

# Procedure file

Basic information		
CNS - Consultation procedure Directive	<a href="#">2018/0176(CNS)</a>	Procedure completed
General arrangements for excise duty. Recast Repealing Directive 2008/118/EC <a href="#">2008/0051(CNS)</a> Repealing Directive 2010/12/EU <a href="#">2008/0150(CNS)</a> Repealing Directive 2013/61/EU <a href="#">2013/0280(CNS)</a> Amended by <a href="#">2021/0418(CNS)</a>		
Subject 2.70.02 Indirect taxation, VAT, excise duties		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Economic and Monetary Affairs	Shadow rapporteur	
		 <a href="#">MALETIĆ Ivana</a>	
		 <a href="#">LUDVIGSSON Olle</a>	
		 <a href="#">SWINBURNE Kay</a>	
		 <a href="#">SCOTT CATO Molly</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Industry, Research and Energy	The committee decided not to give an opinion.	
	 Internal Market and Consumer Protection	The committee decided not to give an opinion.	
	Committee for opinion on the recast technique	Rapporteur for opinion	Appointed
	 Legal Affairs		
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Environment</a>	<a href="#">3741</a>	19/12/2019
European Commission	Commission DG	Commissioner	
	<a href="#">Taxation and Customs Union</a>	MOSCOVICI Pierre	

Key events			
25/05/2018	Legislative proposal published	<a href="#">COM(2018)0346</a>	Summary
10/09/2018	Committee referral announced in Parliament		
26/02/2019	Vote in committee		

28/02/2019	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A8-0117/2019</a>	Summary
27/03/2019	Results of vote in Parliament		
27/03/2019	Decision by Parliament	<a href="#">T8-0296/2019</a>	Summary
19/12/2019	Act adopted by Council after consultation of Parliament		
19/12/2019	End of procedure in Parliament		
27/02/2020	Final act published in Official Journal		

### Technical information

Procedure reference	2018/0176(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Recast
Legislative instrument	Directive
	Repealing Directive 2008/118/EC <a href="#">2008/0051(CNS)</a> Repealing Directive 2010/12/EU <a href="#">2008/0150(CNS)</a> Repealing Directive 2013/61/EU <a href="#">2013/0280(CNS)</a> Amended by <a href="#">2021/0418(CNS)</a>
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/8/13268

### Documentation gateway

Legislative proposal	<a href="#">COM(2018)0346</a>	25/05/2018	EC	Summary
Document attached to the procedure	<a href="#">SWD(2018)0260</a>	25/05/2018	EC	
Document attached to the procedure	<a href="#">SWD(2018)0261</a>	25/05/2018	EC	
Economic and Social Committee: opinion, report	<a href="#">CES3104/2018</a>	17/10/2018	ESC	
Opinion on the recast technique	<a href="#">PE634.653</a>	01/02/2019	EP	
Committee draft report	<a href="#">PE626.672</a>	22/02/2019	EP	
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A8-0117/2019</a>	28/02/2019	EP	Summary
Text adopted by Parliament, 1st reading/single reading	<a href="#">T8-0296/2019</a>	27/03/2019	EP	Summary

### Final act

[Directive 2020/262](#)  
[OJ L 058 27.02.2020, p. 0004](#) Summary

[Corrigendum to final act 32020L0262R\(02\)](#)  
[OJ L 409 04.12.2020, p. 0038](#)

Delegated acts	
<a href="#">2022/2758(DEA)</a>	Examination of delegated act
<a href="#">2023/2961(DEA)</a>	Examination of delegated act

## General arrangements for excise duty. Recast

**PURPOSE:** to establish a common regime for certain aspects of excise duties (recast).

**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:** Council Directive 2008/118/EC sets out general arrangements for goods subject to excise duty, with particular emphasis on the production, storage and movement of excise goods between Member States.

The Commission's evaluation of the Directive under the REFIT programme showed general satisfaction with the functioning of the Excise Movement and Control System (EMCS). However, certain areas of improvement were identified. The main areas highlighted concerned the improvement of the alignment between excise and customs procedures and the partial or full automation of intra-EU movements of excise goods that have been released for consumption.

**IMPACT ASSESSMENT:** with the proposed simplifications, mainly via automation or harmonisation of procedures, the following yearly benefits are expected: (i) EUR 14.55 million of administrative cost savings for Member States; (ii) EUR 32.27 million of regulatory cost savings for economic operators.

