Law On Service Pensions for Military Persons

Section 1. Purpose of This Law

The purpose of this Law is to ensure the right to a service pension and to prescribe the procedures for the granting, calculation and payment thereof for the officers in active military service, career service soldiers, professional service soldiers and national guards in rank and file service in military units (hereinafter – military persons) subject to the control and responsibility of the National Armed Forces and the Ministry of Defence.

Section 2. Right to a Service Pension

(1) Such military person has the right to a service pension, who in accordance with Section 3 of this Law has a length of service that has been calculated as:

1) being not less than 20 years, if the military person has served for at least 15 years;
2) being less than 20 years, if the military person commenced service until 31 December 2004 and has served for at least 15 years or if the military person commenced service after 1 January 2005 and has served continuously for 15 years and was retired:
   a) in connection with reaching of the maximum age determined for performing active military service,
   b) due to illness or state of health,
   c) due to the reduction of the number of soldiers or the liquidation of a unit (sub-unit) or reorganisation, or
   d) because the term of operation of the service contract entered into for a specified period has ceased.

(2) A military person, who receives a pension from another state, does not have the right to receive a service pension.

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(2) A military person who is entitled to several service pensions shall be granted only one pension according to the choice of the respective person.

(3) Such military person does not have the right to a service pension, who has been retired from active military service or rank and file service due to having committed an intentional criminal offence (regardless of whether or not the criminal record has been extinguished or expunged), has committed an intentional criminal offence, but was released from a punishment, for which the criminal proceedings initiated for committing the intentional criminal offence were terminated for reasons other than exoneration or for whom retirement from active service or from rank and file service was applied as a disciplinary sanction.


Section 3. Calculation of the Length of Service for a Military Person

The following shall be included in the length of service, which gives the right to a service pension:

1) the time served in mandatory active military service (in the armed forces of the Republic of Latvia or another state) and the time that was served in an alternative service, by which mandatory military service was replaced;

2) rank and file service time in the National Guard until 30 June 2002, time in professional service, time in active service in military units subject to the control and supervision of the Ministry of Defence and in the Security Services of the Saeima and the President (Security Service of the Supreme Council of the Republic of Latvia, Security Service of the Republic of Latvia), as well as the training time in military educational institutions and military training time, for persons subject to military service;

3) length of service in the system of the Ministry of the Interior of the Republic of Latvia;

4) length of service in the armed forces of another state, border guards and internal troops and Home offices, excluding the USSR State Defence Committee and the institutions subject to their authority, military persons, who commenced their service subject to the Ministry of Defence or the military units under its control before the coming into effect of this Law and have served at least three years therein, but military persons, who commenced their service after the day of this Law coming into force, – if 15 years have been served;

5) length of service in prosecutorial institutions and in posts as prosecutors or investigators for military persons, who prior to this Law coming into force were appointed to the rank of junior, third, second or first-class lawyer, the junior legal adviser, legal adviser, senior legal adviser or legal adviser to the State and who have served at least three years subject to the Ministry of Defence or the military units under its control, but military persons, who commenced their service after the day of this Law coming into force, – if 15 years have been served;

6) the insurance period for military persons prior to active military or rank and file service in accordance with the Law On State Pensions, who commenced their service prior to this Law coming into force and have served at least three years subject to the Ministry of Defence or the military units under its control, but military persons, who commenced their service after the day of this Law coming into force, – if 15 years have been served:

   a) in the amount of 80 per cent,
   b) in the amount of 100 per cent, if at least five years part-time service has been served in the National Guard prior to active military service or rank and file service.

[25 November 2004; 16 June 2009]
Section 4. Period of Service to Be Included in an Increased Amount of the Length of Service of Military Persons

(1) The length of service, which gives the right to a service pension, in an increased amount:

1) the following time served while on international operations shall be included:
   a) one day of service, which was served while on international peacekeeping operations, the purpose of which is to renew or maintain peace in conflict zones and where the persons involved have the right to participate in hostilities, shall be included as three days in the period of service,
   b) one day of service, which was served while on international operations for pursuing peace, the purpose of which is to renew or maintain peace in conflict zones and where the persons involved do not have the right to participate in hostilities, except in cases, when it is necessary for self-defence, shall be included as two-and-a-half days in the period of service,
   c) one day of service, which was served while on international rescue operations, the purpose of which is to liquidate the consequences of natural disasters, evacuate civilians from dangerous areas and to perform work of a similar nature, and international humanitarian operations, the purpose of which is to provide aid to civilians, who are victims of war or as a result of other extreme circumstances, shall be included as two days in the period of service,
   d) one day of service, which was served in a conflict zone, fulfilling duties as an international observer or participating in an international verification mission, shall be included as two days in the period of service,
   e) one day of service, which was served participating in an international military operation, the purpose of which is implementation of the right of member states of the United Nations Organisation to collective self-defence, shall be included as two days in the period of service;

