory Social Insurance in the Case of Unemployment comes into force; and

2) for an unemployed person, who has been recognised as an invalid person in relation to an accident at work or an occupational disease prior to the day that the Law on Mandatory Social Insurance against Accidents at Work or Occupational Disease came into force.

[27 December 1996]

5. A person, who up to the day that the Law on Mandatory Social Insurance against Accidents at Work or Occupational Disease came into force was recognised as an invalid person in relation to a work accident or occupational disease, or in the case the death thereof, the person who was in the care thereof, the invalidity pension or the survivor's pension shall be granted and paid in accordance with the Law on State Pensions. This also applies to a person:

1) whose invalidity in relation to an accident at work or occupational disease was determined after 1 January 1997, but who suffered such accident at work or worked in circumstances that were the cause of the occupational disease, up to this date, or

2) whose provider died after 1 January 1997, but whose cause of death up to this date was an accident at work or due to occupational disease.

[27 December 1996; 20 November 1997]

6. In respect of the contribution periods for the insured person that are referred to in Section 9; Paragraph three of this Law, the insurance contributions shall be made from the State social security budget up to 1997, but from 1997 – from the funds of the State basic budget.

7. The supporting documentation for the length of period of insurance in the transition period shall be:

- 1) work record book;
- 2) employment contract book;
- 3) a document that certifies the making of the insurance contributions; and
- 4) other documents that certify the length of period of insurance (statements, work contracts and the documents certifying the implementation thereof, etc.).

8. The necessary age for the granting of an old-age pension that was specified up to the day this Law came into force by the 29 November 1990 Law on State Pensions, Section 8, Clause 2 and Clauses 9 -12, shall be raised in 1996 by one year, and from 1 July each following year shall be increased by six months, until the age of 62 years is reached.

The necessary age for a male to be granted an old-age pension – from 60 to 62 years – from 1 January 2000 shall increase gradually – by six months every year on 1 January.

[4 November 1999; 20 December 2001]

9. In making amendments to the insurance contribution tariffs, the further specification of length of period of insurance shall be discontinued, which give the right to a pension with preferential conditions for work in particularly hazardous and particularly hard working conditions or in hazardous and hard working conditions, retaining the right to a pension with preferential conditions for the previously worked time, taking into account the age, that is indicated in Paragraph 8 of these Transitional Provisions.

10. In granting a pension according to the procedures prescribed in this Law (taking into account the conditions, which are set out in Sub-paragraph 1 of this Paragraph), the calculation of the accrued pension capital up to 2006 shall be indexed on the basis of the coefficients specified in this Paragraph in the following cases:

1) the compensation of such rights, which up to the day of the coming in force of this Law were specified in the 29 November 1990 Law on State Pensions, Sections 9-11 and Section 12, Clauses 1 and 2, if the age of 62 years has not been reached and the following conditions have been observed:

Categories and conditions	Coefficient	
	for men	for women
Invalid for life with a length of period of insurance not less than: for men – 25 years, and for women – 20 years	1.09	1.1
Women with five or more children or a child that has been an invalid since childhood, and who have raised children to the age	-	1.1

of 8 years, with a length of period of insurance not less than 20 years

Midgets, dwarfs and the blind with a length of period of insurance not less than: for men – 20 years, and for women – 15 years	1.33	1.37
Persons, who have worked in occupations with particularly hazardous and hard working conditions with a length of period of insurance of not less than: for men – 20 years, and for women – 15 years, if at least one quarter of such years was spent working in particularly hazardous and hard working conditions	1.2	1.22
Persons, who have worked in occupations with 1.09 1.1 hazardous and hard working conditions with a length of period of insurance of not less than: for men – 25 years, and for women – 20 years, if at least one quarter of such years was spent working in hazardous and severe working conditions	1.09	1.1

2) in granting survivor's pensions to children born after the Chernobyl Nuclear Power Plant accident of families involved in the liquidation of the consequences thereof, in the calculations of the pension, the deceased provider's prospective pension capital shall be indexed with a coefficient of 1.1,

3) in granting old age pensions to politically repressed persons with a length of period of insurance for men – not less than 25 years, and for women – not less than 20 years, the accrued pension capital thereof shall be indexed by a coefficient of 1.1, and

4) in relation to the acquisition of a politically repressed person status, the State pension that had been granted shall be recalculated taking into account the additional proved length of period of insurance and taking into account Sub-paragraph 3 of this Paragraph or what is prescribed in Paragraph 16; Sub-paragraph 7. The pension shall be recalculated within the time periods set out in Section 25, Paragraph two, Clause 1 of this Law.

