

TAXATION

Your partner in tax law, practice and administration

IT & NIC

CT

CGT

IHT

Land

VAT

Trusts

Investments

Monday, March 9, 2009 - 09:52 | [Home](#)

❖ Latvia latest to increase VAT

Posted: 05 January 2009

Issue: Online only

Categories: News, Update, VAT, VAT Admin

'UK may be going it alone with strategy to cut'

Latvia has become the latest EU country to increase VAT in an effort make up budgetary shortfalls caused by the deepening financial crisis.

The Latvian government has announced a 3% increase to 21% from this month.

This follows Lithuania's increase last month and Ireland's increase in October.

Richard Asquith of VAT global compliance services at accountants TMF said: 'It seems the UK may be going it alone with its strategy to cut VAT to stimulate the economy out of a recession.'

The prospect of colossal budget deficits and demands from buyers of government debt mean that much of the rest of the EU is headed the other way.

'We expect others to increase over the next few months.'