2) for military persons, whose service duties include the performance of flying with aircraft, shall include one flight hour as three days in the period of service. The number of such flight hours for one military person shall not exceed 122 hours in one year;

3) for military persons, who have been appointed to the position of a specialist in neutralising unexploded ordnance and improvised explosive devices or a sapper (mine clearer, mine layer, demolition expert), one day performing mine clearing or demolition tasks shall be included as three days in the period of service;

4) for Special Task Force military persons one day of performance of a special task shall be included as three days in the period of service;

5) one day of service during war or a state of emergency shall be included in the length of service as three days;

6) for military persons, who were appointed to a diver’s position, each day, during which diving took place, shall be included in the length of service as two days;

7) for military persons, who perform their service duties on a ship at sea, each day, which was spent at sea, shall be included in the length of service as a day-and-a-half.

(2) If a military person acquires the right to an increase in the period of service in accordance with a number of the conditions of Paragraph one of this Section, the length of service shall only increase in respective of one of them. If one of these conditions provides the greatest increase in the length of service, the length of service shall be calculated according to this condition.

[30 November 2000; 3 April 2008]
Section 5. Service Remuneration, from Which the Service Pension Is Calculated

(1) The service pension for a military person shall be calculated from their average monthly remuneration and monetary awards for the last five years prior to retirement from service.
(2) [3 April 2008]
(3) For a military person, who during their service participated in the international operations referred to in Section 4, Paragraph one, Clause 1 of this Law, when calculating the service pension, such service remuneration for the length of service during performance of these operations shall be taken into account, which was determined for this military person at their permanent service base in Latvia prior to being sent to participate in the referred to international operations.

Section 6. Calculation of a Service Pension and Funds for the Payment of a Service Pension

(1) The service pension for a 20 year length of service shall be granted in the amount of 40 per cent of the service remuneration indicated in Section 5 of this Law. For military persons, who have reached the maximal age for active military or rank and file service as prescribed by regulatory enactments, retired due to illness or state of health or due to the reduction of the number of soldiers or the liquidation of a unit (sub-unit) or reorganisation, a service pension, if their length of service is 20 years, shall be granted in the amount of 55 per cent of the service remuneration indicated in Section 5 of this Law.
(2) For each year of service above 20 years a service pension shall be increased by 2 per cent of the service remuneration calculated in accordance with the procedures laid down in Section 5 of this Law.
(3) The maximal amount of a service pension shall not exceed 80 per cent of the service remuneration calculated in accordance with the procedures laid down in Section 5 of this Law.
(4) For every year short of the 20 year length of service, a military person shall have their service pension decreased by 2 per cent of the pension amount prescribed in Section 6, Paragraph one of this Law, if less than 15 years have been served and the military person has retired:
   1) due to the fact, that the maximum age limit for active military service laid down in laws and regulations has been reached;
   2) due to illness or state of health;
   3) due to the reduction of the number of soldiers or the liquidation of a unit (sub-unit) or reorganisation; or
   4) because the term of operation of the service contract entered into for a specified period has ceased.
(5) The minimum amount of a service pension shall not be less than the amount of the State social security allowance.
(6) A service pension shall be paid from the funds of the State general budget which have been granted to the Ministry of Defence in accordance with an appropriation from the current State Budget Law.
(7) Retired military persons, who have been granted a service pension, shall be granted a State social insurance old-age pension by a division of the State Social Insurance Agency, in accordance with the Law On State Pensions after reaching the prescribed age for being granted an old-age pension. The service pension granted shall be paid from the funds of the State pension special budget.
(8) After the granting of a State social insurance old-age pension the amount of the military service pension shall be decreased by the amount of the old-age pension.
[16 June 2009; 1 December 2009; 9 September 2010]
Section 7. Raising the Amount of a Service Pension

Service pensions shall be reviewed within the time periods and in accordance with the procedures for reviewing State pensions laid down in the Law On State Pensions.
[9 July 2013]

