

Procedure file

Basic information		
CNS - Consultation procedure Regulation	1998/0251(CNS)	Procedure completed
Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Regulation (EC) No 355/94)		
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	T4-0708/1998	Summary
14/12/1998	Act adopted by Council after consultation of Parliament		
14/12/1998	End of procedure in Parliament		
19/12/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1998/0251(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation

Legislative instrument	Regulation
Legal basis	EC before Amsterdam E 028; Rules of Procedure EP 163
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/10440

Documentation gateway

Legislative proposal		COM(1998)0473	24/07/1998	EC	Summary
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		T4-0708/1998 OJ C 398 21.12.1998, p. 0018-0041	03/12/1998	EP	Summary

Additional information

European Commission	EUR-Lex
---------------------	-------------------------

Final act

[Regulation 1998/2744](#)
[OJ L 345 19.12.1998, p. 0009](#) Summary

Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Regulation (EC) No 355/94)

OBJECTIVE: to amend Directive 355/94/EC in order to extend until 2003 the temporary customs 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. Regulation (EC) No 355/94)

Until 31 December 1997 Austria and Germany benefited from a derogation from the system of tax- and duty-free allowances (Directive 94/75 and Regulation 3316/94) allowing them to limit the allowance to imports by travellers from third countries to ECU 75 (instead of ECU 175 ecu). Following requests from the two countries, the Commission has now proposed that these derogations are extended, albeit in modified form, until 1 January 2003. Under the proposal the derogation requires Austria and Germany to raise the allowed limit to ECU 100 as from 1 January next year, and then gradually increase it to ECU 175. Reporting on behalf of the EMAC, Mr Werner Langen (EPP, D) calls for the derogation to end one year earlier, ie. on 1 January 2002. The Commission is also called upon to study the effects of the raising of the limit, and to propose any measures necessary to prepare companies in the regions concerned for the new limits.

Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Regulation (EC) No 355/94)

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.?

Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Regulation (EC) No 355/94)

OBJECTIVE: to amend Regulation (EC) No 355/94 in order to extend until 2003 the temporary customs derogation applicable to Germany and Austria with regard to duty-free allowances for travellers. **COMMUNITY MEASURE:** Council Regulation (EC) No 2744/98 amending Regulation (EC) No 355/94 and extending the temporary derogation applicable to Germany and Austria. **CONTENT:** until 31 December 1997, Germany and Austria 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 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 concern 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, causing considerable commercial and fiscal distortions. As the economic conditions which led to the adoption of Regulation 355/94/EC have persisted or even worsened, the German and Austrian authorities have requested an extension of the derogation and the new regulation 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 regulation 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:** The Regulation will enter into force on 19 December 1998 and will be applicable retroactively from 1 January 1998.?