



**The Constitutional Court terminates legal proceedings in case regarding  
exemptions in calculating old-age pensions**

On 12 September 2016 the Constitutional Court decided to terminate legal proceedings in Case No. 2015-23-01 “On compliance of the second sentence of the third part of Para12 in the Transitional Provisions of the law “On State Pensions”, insofar it provides that the old-age pension to be granted instead of service pension may be granted in the amount that is smaller than the service pension received until the moment of granting the old-age pension, with Article 91 and Article 109 of the Satversme of the Republic of Latvia.”

**The Contested Norm (in italics)**

On the date when the case was initiated the third part of Para 12 in the Transitional Provisions of the law “On State Pensions” provided: ““Persons who have been granted a service pension in accordance with the by-law “On Service Pensions” and 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)” and who have reached the age laid down in Section 11, Paragraph one of this Law after coming into force of this Law shall be granted an old-age pension instead of the service pension. *It shall not be less than the service pension, which was received up to the moment when old-age pension was granted, except cases when the right to an old-age pension is acquired only due to an international agreement in the field of social security or application of Regulation No. 883/2004, or a case when the length of period of insurance, for which an old-age pension has been calculated, is less than the length of period of insurance, for which a service pension has been calculated.*”

The contested norm was in force from 1 January 2012.

In March of the current year the law “On State Pensions” was amended, *inter alia*, deleting the contested norm from it. Para 12<sup>1</sup> was added to the Transitional Provisions, providing that a supplement will be paid to those persons, for whom the old-age pension that has been granted is lower than the service pension granted previously. The supplement will ensure that the income of these persons will not actually decrease after they are granted old-age pensions. The new norm

has a retroactive force, i.e., it will be applied to those persons, who have been granted old-age pension in the period from 1 January 2012.

### **Norms of Higher Legal Force**

Article 91 of the Satversme: “All human beings in Latvia shall be equal before the law and courts. Human rights shall be realised without discrimination of any kind.”

Article 109 of the Satversme: “Everyone has the right to social security in old age, for work disability, for unemployment and in other cases as provided by law. “

### **The Court’s Findings and Decision**

The Constitutional Court recognised that the case, which had been initiated in November 2015 on the basis of an application by the Administrative District Court, should be terminated. The contested norm has become invalid, and legal regulation with a new content has been added to the law “On State Pensions” regarding granting to a person an old-age pension that substitutes the previously granted service pension. [8., 9.]

The decision by the Constitutional Court is final and not subject to appeal. The decision [in Latvian] is available on the home page of the Constitutional Court: [http://www.satv.tiesa.gov.lv/wp-content/uploads/2015/11/2015-23-01\\_Lemums\\_izbeigsana.pdf](http://www.satv.tiesa.gov.lv/wp-content/uploads/2015/11/2015-23-01_Lemums_izbeigsana.pdf).

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The press release was prepared with the aim to facilitate understanding of the decision. It shall not be regarded as part of the decision and is not binding to the Constitutional Court. The judgements, decisions and other information regarding the Constitutional Court are available at the home page of the Constitutional Court [www.satv.tiesa.gov.lv](http://www.satv.tiesa.gov.lv).

### **Lina Kovalevska**

Assistant to the President of the Constitutional Court

[Lina.Kovalevska@satv.tiesa.gov.lv](mailto:Lina.Kovalevska@satv.tiesa.gov.lv)

(+371) 67830748, (+371) 29813216