[20 November 1997; 5 August 1999; 20 December 2001]

11. In determining the right to a pension in relation to the length of period of insurance, as indicated in Paragraph 10; Sub-paragraph 1 of these Transitional Provisions regarding work in particularly hazardous and particularly hard working conditions or hazardous and hard working conditions in the territory of Latvia, the lists, which up to the day of this Law coming into force that specified the production unit, work and profession as conforming with the work that gives the right to a pension on preferential conditions shall be applied.

[20 October 2005]

12. Discontinue from 1 January 1998 the specification of the length of period of insurance that gives the right to a service pension in accordance with the by-law "On the Rank and File and the Unit Commanding Personnel of the Institutions of the Ministry of the Interior Employee Pensions (Employer Pensions)", but from 1 January 1999 – the specification of the length of period of insurance that gives the right to the service pension in accordance with the by-law "On Service Pensions".

Persons who up to 1 January 1999 worked in their respective professions for not less than three quarters of the length of period of insurance that in accordance with by-law "On Service Pensions" that was necessary for the granting of the respective service pension, shall retain the right to a service pension if all the other provisions prescribed in referred to by-law have been observed. The service pension shall be paid from the State pension special budget.

Persons, who have been granted a service pension in accordance with the by-law “On Service Pensions”, and who have reached the age specified in Section 11, Paragraph one of this Law after the coming into force of this Law shall be granted an old-age pension in the place of the service pension. It may not be less than the service pension, which was received up to the moment the old-age pension was granted.

Up to 1 January 1998 in accordance with the by-law “On the Rank and File and the Unit Commanding Personnel of the Institutions of the Ministry of the Interior Employee Pensions (Employer Pensions)”, the service pension granted shall continue to be paid from the State pension special budget.

The service pensions paid from the State pension special budget shall be examined in conformity with the procedures specified in Section 26 of this Law, taking into account Paragraph 15 of these Transitional Provisions.

[20 November 1997]

13. In the transition period when the State pension is calculated in accordance with the provisions of Section 12, Paragraph one of this Law, the following provisions shall be taken into account:

the insurance period up to 1995 (inclusive) shall be credited with the initial capital (Ks), which may be increased with further contributions in accordance with the provisions in the Section 12, Paragraph one of this Law:

$$Ks=V_i \times A_s \times 0.2$$

A_s – length of period of insurance for the period up to 1995 (inclusive),

V_i – the average yearly wage subject to insurance contributions, that from 1997, taking into account the yearly growth in the pension capital, shall be applied to the level of the wage subject to contributions for 1996.

Depending upon time of going on a pension (if necessary applying Section 33 of this Law) the average wage subject to insurance contributions shall be determined in the following way:

Claiming a pension

In 1996.

V_i is the average wage subject to insurance contributions in 1995;

In 1997.

V_i is the average wage subject to insurance contributions of the insured person in 1996;

If in 1996 the applicant for pension has worked less than 12 months, the average wage subject to insurance contributions shall be determined by dividing the total average wage subject to insurance contributions for the months worked in 1996 by 12. If the insured persons length of period of insurance in Latvia is not less than 30 years and the average yearly wage subject to insurance contributions of the insured person in 1996 is less than the determined 1996 average wage subject to insurance contributions, or the person has been recognised as being an unemployed person, in the determination of the pension amount, the determined average wage subject to insurance contributions for 1996 shall be taken into account;

In 1998.