The preferred options incur some regulatory costs, mostly due to the evolutions of IT systems and to the registration of economic operators for to-be-automated procedures: (i) EUR 17.63 million initial one-off costs and EUR 3.89 million yearly recurrent costs for Member States; (ii) EUR 14.5 million initial one-off costs and EUR 4.35 million yearly recurrent costs economic operators.

**CONTENT:** the proposal for recasting Council Directive 2008/118/EC includes the following amendments:

Excise and customs interaction:

- as regards exports, the proposal introduces : (i) a new obligation for the declarant to provide the competent authorities with the unique administrative reference number (ARC) when the export declaration is lodged; (ii) a new obligation for the competent authorities to ensure consistency between the electronic administrative document and the customs declaration; (iii) a provision allowing the external transit procedure to take over monitoring and supervision from the computerised system;
- as regards imports, a new obligation is imposed on the declarant to provide the unique excise number of the consignor and consignee to the competent authorities in the Member State of importation responsible for release for free circulation. This should enable the competent authorities to ensure that that the evidence for claims for exemption from paying excise duty on import are consistent with the details submitted via the computerised system, when moving excise goods from a place of importation under excise duty.

**Intra-EU movements of excise goods released for consumption:** the procedures applied to intra-EU movements of excise goods released for consumption to be delivered for commercial purposes would be computerised. In order to computerise procedures applied to intra-EU movements of excise goods released for consumption that are to be delivered for commercial purposes and in order to do this by extending the existing computerised system the following changes will be made to the Directive:

- determining when excise duty on the goods is chargeable and who is liable to pay the excise duty;
- creating two new economic operator roles, the certified consignor and the certified consignee, to allow for the identification in the computerised system of the economic operators using these procedures;
- aligning the arrangements for guarantees with those under duty suspension;
- allowing authorised warehouse keepers and registered consignors to act as a certified consignors. Authorised warehousekeepers and the registered consignees should be able to act as a certified consignee;
- determining the general rules governing the automated procedure;
- replacing the reference to the paper document accompanying the excise goods released for consumption in one Member State and which are moved to another Member State by a reference to the new electronic simplified administrative accompanying document.

**Distance Selling:** the proposal introduces the choice for the consignor to use a tax representative to comply with the requirements of the Member State where the consignor, who carries out an independent economic activity, wants to move excise goods released for consumption in one Member State to a person not carrying out any independent economic activity in another Member State. The possibility to require the use of a tax representative will be deleted.

**Other amendments:** this proposal will lead to uniform application and transparency and simplification in the following exceptional situations: (i) a common solution for partial natural losses (e.g. evaporation) incurred during a movement; (ii) automation of the exemption certificate and its treatment for movements of excise goods to recipients exempt from payment of excise duty; (iii) a common guarantee exemption for energy products moving through pipelines.

## General arrangements for excise duty. Recast

The Committee on Economic and Monetary Affairs adopted the report by Miguel VIEGAS (GUE/NGL, PT) on the proposal for a Council directive laying down the general arrangements for excise duty (recast).

The committee called on the European Parliament to approve the Commission proposal as adapted to the recommendations of the

Consultative Working Party of the legal services of the European Parliament, the Council and the Commission.

The Commission proposal does not include any substantive amendments other than those identified as such in the proposal. As regards the codification of the unchanged provisions of the earlier acts together with those amendments, the proposal contains a straightforward codification of the existing texts, without any change in their substance.

As a reminder, Council Directive 2008/118/EC, which replaced Council Directive 92/12/EEC, sets out general arrangements for goods subject to excise duty, like energy products and electricity, alcohol and alcoholic beverages, and manufactured tobacco. The Directive also placed a particular emphasis on the production, storage, and movement of excise goods between Member States.

The main objective of the Directive is to allow the free movement of goods while at the same time ensuring that the correct tax debt is ultimately collected by the Member States.

## General arrangements for excise duty. Recast

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The European Parliament adopted by 601 votes to 35 with 29 abstentions, following a special legislative procedure (consultation), a legislative resolution on the proposal for a Council directive laying down the general arrangements for excise duty (recast).

