Succession law reform in Latvia

January 2025

On 1 January 2025, a significant reform of the succession law came into effect. The most significant changes to the law include the limitation of the liability of heirs to the deceased's creditors and the prohibition of the silent acceptance of an inheritance if an inheritance case has been initiated by one of the interested parties before a notary. The objective of the reform is to modernize and improve the law on succession in the Civil Code.

Changes to silent acceptance of succession

The amendment to Article 691 of the Civil Code dictates that the intention to accept a succession may be expressed in one of two ways: either explicitly in the application for succession, by filing it in the succession file, or through silence, by means of an act that, in the given circumstances, can only be interpreted as an acknowledgement of the individual's status as heir.

At the same time, Article 691 retains the possibility to accept an inheritance in silence (at home, without the notary's involvement), but this way of accepting the inheritance will be limited in the future by providing for the possibility for persons interested in the inheritance to ascertain the heirs by initiating the succession proceedings themselves.

Accordingly, all heirs who have accepted the succession in silence up to that point will have to break their silence and declare their rights in the pending succession proceedings, otherwise their previously acquired (by actual possession) rights will be revoked.

Time limit for acceptance of succession

Article 693 of the Civil Code excludes the condition of a time limit for acceptance of the succession set by the testator. There will henceforth be only one time limit for the announcement, namely the time limit set by the notary for the announcement of the opening of the succession.

The rights of heirs not claimed within the time limit set in the opening of the succession shall be revoked. The above will not prevent a succession claim from being brought, for example if the heir was abroad and was not or could not objectively have been informed that the succession had been declared.

Establishing the beneficiaries of the succession

Historically, the initial step in the inheritance process for heirs was to visit a notary's office and apply for succession. Notaries were not tasked with researching potential heirs of the deceased.

However, recent amendments to Article 259.1 of the Notariate Law have introduced a new protocol. Now, upon the initiation of a succession case, the notary is obligated to identify in the register of natural persons those entitled to inherit, up to and including the third class, as well as the surviving spouse. The notary is then required to inform these individuals of the declaration of succession via an electronically signed letter, provided that the official electronic address is activated. Alternatively, the notification is to be sent to the declared place of residence and any other address listed in the succession file.

Responsibility of heirs

Prior to the present moment, heirs often elected not to accept inheritances due to the prior regulations (Art. 707 of the Civil Code), which obligated them to assume liability for the debts of the deceased.

However, Article 708 of the Civil Code stipulated that an heir could be absolved of this liability by utilizing the right of inventory, which entailed the inventory of the entire estate within the stipulated two-month period following the death of the deceased.

Article 707 of the Civil Code is further revised and stipulates that the heirs will remain liable for the claims of the creditor of the deceased to the extent of the estate.

→

Claims of creditors

The amended Civil Code provides that a creditor has the right to submit a request to a sworn bailiff for a list of the estate. This right is to be exercised in instances where the creditor suspects that the heirs may have failed to produce a comprehensive list of the estate or may have inadequately assessed its value.

At the same time, the Notarial Law amendments stipulate that in each succession case, the notary is tasked with ascertaining the assets registered in the name of the heir in five public databases: the State Unified Computerized Land Register, the State Cadastre Information System for Real Estate, the State Register of Vehicles and their Drivers, the Register of Enterprises, and the Register of Accounts. Alternatively, the notary may ascertain the assets with a sworn bailiff.

The amendments to Article 705 of the Civil Code further reinforce the prevailing case law that stipulates that known creditors are not obligated to submit their creditor's claims within the stipulated timeframe for the announcement of the opening of the succession proceedings. In accordance with the amendments to the Notariats Act, the notary is tasked with ascertaining the creditors of the heir whose claims are secured by a mortgage or a commercial mortgage. This ascertainment is to be made from the information available in the National Unified Computerized Land Register, the Register of Commercial Mortgages, and the Register of Credits.

Summary

Recent updates to the Civil Code and Notarial Law enhance estate transparency and creditor protections. Creditors can now request a sworn bailiff to list an estate if they suspect heirs have underreported assets. Notaries are required to verify heir assets through public databases or a sworn bailiff. Additionally, known creditors are no longer obligated to submit claims within the usual timeframe for succession proceedings, while notaries must identify secured creditors using relevant registers. These amendments aim to streamline succession processes and safeguard creditor interests.