V_i is the insured person’s 24 month average yearly wage subject to insurance contributions for the time period from 1996 to 1998. If in this period, the person requesting the pension has worked less than 24 months, the average yearly wage subject to insurance contributions shall

be determined, by dividing the total of the average yearly wage subject to insurance contributions by 24. If the insured person's length of period of insurance in Latvia, but for politically repressed persons up to 1 January 1991 in accordance with Paragraph 1 of these Transitional Provisions, the accrued length of period of insurance is not less than 30 years and the insured person's 24 month average yearly wage subject to insurance contributions is less than that determined for the 1997 average yearly wage subject to insurance contributions or the person has been recognised as an unemployed person, the average yearly wage subject to insurance contributions determined for 1997 shall be taken into account.

In 1999

Vi is the insured person's 36 month average yearly wage subject to insurance contributions for the time period from 1996 to 1999. If in this time period, the person requesting the pension has worked less than 36 months, the average yearly wage subject to insurance contributions shall be determined, by dividing the total for the average yearly wage subject to insurance contributions by 36. If the insured person's and the person recognised as an unemployed person's length of period of insurance in Latvia, but for politically repressed persons up to 1 January 1991 in accordance with Paragraph 1 of these Transitional Provisions, the accrued length of period of insurance is not less than 30 years and the insured person's 36 month average yearly wage subject to insurance contributions is less than that determined for the 1998 average yearly wage subject to insurance contributions, the average yearly wage subject to insurance contributions determined for 1998 shall be taken into account.

In 2000 and subsequent years -

Vi is the insured person's 48 month average yearly wage subject to insurance contributions for the time period from 1996 to 2000. If in this period the insurance contributions have been made for less than 48 months, the average yearly wage subject to insurance contributions shall be determined, by dividing the total for the average yearly wage subject to insurance contributions by 48.

If from the coming into force of this Law up to when the pension is requested insurance contributions have not been made or were made after the year 2000, as well as if the person requesting the pension had an average yearly wage subject to insurance contributions for the relevant period that was less than 40 per cent of the State determined average yearly wage subject to insurance contributions (for the calendar year, which ends in the year before the year in which the pension is granted) – Vi from 1 January 2002 shall be 40 per cent of the State determined average yearly wage subject to insurance contributions (for the calendar year, which ends in the year before the year when the pension is granted) In relation to invalid persons, the procedures specified in Paragraph 18 of these Transitional Provisions shall be applied.

In the transition period the old-age pensions shall be calculated on the basis of the following formula:

$$P = \frac{K_s + K}{G}$$

P – the yearly pension, the twelfth part of which is the monthly pension;

K_s – the initial capital that is specified in Paragraph two of this Paragraph;

K – the pension capital that is specified by Section 12, Paragraph one of this Law; and

G – the time period (in years) in respect of which from the year of granting the pension the payments of the old-age pension are planned.
[6 November 1996; 22 May 1997; 20 November 1997, 21 October 1998; 20 December 2001]

14. [20 November 1997]

15. Up to 31 December 2014, State pensions, the amount of which does not exceed by fivefold the State social security benefit, shall be examined in the following order:

1) up to 31 December 2009, State pensions the amount of which are not threefold greater than the State social security benefit, shall be examined on 1 April, taking into account the actual consumer price index, and 1 October, taking into account the actual consumer price index and 50 per cent of the actual increase in the percentage of the wage subject to insurance contributions. State pensions, the value of which is greater than threefold the State social security benefit, but do not exceed by fivefold the State security benefit, shall be examined once a year on 1 October, taking into account the actual consumer price index;

2) from 1 January 2010 to 31 December 2014, State pensions, which do not exceed by threefold the State social security benefit, shall be examined once a year on 1 October, taking into account the actual consumer price index and 50 per cent of the actual increase in the percentage of the wage subject to insurance contributions. State pensions, the value of which is greater than threefold the State social security benefit, but do not exceed by fivefold the State security benefit, shall be examined once a year on 1 October, taking into account the actual consumer price index and 25 percent of the actual increase in the percentage of the wage subject to insurance contributions; and