Section 8. Procedures for Requesting and Disbursing a Service Pension

(1) A military person shall submit the documents necessary for requesting a service pension and the granting thereof to the Ministry of Defence.
(2) The Ministry of Defence shall examine the documents required for a request for a service pension and the granting thereof within 10 days from the day of submission and notify the service pension applicant of the decision taken.
(3) A military person shall receive a service pension from the Ministry of Defence.
(4) The procedures for disbursing service pensions shall be determined by the Cabinet.
(5) The recipient of a service pension may authorise another person to receive his or her pension.
(6) A military person may submit complaints regarding pension granting matters to the Ministry of Defence.
(7) Disputes regarding the ensuring of the rights provided for in this Law shall be adjudicated by a court.
[9 September 2010]

Section 9. Time Periods for the Granting of a Service Pension

(1) A service pension shall be granted to a person after retirement from active military or rank and file service.
(2) If an application for a service pension and the necessary documents for the granting thereof have been submitted not later than three months after the retirement of the military person from active military service, the service pension shall be granted from the day when the military person retired from service.
(3) If an application for a service pension and the necessary documents for the granting thereof have been submitted later than by the term indicated in Paragraph two of this Section, the service pension shall be granted from the day when the application for the service pension and the necessary documents for the granting thereof were submitted.
[16 June 2005]

Section 10. Suspension of Disbursement of a Service Pension or Amendment of the Amount Thereof

(1) Disbursement of a service pension shall be suspended or the amount thereof amended, if the service pension recipient has been granted an old-age pension in accordance with the Law On State Pensions.
(2) Disbursement of a service pension shall be suspended, if the service pension recipient has re-enlisted in the services, which gives the right to a service pension or the pension recipient is receiving an unemployment benefit.
(3) A pension recipient has a duty to inform the Ministry of Defence if the circumstances referred to in Paragraphs one and two of this Section have set in.
[8 November 2007]
Section 11. Disbursement of a Service Pension for a Past Time Period

(1) Calculated amounts of a service pension which the recipient has not duly received on time shall be paid for the period that has passed, but which is not longer than three years.
(2) If the calculated amounts of a service pension have not been received on time due to the fault of the institution which grants or disburses the service pension, these amounts shall be paid for the period that has passed without any restriction on the time period.

Section 12. Deductions from a Service Pension

(1) Deductions from a service pension may be performed:
   1) on the basis of an adjudication of a court;
   2) on the basis of an order by the Minister for Defence or their authorised official from the Ministry of Defence, in order to recover those amounts of the pension, which have been overpaid to the pension recipient due their fault. In this case not more than 10 per cent from the amount of the payable service pension shall be deducted per month.
(2) Means of support for the support of minor children shall be recovered in the first instance.
(3) The total amount of deductions per month may not exceed 50 per cent of the amount of the service pension.
(4) If the disbursement of the service pension is suspended before the extinguishing of the debt, the remaining amount of debt shall be recovered in accordance with the procedures laid down in law.

Section 13. Disbursement of a Service Pension Not Received Due to the Death of a Person and Disbursement of a Funeral Allowance

(1) The spouse or first-level and first-level and second-level relatives have the right to receive the amounts of a service pension, to which a service pension recipient was entitled and have not been paid up to their death, but another person – on the basis of an inheritance application 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 their family or to the person who has undertaken to organise the funeral.
(3) In case of the death of a pension recipient a one-time allowance in the amount of two pensions of the deceased spouse shall be granted and disbursed to the surviving spouse on the basis of an application of the surviving spouse. There shall be the right to a one-time allowance if on the deceased spouse's date of death the surviving spouse is an age, disability or service pension recipient and death occurred after 1 June 2010. There shall be a right to an allowance, if it was requested within 12 months from the day when the deceased spouse died.

Section 14. Service Pension Payments to Persons Who Depart to Foreign Countries

The right to a service pension payment, which has been acquired in accordance with this Law, in accordance with the procedures laid down in laws and regulations shall also be retained by a pension recipient even after they depart to foreign countries.

Transitional Provisions

1. For military persons up to 1 January 1991 the accrued work and equivalent periods thereto shall be included in the length of service, which gives the right to a service pension, in accordance with Paragraph 1, Sub-paragraphs 4-7 of the Transitional Provisions of the Law On
State Pensions, but from 1 January 1991 to 7 January 1997 – in accordance with Paragraph 2, Sub-paragraphs 4-7 – the relevant periods shall be equivalent to 80 per cent of the military service: for military persons, who on the day of this Law coming into force are serving subject to the Ministry of Defence or the military units under its control, - if at least three years have been served therein, but military persons, who commenced their service after the day of this Law coming into force, – if 10 years have been served.

