









Procedure file

Basic information		
CNS - Consultation procedure Directive	2018/0173(CNS)	Procedure completed
Alcohol and alcoholic beverages: harmonisation of the structures of excise duties		
Subject 2.70.02 Indirect taxation, VAT, excise duties 3.10.06.08 Wine, alcoholic and non-alcoholic beverages		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Economic and Monetary Affairs	Shadow rapporteur	
		 DORFMANN Herbert	
		 LUDVIGSSON Olle	
		 SWINBURNE Kay	
		 TREMOSA I	
		 BALCELLS Ramon	
		 SCOTT CATO Molly	
Council of the European Union			
European Commission	Commission DG Taxation and Customs Union	Commissioner MOSCOVICI Pierre	

Key events			
25/05/2018	Legislative proposal published	COM(2018)0334	Summary
02/07/2018	Committee referral announced in Parliament		
01/10/2018	Vote in committee		
04/10/2018	Committee report tabled for plenary, 1st reading/single reading	A8-0307/2018	Summary
24/10/2018	Results of vote in Parliament		
24/10/2018	Decision by Parliament	T8-0415/2018	Summary
29/07/2020	Act adopted by Council after consultation of Parliament		
05/08/2020	Final act published in Official Journal		

Technical information	
Procedure reference	2018/0173(CNS)

Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	Treaty on the Functioning of the EU TFEU 113
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	ECON/8/13245

Documentation gateway

Legislative proposal	COM(2018)0334	25/05/2018	EC	Summary
Document attached to the procedure	SWD(2018)0258	25/05/2018	EC	
Document attached to the procedure	SWD(2018)0259	25/05/2018	EC	
Committee draft report	PE626.675	14/09/2018	EP	
Committee report tabled for plenary, 1st reading/single reading	A8-0307/2018	04/10/2018	EP	Summary
Economic and Social Committee: opinion, report	CES3104/2018	17/10/2018	ESC	
Text adopted by Parliament, 1st reading/single reading	T8-0415/2018	24/10/2018	EP	Summary
Commission response to text adopted in plenary	SP(2018)755	21/11/2018	EC	

Final act

[Directive 2020/1151](#)
[OJ L 256 05.08.2020, p. 0001](#)

Alcohol and alcoholic beverages: harmonisation of the structures of excise duties

PURPOSE: to amend Directive 92/83/EEC on the harmonisation of the structures of excise duties on alcohol and alcoholic beverages.

PROPOSED ACT: Council Directive.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: [Directive 92/83/EEC](#) on the structures of excise duty on alcohol and alcoholic beverages sets out the common rules on the structures of excise duty applied to alcohol and alcoholic beverages.

The Directive has not kept pace with the challenges and opportunities offered by new technologies and developments within the alcohol industry.

Some provisions of Council Directive 92/83/EEC are outdated and unclear and result in unnecessarily burdensome administrative procedures for both tax administrations and economic operators. The costs for economic operators of complying with those procedures have the effect of restricting the participation of small and medium-sized enterprises in trade in alcohol and alcoholic beverages in the internal market.

The source of the current complications for the excise duty exemption for denatured alcohol, classification of certain alcoholic beverages, status of independent small brewers and measurement of degree Plato lays precisely in the absence of clear rules at EU level.

The majority of Member State administrations have pointed out the need for improving the common definitions and rules of alcohol and alcoholic beverages for excise purposes at EU level.

CONTENT: the proposal aims to amend Council Directive 92/83/EEC in order to improve the regulatory framework to bring benefits to businesses, Member States and citizens.

In concrete terms, the proposal:

- clarify the provisions relating to the degrees Plato measurement of beer: all the ingredients of the beer, including those added after fermentation, shall be taken into account for the purposes of measuring the degree Plato;

- provides for a uniform certificate for small independent breweries across the EU. This will improve the cross border functionality of the existing relief for small breweries;
- increases the threshold to which reduced rates may be applied to low strength beer from 2.8% to 3.5% so as to encourage brewers to innovate and create new products;
- introduces a definition of 'cider'. This shall also facilitate the application of reduced rates for independent small cider makers, within the following limits: (i) the reduced rates shall not be applied to undertakings producing more than 15 000 hl of cider per year; (ii) the reduced rates, which may fall below the minimum rate, shall not be set more than 50% below the standard national rate of excise duty for cider;
- clarifies the provisions relating to exemptions for denatured alcohol and to increase the legal certainty for economic operators and Member State authorities;
- deletes a provision which currently allows the UK to provide exemptions for certain products which are no longer exempted in the UK.

Alcohol and alcoholic beverages: harmonisation of the structures of excise duties

The Committee on Economic and Monetary Affairs adopted, under a special legislative procedure (Parliaments consultation), the report by Miguel VIEGAS (GUE/NGL, PT) on the proposal for a Council directive amending Directive 92/83/EEC on the harmonisation of the structures of excise duties on alcohol and alcoholic beverages.

The committee recommended that the European Parliament approve the Commission proposal without amendments.

As a reminder, Directive 92/83/EEC on the structures of excise duty on alcohol and alcoholic beverages sets out the common rules on the structures of excise duty applied to alcohol and alcoholic beverages, including beer and wine. It defines and classifies the different types of alcohol and alcoholic beverages, according to their characteristics, and provides a legal framework for reduced rates, exemptions, and derogations in some sectors, like intermediate products used in wine preparation in certain regions of the Kingdom of Spain.

The Directive has not kept pace with the challenges and opportunities offered by new technologies and developments within the alcohol industry. Some problems have been identified and inefficiencies persist, causing possible distortions of the internal market.

Therefore, the Directive was identified by the Commission for an evaluation under the Commissions Regulatory Fitness and Performance Programme (REFIT).

The main areas on which the study and impact assessment were focused included the following: (i) dysfunctions in the application of exemptions for denatured alcohol; (ii) dysfunctions in the classification of certain alcoholic beverages; (iii) dysfunctional application of reduced rates for small producers and low strength alcoholic beverages; (iv) unclear provisions to measure degrees Plato of sweetened or flavoured beer.

Alcohol and alcoholic beverages: harmonisation of the structures of excise duties

The European Parliament adopted by 556 votes to 51, with 23 abstentions, under a special legislative procedure (Parliaments consultation), a legislative resolution on the proposal for a Council directive amending Directive 92/83/EEC on the harmonisation of the structures of excise duties on alcohol and alcoholic beverages.

The European Parliament approved the Commission proposal subject to an amendment to refer to the judgment of 17 May 2018 in the *Kompania Piwowarska* case, by which the Court of Justice ruled on the calculation of the degree Plato.

According to the amended text, all the ingredients of the beer, with the exception of those added after the completion of fermentation, shall be taken into account for the purposes of measuring the degree Plato.