3) in examining the State pension, the granted pension amount shall be examined.
(20.10.2005. [20 October 2005])

16. Pensions, which were granted before this Law came into force, but in relation to the invalidity pension – before 1 January 1997, shall not be recalculated, except for the following cases, when in the recalculation shall be made in the following order:

1) if the accrued length of period of insurance has been supplemented up to 1 January 1996, if there have been changes in the family composition, which affect the family members who have the right to a survivor's pension, and if the invalidity group has changed, the old-age, invalidity or survivor's pension shall be recalculated on the basis of the formula:

$$P = 0.3 \times VA + 0.004 \times AS \times GL$$

P – the pension

VA – the last average wage subject to insurance contributions, that was applied in specifying the amount of the pension before the recalculation of the pension,

AS – the length of period of insurance in complete years, and

GL – the number of family members who have a right to receive a survivor's pension.

2) [20 December 2001]

3) in recalculating the invalidity pension, the supplement to it shall also be recalculated, which for the Group I invalidity pension shall be determined in the amount of 12 percent and for the Group II invalidity pension in the amount of six per cent of the last average wage subject to insurance contributions, which was applied in specifying the amount of the pension before the recalculation of the pension;

4) in relation to the length of period of insurance, which has accrued after this Law came into force, the old-age pension, the service pension and Group I and II invalidity pensions shall be recalculated according to the procedures specified in Section 24 of this Law;

5) in recalculating the pension, of the time periods specified in Section 25, Paragraph two, Clauses 1 and 2 and Paragraph three of this Law, with the exception of the cases referred to in the Paragraph 23 of these Transitional Provisions. If the recipient of an invalidity pension has changed the invalidity group, the invalidity pension shall be recalculated from the day the invalidity group was changed;

6) a pension shall be increased according to the procedures specified in Section 26 of this Law, taking into account the Paragraph 15 of these Transitional Provisions;

7) old-age pensions and invalidity pensions without a supplement that were previously granted to politically repressed persons, which are specified by Sub-paragraph 3 of this Paragraph, shall be recalculated applying the coefficient 1.1;

8) changing from one pension type to another, persons, who have attained the required age for being granted an old age pension up to the coming into force of this Law, shall not granted a pension anew, and in such case the time period specified in Section 25, Paragraph two, Clause 1 of this Law shall be taken into account and the procedures for calculating a pension specified in Sub-paragraph 1 of this Paragraph shall be applied;

9) payment of pensions shall be performed according to the procedures specified in Chapter IV of this Law;

10) in granting a pension anew it shall be granted according to the procedures specified in this Law; and

11) [5 August 1999]

12) an insured person, who was granted a State pension up to 1 January 1997 and who, after 1 January 1996 having work for at least three years, and up to 1 September 1999 was granted a pension anew, the amount of which at the moment of granting exceeded 100 lats, shall continue to reimburse the old-age pension or the service pension to the State pension special budget from 1 January 1996 up to the receipt of the pension is granted anew for an old-age or service pension. The amounts to be reimbursed each month shall not be deducted in the time period, in which payment of the pension has been discontinued.

13) [5 August 1999]

[6 November 1996; 27 December 1996; 20 November 1997, 21 October 1998; 22 April 1999; 5 August 1999; 20 December 2001, 23 December 2002; [Constitutional Court judgement /from 1 January 1991 the text of Paragraph 16, Sub-paragraph 1 has been acknowledged as not complying with Section 91 of the Constitution of the Republic of Latvia and has not been in force from the moment it was adopted/; 20 October 2005]

17. In granting the invalidity pension:

1) for the period from 1 January 1997 to 1 January 2001, it shall be calculated in accordance to the prescribed procedures as set down by Section 16, Paragraphs one and two of this Law, taking into account the insured person's average wage subject to insurance contributions for months actually worked, but not more than 36 months in consecutive order (irrespective of how long the work was interrupted) in the period from 1 January 1996 to the granting of the invalidity pension; and

2) for the calculation of the maximum possible length of period of insurance prescribed in Section 16, Paragraph one of this Law (also in recalculating the invalidity pension) the conditions in Paragraph 8 of these Transitional Provisions shall be taken into account.

