

Procedure file

Basic information	
CNS - Consultation procedure Directive	1998/0250(CNS) Procedure completed
Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Directive 94/4/EC)	
Subject 2.10.01 Customs union, tax and duty-free, Community transit	
Geographical area Austria Germany FR	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy	PPE LANGEN Werner	23/09/1998
Council of the European Union	Council configuration	Meeting	Date
	Agriculture and Fisheries	2151	14/12/1998

Key events			
24/07/1998	Legislative proposal published	COM(1998)0473	Summary
14/09/1998	Committee referral announced in Parliament		
25/11/1998	Vote in committee		Summary
25/11/1998	Committee report tabled for plenary, 1st reading/single reading	A4-0440/1998	
03/12/1998	Decision by Parliament	T4-0707/1998	Summary
14/12/1998	Act adopted by Council after consultation of Parliament		
14/12/1998	End of procedure in Parliament		
31/12/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1998/0250(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation

Legislative instrument	Directive
Legal basis	Rules of Procedure EP 163; EC before Amsterdam E 099
Stage reached in procedure	Procedure completed

Documentation gateway

Legislative proposal	COM(1998)0473	24/07/1998	EC	Summary
Economic and Social Committee: opinion, report	CES1310/1998 OJ C 410 30.12.1998, p. 0014	15/10/1998	ESC	
Committee report tabled for plenary, 1st reading/single reading	A4-0440/1998 OJ C 398 21.12.1998, p. 0004	25/11/1998	EP	
Text adopted by Parliament, 1st reading/single reading	T4-0707/1998 OJ C 398 21.12.1998, p. 0018-0040	03/12/1998	EP	Summary

Additional information

European Commission	EUR-Lex
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Final act

Directive 1998/94 OJ L 358 31.12.1998, p. 0105 Summary

Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Directive 94/4/EC)

OBJECTIVE: to amend Directive 94/4/EC in order to extend until 2003 the temporary fiscal derogation applicable to Germany and Austria with regard to duty-free allowances for travellers. SUBSTANCE: Until 31.12.1997, Austria and Germany enjoy a derogation allowing them to apply an allowance of ECU 75 (instead of ECU 175, which is the Community figure) for goods imported by travellers entering their territory at a land border (or, where applicable, by means of coastal navigation) linking them to countries (Czech Republic, Hungary, Slovenia, etc.) other than Member States and EFTA members. The reasons put forward by these two Member States concerned both the considerable disparity in prices between their national markets and those of their neighbours to the east, and the existence of duty-free shops in close proximity to their land borders with those countries. These factors were causing considerable commercial and fiscal distortions. The German and Austrian authorities have requested an extension of the derogation, as socio-economic conditions in their eastern neighbours persist. Accordingly, the Commission proposes to extend the derogation until 01.01.2003, with the proviso that the two Member States concerned must gradually raise the limit from the figure of ECU 75. The proposal therefore sets a figure of ECU 100, which is to apply as from 01.01.1999 in order to limit distortions of fiscal and customs competition between Member States. Germany and Austria will be required to increase this figure gradually, to reach ECU 175 by 01.01.2003 at the latest.?

Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Directive 94/4/EC)

The European Parliament adopted the report by Mr Werner LANGEN (PPE, D) on extending the temporary derogation applicable to Germany and Austria. It approved the derogation in question, but called for it to expire on 01.01.2002 rather than 01.01.2003. As from 2002, Austria and Germany should apply the ECU 175 limit which applied throughout the rest of the Community. Parliament also called for the Commission to produce, by 30 June 1999, a study examining in detail the effects of the increase in the allowance on local suppliers (particularly small and medium-sized businesses in the frontier regions of Germany and Austria). It wished the study to contain concrete proposals with a view to:

- preparing the undertakings concerned for the new limits by means of appropriate measures, particularly in the field of structural policy;
- bringing countries other than Member States and EFTA members that border on German or Austrian territory into line with the European Community's competition system, in keeping with pre-accession strategy.?

Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Directive 94/4/EC)

OBJECTIVE: to amend Directive 94/4/EC in order to extend until 2003 the temporary fiscal derogation applicable to Germany and Austria with regard to duty-free allowances for travellers. COMMUNITY MEASURE: Council Directive 98/94/EC amending Directive 94/4/EC and extending

the temporary derogation applicable to Germany and Austria. CONTENTS: Until 31.12.97, Austria and Germany enjoyed a derogation allowing them to apply an allowance of ECU 75 (instead of ECU 175, which is the Community figure) for goods imported by travellers entering their territory at a land border linking them to countries (Czech Republic, Hungary, Slovenia, etc.) other than Member States and EFTA countries. The reasons put forward by these two Member States concerned both the considerable disparity in prices between their national markets and those of their neighbours to the east, and the existence of duty-free shops in close proximity to their land borders with those countries. These factors were causing considerable commercial and fiscal distortions. As the economic conditions which led to the adoption of Directive 94/4/EC have persisted or even worsened, the German and Austrian authorities have requested an extension of the derogation and the Directive therefore extends the derogation until 1 January 2003, with the proviso that the two Member States concerned must gradually raise the limit from the figure of ECU 75. The proposal therefore sets an ex officio figure of ECU 100, to apply as from 1 January 1999 in order to limit distortions of fiscal and customs competition between Member States. Germany and Austria will be required to increase this figure gradually, to reach ECU 175 by 1 January 2003 at the latest. ENTRY INTO FORCE: 31 December 1998. DEADLINE FOR TRANSPOSITION: 1 January 1999. ?? ?