

## **Inheritance Law Reform**

On 21 March 2024, the Parliament of the Republic of Latvia approved amendments to the Civil Law, which are aimed at improving Part Two of the Civil Law "Law of Inheritance" by solving existing problems related to the inheritance process. These amendments will enter into force on 1 January 2025 and will mark a significant change in the inheritance process.

One of the most important changes concerns the limitation of the heir's liability for the debts of the deceased. Until now, the Civil Law provided for two different ways of determining the liability of heirs for the debts of the deceased. The first, laid down in Article 707 of the Civil Law, provides that heirs are obliged to settle the estate in full of the estate's creditors, including their personal assets, if the estate does not satisfy all the creditors' claims. The second type, under Article 708 of the Civil Law, concerns the exercise of the right of inventory, which allows heirs to limit their liability to the value of the estate. If the heir chooses to accept the succession by right of inventory, he does not have to bear the debts of the deceased more than the value of the estate.

The amendments significantly change this approach: from 1 January 2025, heirs will no longer be liable for the debts of the deceased with their personal assets when accepting an inheritance. In addition, the amendments not only provide a greater sense of security for heirs and simplify the succession process, but also eliminate the risk of heirs losing their personal assets if the heir liabilities exceed the estate left behind.

The new rules are particularly important to limit the risks for heirs in cases where the estate includes several assets, including companies or parts of companies. In these cases, heirs may have insufficient or even limited information about the assets and their situation of a particular heir and limiting liability to these assets is an important aspect of deciding in favour of succession.



**Nikola Dukule**  
Associate, Dispute  
Resolution practice group.

[nikola.dukule@ellex.legal](mailto:nikola.dukule@ellex.legal)