[27 December 1996]

18. Persons, the invalidity of whom was specified before this Law came into force, but who have attained the required age for being granted an old-age pension as prescribed in this Law after this Law came into force, shall be granted an old age pension in place of the invalidity

pension, which shall be calculated in accordance with Section 12 of this Law, taking into account the conditions of Paragraph 13 of these Transitional Provisions:

1) if the invalid person was not an employee or self-employed in the period between 1 January 1996 and 1 January 2000, Vi shall be the State determined average wage subject to insurance contributions for 1996; and

2) [20 December 2001]

3) the specification of the pension initial capital for the invalidity period up to 1 January 1996, when the insured person was recognised as an invalid (also due to an accident at work or an occupational disease) and has not worked, but not longer than up to the date of attaining the required age for being granted an old-age pension, taking into account the following average wage subject to insurance contributions (Vi):

for 1996 – Vi shall be 50% of the specified average monthly wage subject to insurance contributions for 1995; and

from 1997 and further years – Vi shall be 50% of the specified average monthly wage subject to insurance contributions for 1996.

[6 November 1996; 20 December 2001]

19. An old-age pension granted to replace an invalidity pension during the invalidity period may not be less than the invalidity pension, which was received up to the moment the old-age pension was granted. In the case where the invalidity group has been respecified, if the discontinuance period for the invalidity was not greater than one month, the old-age pension payment (also during the period of discontinuance of the invalidity) shall be continued at the previous amount.

[20 November 1997]

20. With the coming into force of this Law the following are repealed:

1) Law on State Pensions (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1991, No.1./2. 51) 1993, No. 18/19, 20/21); *Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 1993, No. 32; 1994, No. 6);

2) Law on Provisional Procedures for Calculating State Pensions (*Latvijas Republikas Saeimas un Ministru Ziņotājs*, 1993, No.32.; 1994, No. 6); and

3) Decision of the Supreme Council of the Republic of Latvia on the Republic of Latvia Law on Procedures for Coming into force of the Law on State Pensions (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1991, No. 1./2., 51).

21. From 1 June 1997 to 31 December 1999, the amount of the pension disbursement shall not exceed the amount, that has been calculated, taking into account the work income limit for the year that is subject to social insurance.

[22 May 1997; 20 November 1997]

22. Up to 1 June 1997, old-age pensions, which were granted in 1997, based upon the request of the insured person, are to be recalculated, taking into account the average wage subject to insurance contributions determined for 1996, if in 1996 the insured person had unemployed person status and the length of period of insurance in Latvia at the moment of the request for a pension was not less than 30 years.

The old-age pension granted to politically repressed persons in 1997 shall be recalculated in accordance with the conditions of Paragraph 13 of these Transitional Provisions.

After 1998, the old-age pensions granted to replace the invalidity pension shall be recalculated in accordance with the conditions of Paragraph 19 of these Transitional Provisions, based upon the request of the beneficiary of a State pension.

[22 May 1997; 20 November 1997]

23. If the right to increase the pension are obtained in relation to supplementary insurance contributions for the period before the pension was granted (recalculated), the pension shall be recalculated from the day it was granted (recalculated). The recalculation of a pension shall be carried out not more often than once every half year.

[5 August 1999]

24. From 1 September 1999 an insured person – the recipient of an old-age or service pension – shall not be granted a old-age or service pension anew.

[5 August 1999; Constitutional Court judgement of 25 October 2004 /Paragraph 24 of the Transitional Provisions has been acknowledged as not complying with Article 1 of the Constitution of the Republic of Latvia and invalid as of 26 October 2004 in relation to those persons, whose pension payments were discontinued on the basis of a submission by such persons in accordance with the Paragraph 16; Sub-paragraph 11 of the Transitional Provisions of the Law on State Pensions/]

25. *[20 December 2001]*

26. *[Recognised as annulled from 19 March 2002, by Constitutional Court judgement that came into effect on 20 March 2002]*

27. *[4 November 1999]*

28. For persons, who up to 31 December 2001 have departed to live abroad permanently as Latvian citizens, the Republic of Latvia pension granted shall be continued to be paid or renewed from the day of submission of a request according to the procedures specified by the Cabinet. Payment of the pension to persons, who have departed to live permanently abroad commencing from 1 January 2002, shall be ensured in accordance with Section 38 of this Law.