2. For military persons, who have retired from active military service or rank and file service by 31 December 1997, a service pension shall be granted 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) ((Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs, 1992 No. 13) and shall be disbursed from the State special pension budget, if the pension was requested by 31 March 1998.

3. For military persons, who have retired from active military service or rank and file service by 31 December 1997 and have applied for a service pension by 31 March 1998, a service pension shall be granted in accordance with this Law from the date that the application was submitted.

4. For military persons, who have retired from active military service or rank and file service from 1 January 1998 until the day of coming into effect of this Law, a service pension shall be granted in accordance with this Law from the date when the military person retired from service, if the pension was requested within a three month period from the coming into force of this Law.

5. Section 2, Paragraph one, Clause 2 and Section 6, Paragraph four of this Law shall come into force from 1 January 2000.

6. Section 5, Paragraph one of this Law shall come into force from 1 January 2003.

7. In the transitional period to 1 January 2003 the service pension amount shall be calculated thus:
   1) in 1998 – from the base wage of a military person, supplements for service rank and supplements for length of service in the total average monthly amount for the last six months prior to retirement from service and base remuneration supplements and the monthly average of bonuses prescribed by other laws and regulatory enactments by the Cabinet for the last 12 months prior to retirement from service;
   2) in 1999 – the average monthly remuneration for the last 12 months prior to retirement from service prescribed in Section 5, Paragraph two of this Law;
   3) in 2000 – the average monthly remuneration for the last 24 months prior to retirement from service prescribed in Section 5, Paragraph two of this Law;
   4) in 2001 – the average monthly remuneration for the last 36 months prior to retirement from service prescribed in Section 5, Paragraph two of this Law;
   5) in 2002 – the average monthly remuneration for the last 48 months prior to retirement from service prescribed in Section 5, Paragraph two of this Law.

8. A special supplement to the State pension shall be disbursed in accordance with the procedures stipulated by the Cabinet from 1 June 1998 to Latvian army officers, orderly officers, war officials, post-compulsory instructors and seniors in non-combatant positions, who have served in the Latvian army from 18 November 1918 until 21 July 1940, if their service was interrupted due Latvia being included in the composition of the USSR on 21 July 1940, a
special supplement shall be prescribed for the State pension in accordance with the procedures stipulated by the Cabinet from 1 June 1998.

9. The procedures, which have been laid down in Paragraph 26 of the Transitional provisions of the Law On State Pensions, shall be applied to the disbursement of service pensions to persons with mandatory social insurance (employees or self-employed).

[16 March 2000]

10. When determining the service pension amount for persons subject to mandatory social insurance (employees or self-employed) who have a right to both an old-age pension and part of a service pension (the difference between the service pension amount and the old-age pension amount), the total amount of the old-age pension and the service pension part shall be taken into account.

[16 March 2000]

11. If on the 31 December 2007 a person is both a service pension and an unemployment benefit recipient, the disbursement of the service pension shall be suspended on 1 February 2008 for that person for the term of the remainder of the unemployment benefit.

[8 November 2007]

12. For those retired military persons, for whom, when their service pension was calculated, it was taken into account for the time period between 1 January 1998 and 8 March 2004, in the service remuneration, from which the service pension was calculated, there shall be included the base remuneration, the supplement for service rank, a supplement for term of service as well as other supplements, the forms of which shall be prescribed by laws and other regulatory enactments. When calculating a service pension, bonuses and monetary awards paid shall be taken into account.

[3 April 2008]

13. For those retired military persons, for whom, when their service pension was calculated, it was taken into account for the time period after 8 March 2004, in the service remuneration, from which the service pension was calculated, there shall be included the base remuneration, depending on the service rank and the length of service, as well as supplements, the forms of which shall be prescribed by laws and other regulatory enactments. When calculating a service pension, monetary awards paid shall be taken into account.

[3 April 2008]

14. [13 May 2010]

15. [13 May 2010]

16. [13 May 2010]

17. [13 May 2010]

18. Until 29 June 2014 a military person who has entered into a professional service contract by 30 June 2009 has the right to a service pension and who in accordance with Section 3 of this Law has a calculated length of service that is:
   1) not less than 20 years;
   2) less than 20 years, if the military person commenced service until 31 December 2004 and has served for at least 10 years or if the military person commenced service after 1 January 2005 and has served continuously for 10 years and was retired:
19. Until 29 June 2014 in addition to that prescribed in Section 3, Paragraph one, Clauses 1, 2 and 3 of this Law the following shall be included for a military person, who has entered into a contract until 30 June 2009, for a length of service, which gives the right to a service pension:

1) length of service in the armed forces of another state, border guards and internal troops and Home offices, excluding the USSR State Defence Committee and the institutions subject to their authority, military persons, who commenced their service subject to the Ministry of Defence or the military units under its control before the coming into effect of this Law and have served at least three years therein, but military persons, who commenced their service after the day of this Law coming into force, – if 10 years have been served;

2) length of service in prosecutorial institutions and in posts as prosecutors or investigators for military persons, who prior to this Law coming into force were appointed to the rank of junior, third, second or first-class lawyer, the junior legal adviser, legal adviser, senior legal adviser or legal adviser to the State and who have served at least three years subject to the Ministry of Defence or the military units under its control, but military persons, who commenced their service after the day of this Law coming into force, – if 10 years have been served;

3) the insurance period for military persons prior to active military or rank and file service in accordance with the Law On State Pensions, who commenced their service prior to this Law coming into force and have served at least three years subject to the Ministry of Defence or the military units under its control, but military persons, who commenced their service after the day of this Law coming into force, – if 10 years have been served:
   a) in the amount of 80 per cent,
   b) in the amount of 100 per cent, if at least five years part-time service has been served in the National Guard prior to active military service or rank and file service.

20. Until 29 June 2014 for a military person who has entered into a professional service contract by 30 June 2009, for every year short of the 20 year length of service, the service pension shall be decreased by 2 per cent of the pension amount prescribed in Section 6, Paragraph one of this Law, if less than 10 years have been served and the military person has retired:

1) in connection with reaching of the maximum age-limit determined for performing active military service;
2) due to illness or state of health;
3) due to the reduction of the number of soldiers or the liquidation of a unit (sub-unit) or reorganisation; or
4) because the term of operation of the service contract entered into for a specified period has ceased.

21. [13 May 2010]

22. [13 May 2010]
24. A person, for whom a disability has been determined and who between 1 July 2009 until 31 October 2009 in accordance with Paragraphs 14, 15, 16 and 17 of these Transitional provisions received a service pension in a limited amount, shall be paid the amount of the unpaid pension from 1 November 2009.

[15 October 2009]

25. For persons, who in the time period from 1 July 2009 until 31 May 2010 in accordance with the provisions of this Law received the granted service pension in a limited amount of 90 per cent or 30 per cent of the granted service pension, the Ministry of Defence shall disburse the retained (unpaid) part of the service pension in July 2010, at the same time as the July service pension.

[13 May 2010]

26. In the case of the death of a service pension recipient in the time period from 1 July 2009 until 31 May 2010 the spouse of the pension recipient, first-level and second-level relatives have the right to receive the amounts due (not been received) of a service pension, to which a service pension recipient was entitled, but another person – on the basis of an inheritance application or a court adjudication.

[13 May 2010]

27. The personal income tax rate, which shall be applied to the redeemable part of the service pension for the time period from 1 July 2009 to 31 December 2009, shall be 23 per cent.

[13 May 2010]

28. If in the payroll tax booklet of a person, which has been submitted Personnel Development Department Social Issues Division, there is an entry regarding the right to personal income tax relief or supplementary personal income tax relief, such relief shall be taken into account, when calculating the tax redeemable part of the service pension.

[13 May 2010]

29. Persons, whom the redeemable part of the service pension for the time period from 1 July 2009 to 31 December has been disbursed and who voluntarily wish to submit an income tax declaration for 2009, this declaration shall be submitted to the State Revenue Service after receipt of the redeemable part of the service pension.

[13 May 2010]

30. Persons, whom the redeemable part of the service pension for the time period from 1 July 2009 to 31 December has been disbursed and who in accordance with the Law On Personal Income Tax shall have a duty to submit an income declaration to the State Revenue Service not later than by 1 April of the year following the taxation year, the updated income declaration form for 2009 shall be submitted to the State Revenue Service by 1 August 2010 and the calculated taxation amount shall be paid into the budget by 16 August 2010, but if the calculated tax amount exceeds LVL 450, the payer may pay it into the budget three times – by 16 August, 16 September and 16 October, each time paying one third of this amount.

[13 May 2010]

31. The restriction on the right of military persons to a service pension prescribed in Section 2, Paragraph three of this Law, for whom the criminal proceedings initiated for committing the intentional criminal offence were terminated for reasons other than exoneration or who have omitted an intentional criminal offence, but were released from a punishment, shall not be
applied to those military persons who have committed an intentional criminal offence before 31 December 2010.
[9 September 2010]

The *Saeima* adopted this Law on 19 March 1998.

President

G. Ulmanis

Rīga, 1 April 1998