Parliament approved the Commission's proposal as adapted to the recommendations of the Consultative Working Party of the Legal Services of the European Parliament, the Council and the Commission.

According to the Consultative Working Party of the legal services of the European Parliament, the Council and the Commission, the Commission proposal does not include any substantive amendments other than those identified as such in the proposal. As regards the codification of the unchanged provisions of the earlier acts together with those amendments, the proposal contains a straightforward codification of the existing texts, without any change in their substance.

The proposal responds to the need to improve the alignment between excise and customs procedures and the partial or full automation of intra-EU movements of excise goods that have been released for consumption.

The following areas are addressed in the proposal:

- for consignors who carry out an independent economic activity and who wish to dispatch excise goods, released for consumption in one Member State, to persons, in another Member State, not carrying out any independent economic activity: the introduction of the possibility for the consignor to use a tax representative and the deletion of the possibility for the competent authority of the Member State of destination to require a tax representative;
- a common solution for partial natural losses suffered incurred during a movement;
- the automation of the exemption certificate and its treatment for movements of excise goods to recipients exempt from the payment of excise duty;
- a guarantee waiver for energy products circulating through pipelines.

## General arrangements for excise duty. Recast

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PURPOSE: to improve the system of excise duties applicable in Europe.

LEGISLATIVE ACT: Council Directive (EU) 2020/262 laying down the general arrangements for excise duty (recast).

CONTENT: given that Council Directive 2008/118/EC has been substantially amended several times, the Council decided, on the occasion of further amendments and for the sake of clarity, to recast it.

### Excise duty

The Directive modernises the existing framework for excise goods by improving the conditions for fair competition in the single market and reducing the administrative burden on businesses.

In concrete terms, the Directive establishes the general arrangements for excise duties directly or indirectly affecting the consumption of products such as tobacco, energy and alcohol. In particular, it lays down guidelines on the quantities of excise products that private individuals are allowed to acquire for their own use and to transport from one Member State to another without being subject to tax.

The main areas highlighted concerned the improvement of the alignment between excise and customs procedures and the partial or full automation of intra-EU movements of excise goods that have been released for consumption.

The Directive addresses, inter alia, the following areas:

#### Intra-EU movements of excise goods released for consumption

Where excise goods that have been released for consumption in the territory of one Member State are moved to the territory of another Member State to be delivered there for commercial purposes or used there, they shall be subject to excise duty in the Member State of destination.

Within the scope of the arrangements, excise goods shall only be moved from a certified consignor to a certified consignee.

The consignor shall submit a draft electronic administrative document to the competent authorities of the Member State of dispatch using the computerised system. The competent authorities of the Member State of dispatch shall carry out an electronic verification of the data provided in the draft electronic administrative document.

Where those data are not valid, the consignor shall be informed thereof without delay. Where those data are valid, the competent authorities of

the Member State of dispatch shall assign to the document a unique administrative reference code and shall communicate it to the consignor. The certified consignor shall provide the carrier with the unique administrative reference code which must be provided to the competent authorities, upon request, during the movement.

#### Production, processing, holding and storage

Each Member State shall determine its rules on the production, processing, holding and storage of excisable products in compliance with the Directive. The production, processing, holding and storage of excise goods, where the excise duty has not been paid, shall take place in a tax warehouse

The opening and operation of a tax warehouse by an authorised warehousekeeper shall be subject to authorisation by the competent authorities of the Member State where the tax warehouse is situated.

Such authorisation shall be subject to the conditions that the authorities are entitled to lay down for the purposes of preventing any possible evasion or abuse.

#### Distance Selling

The Directive introduces the choice for the consignor to use a tax representative to comply with the requirements of the Member State where the consignor, who carries out an independent economic activity, wants to move excise goods released for consumption in one Member State to a person not carrying out any independent economic activity in another Member State. The possibility to require the use of a tax representative shall be deleted.

#### Other amendments

The Directive shall lead to uniform application and transparency and simplification in the following exceptional situations:

- a common solution for partial natural losses (e.g. evaporation) during movement;
- the automation of the exemption certificate and its treatment for movement of excise goods to consignees exempt from paying excise duty;
- a guarantee waiver for energy products circulating through pipelines.

ENTRY INTO FORCE: 18.3.2020.

TRANSPOSITION: from 31.12.2021.

APPLICATION: from 13.2.2023.