[20 October 2005]

29. Up to 1 July 2008 persons, whose length of period of insurance is not less than 30 years, two years before the attainment of the age specified in Section 11; Paragraph one of this Law (taking into account Paragraph 8 of these Transitional Provisions) have the right to request the old-age pension before the due time, but for men – not earlier than from 60 years of age.

[20 December 2001; 9 June 2005]

29.¹ Participants in the liquidation of the consequences of the Chernobyl nuclear power station accident have the right to request an old-age pension five years prior to reaching the age specified in Section 11, Paragraph one of this Law (taking into account Paragraph 8 of these Transitional Provisions).

[2 November 2006]

30. For women and for men, who were granted the old-age pension in accordance with Paragraph 29 of these Transitional Provisions, until attaining the age set down in Section 11, Paragraph one of this Law (taking into account Paragraph 8 of these Transitional Provisions)

the amount of the pension payment shall be 80 per cent of the old-age pension granted. The referred to condition shall also be applicable to persons, who up to 1 January 2002 were granted an early old-age pension that was paid in the amount of 80 percent.

[20 December 2001; 20 October 2005]

31. Persons, who have utilised the possibility of an early pension, in the period, when they have become a person with mandatory social insurance (employee or self-employed), the old-age pension shall no longer be paid out until attaining the age set down in Section 11, Paragraph one of this Law (taking in account Paragraph 8 of these Transitional Provisions).

[20 December 2001]

32. From persons, who in the pension period from 1 January 2000 to 31 December 2001 exceed the State social security benefit by twofold – and from 1 January 2002 to 31 December 2004 the amount indicated in Paragraph 26 of these Transitional Provisions and who during the time from 1 January 2000 to 31 December 2004, being a mandatory social insurance person (employee or self-employed), and contrary to the provisions of Section 34 of this Law, had not informed an office of the State Social Insurance Agency regarding this, there is a right to deduct not more than 30 percent from the pension amount payable, until the excess pension payments have been extinguished.

[20 December 2001; Constitutional Court judgement of 6 April 2005 /Paragraph 32 of the Transitional Provisions of the Law on State Pensions has been acknowledged as not complying with Article 109 of the Constitution of the Republic of Latvia and as invalid from the moment, that Paragraph 26 of the Transitional Provisions of the Pension Law ceased to be in force, that is, from 20 March 2002/]

33. Up to 1 January 2010, the calculation of the pension initial capital for an insured person, whose length of period of insurance is not less than 30 years and whose average monthly wage subject to insurance contributions, which has been calculated in accordance with Paragraph 13 of these Transitional Provisions, is less than the average wage subject to insurance contributions in the State in the period from 1 January 1996 to 31 December 1999, consideration shall be made of the 48 month average wage subject to insurance contributions in the State within the previously indicated time period. State pensions, which have been granted to insured persons from 1 January 2000 to 31 December 2001, and to whom the previously referred to conditions are applicable, based upon their request, shall be recalculated from 1 January 2002.

[20 December 2001]

34. Up to 31 December 2009, the minimal old-age pension amount may not be smaller than the State social insurance benefit, to which following coefficients shall be applied:

- 1) for persons, who have a length of period of insurance up to 20 years – 1.1;
- 2) for persons, who have a length of period of insurance from 21 years up to 30 years – 1.3;
- 3) for persons, who have a length of period of insurance from 31 years up to 40 years – 1.5; and
- 4) for persons, who have an insurance period of 40 years and more – 1.7.

[20 December 2001; 2 November 2006]

35. The Cabinet by 30 June 2002 shall draft regulations for the procedures for reviewing the amount of a State pension. Up to the day the referred to regulations come into force Cabinet Regulation No. 99, State Pension, Compensation for Losing the Ability to Work, and the

Procedures for Reviewing the Amount of due to Loss of the Provider, shall be applied insofar as they do not contradict this Law.

[20 December 2001]

36. If the right to an increase in a State pension has been obtained (irrespective of the time when it was granted), in accordance with the work and the supplementation of the equivalent period thereof referred to in Paragraph 1 of these Transitional Provisions, the pension, based upon a request of the pension beneficiary, shall be recalculated within the time periods referred to in Section 25, Paragraph two, Clause 1 of this Law, observing up to the recalculation of the pension the appropriate procedures for calculating the pension.

[20 October 2005]

37. A State pension, which was granted up to 31 December 1995, may not be less than the minimal amount, which is determined for the appropriate type of pension in this Law.

[20 October 2005]

38. If a person has from 1 January 1991 to 13 March 2001 accrued the insurance periods referred to in Section 9, Paragraph two, Clause 1; Sub-clause “a” of this Law and Paragraph 2; Sub-paragraphs 1, 2 and 3 of these Transitional Provisions, that were not taken into account in calculating the pension, the pension, based upon a submission of the pension beneficiary, shall be recalculated from 1 April 2005.

[20 October 2005]

39. If circumstances have arisen, that in accordance with Paragraph 29 of these Transitional Provisions allow for in place of a granted pension to receive a pension on the basis of preferential conditions, which are determined by this Law, the pension shall be recalculated according to the procedures specified by Section 25, Paragraph two, Clause 1. of this Law.

[20 October 2005]

40. An old-age pension that has been granted to replace a service or invalidity pension, in the event of a recalculation shall be formed from the pension granted earlier (recalculated), taking into account the conditions in Paragraphs 12 and 19 of these Transitional Provisions, and the pension, which has been calculated in accordance to the procedures specified in Section 12, Paragraph one of this Law, taking into account the pension capital, which the person has accrued after being granted the pension (recalculation).

[20 October 2005]

41. The recipients of the old-age pension resident in Latvia who have been granted a pension amount that in one month does not exceed 135 lats (including a pension or part thereof, which is paid by other Latvian institutions, EU or EEA member states and states, with which international agreements have been entered into in the area of social security) and whose total length of period of insurance is not less than 30 years, but pension recipients for whom a pension was granted with preferential conditions for work in particularly hazardous and particularly hard working conditions or in hazardous and hard working conditions – not less than 25 years, up to 31 December 2009 regarding the length of period of insurance, which has accrued up to 31 December 1995 and taken into account, in granting (recalculating) the pension, shall be granted a supplementary payment for each length of period year in conformity with social insurance special budget resources. The Cabinet shall determine the procedures by which a monthly supplementary payment is added to the old-age pension, as well the amount of such supplementary payment and the procedure for its payment.

[20 October 2005; 2 November 2006]

42. If the length of period of insurance includes periods accrued outside of Latvia, then, upon obtaining the right to another state's pension (in accordance with Regulation (EC) No. 1408/71) for the same time insurance period, the pension at the request of the person shall be recalculated, omitting this period. The total amount of the pensions granted by the State may not be less than the pension amount that the person received prior to the recalculation of the pension. The Latvian part of the pension may be reduced from the next month after a decision regarding a pension granted by another state has been received.

[20 October 2005]

43. Up to the coming into force of the relevant Cabinet regulations, but not later than by 30 June 2006 Cabinet Regulation No. 134 of 26 March 2002, Procedure for the Payment of State Pensions Granted by the Republic of Latvia to Persons who have Departed to Live Abroad Permanently, shall be applied insofar as it does not contradict this Law.

[20 October 2005]

44. Amendments to Section 24, Paragraph one of this Law regarding the recalculation of old-age and invalidity pensions, which may be performed not more often than once a year, shall come into force 1 January 2007.

[20 October 2005]

45. Amendments to the introductory part of Paragraph 1 of these Transitional Provisions, which determine up to 31 December 1990 the work and the equivalent periods thereof that are included into the insurance period, shall come into force on 1 January 2007.

[20 October 2005]

46. Persons for whom from 1 January 1996 up to 1 July 2005 old-age pension was granted before the due time and for whom from the day of the granting of the pension up to reaching the age specified in Section 11, Paragraph one of this Law (taking into account Paragraph 8 of these Transitional Provisions) have continuously been mandatory social insurance persons (employees or self-employed), and for whom the old-age pension in the referred to period has not been granted anew, have the right to request the granting of an old-age pension anew according to the following procedures:

1) an old-age pension shall be granted anew on the day of reaching the age specified in Section 11, Paragraph one of this Law (taking into account Paragraph 8 of these Transitional Provisions), based upon a submission from the person;

2) if the old-pension granted before the due time was recalculated in relation to additions to the pension capital after the granting thereof, then after the granting of the old-age pension anew it shall be recalculated based upon the submission by the person in the existing pension file regarding the recalculation of the pension and taking into account the pension capital, which has accumulated after the granting of the old-age pension anew. The recalculation of the old-age pension granted anew shall be performed taking into account the time period of the recalculation performed;

3) if the old-pension granted before the due time was not recalculated in relation to additions to the pension capital after the granting thereof, then after the granting of the old-age pension anew it shall be recalculated based upon the submission by the person and taking into account the time period specified in Section 25, Paragraph two, Clause 1 of this Law;

4) an old-age pension granted (recalculated) anew, which has been reviewed in conformity with Paragraph 15 of these Transitional Provisions shall be paid out for the period from 1 January 2007 if the referred to pension has been requested within a period of 12 months from 1 January 2007. If the granting of an old-age pension anew has been requested after 12 months from 1 January 2007, then the pension shall be paid out for a period, which is not longer than 12 months prior to the day it was requested. In paying out an old-age pension granted anew for the past time period, the previously received old-age pension shall be taken into account; and

5) if the amount of an old-age pension granted anew exceeds the amount of old-age pension referred to in Paragraph 41 of these Transitional Provisions, then the right of a person to the previously granted supplement to the old-age pension shall be lost from the day of the granting of the renewed old-age pension. If in relation to the granting of the renewed old-age pension, the supplement to the old-age pension has been overpaid, then according to the procedures specified in Section 36, Paragraph one, Clause 3 of this Law deductions shall be made from the old-age pension, which has been granted anew.

[2 November 2006]

47. Persons who in the time period from 1 January 2000 up to 19 March 2002 were mandatory social insurance persons (employees or self-employed) and received a pension in a restricted amount (up to 31 December 2001 in the amount of twice the State social insurance benefit and from 1 January 2002 in the amount of three times the State social insurance benefit, shall be paid out the unreceived part of the pension, paying it in to the Republic of Latvia credit institution or postal settlement system (PNS) accounts indicated by the person not later than by 31 December 2007.

[2 November 2006]

48. From 1 January 2007 persons whose total length of period of insurance is not less than 25 years, of which up to 31 December 1995 at least one-third part was work in particularly hazardous and particularly hard working conditions or in hazardous and hard working conditions in accordance with the lists included in Paragraph 11 of these Transitional Provisions, have the right to request an old-age pension five years prior to reaching the age specified in Section 11, Paragraph one of this Law (taking into account Paragraph 8 of these Transitional Provisions).

[2 November 2006]

49. A survivor's pension, which up to 31 December 2006 was granted to an adoptee prior to adoption or to a stepson and stepdaughter shall continue to be paid out according to the procedures specified in this Law.

[2 November 2006]

50. In relation to persons who in the time period from 1 January 2007 up to 28 February 2007 have requested the recalculation of old-age pensions in accordance with Section 24 of this Law or the granting of an old-age pension anew in accordance with Paragraph 46 of these Transitional Provisions, an official of the State Social Insurance Agency office shall take a decision in the time period from 1 March 2007 to 31 March 2007.

[2 November 2006]

This Law shall come into force on 1 January 1996.

This Law has been adopted by the *Saeima* on 2 November 1995.

President

G. Ulmanis

Rīga, 23 November 1995