

Council Directive 2011/64/EU of 21 June 2011 on the structure and rates of excise duty applied to manufactured tobacco (codification)

CHAPTER 4

PROVISIONS APPLICABLE TO MANUFACTURED TOBACCO OTHER THAN CIGARETTES

Article 13

The following groups of manufactured tobacco produced in the Union and imported from third countries shall be subject, in each Member State, to a minimum excise duty as laid down in Article 14:

- (a) cigars and cigarillos;
- (b) fine-cut tobacco intended for the rolling of cigarettes;
- (c) other smoking tobaccos.

Article 14

- 1 Member States shall apply an excise duty which may be:
- a either an *ad valorem* duty calculated on the basis of the maximum retail selling price of each product, freely determined by manufacturers established in the Union and by importers from third countries in accordance with Article 15; or
 - b a specific duty expressed as an amount per kilogram, or in the case of cigars and cigarillos, alternatively for a given number of items; or
 - c a mixture of both, combining an *ad valorem* element and a specific element.

In cases where excise duty is either *ad valorem* or mixed, Member States may establish a minimum amount of excise duty.

- 2 The overall excise duty (specific duty and/or *ad valorem* duty excluding VAT), expressed as a percentage, as an amount per kilogram or for a given number of items, shall be at least equivalent to the rates or minimum amounts laid down for:

- (a) cigars or cigarillos : 5 % of the retail selling price inclusive of all taxes or EUR 12 per 1 000 items or per kilogram;
- (b) fine-cut smoking tobacco intended for the rolling of cigarettes : 40 % of the weighted average retail selling price of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption, or EUR 40 per kilogram;
- (c) other smoking tobaccos : 20 % of the retail selling price inclusive of all taxes, or EUR 22 per kilogram.

From 1 January 2013, the overall excise duty on fine-cut smoking tobacco intended for the rolling of cigarettes shall represent at least 43 % of the weighted average retail selling price of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption, or at least EUR 47 per kilogram.

From 1 January 2015 the overall excise duty on fine-cut smoking tobacco intended for the rolling of cigarettes shall represent at least 46 % of the weighted average retail

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selling price of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption, or at least EUR 54 per kilogram.

From 1 January 2018, the overall excise duty on fine-cut smoking tobacco intended for the rolling of cigarettes shall represent at least 48 % of the weighted average retail selling price of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption, or at least EUR 60 per kilogram.

From 1 January 2020, the overall excise duty on fine-cut smoking tobacco intended for the rolling of cigarettes shall represent at least 50 % of the weighted average retail selling price of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption, or at least EUR 60 per kilogram.

The weighted average retail selling price shall be calculated by reference to the total value of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption, based on retail selling price including all taxes, divided by the total quantity of fine-cut smoking tobacco intended for the rolling of cigarettes released for consumption. It shall be determined by 1 March at the latest of each year on the basis of data relating to all such releases for consumption made in the preceding calendar year.

3 The rates or amounts referred to in paragraphs 1 and 2 shall be effective for all products belonging to the group of manufactured tobaccos concerned, without distinction within each group as to quality, presentation, origin of the products, the materials used, the characteristics of the firms involved or any other criterion.

4 By way of derogation from paragraphs 1 and 2, France may continue to apply, for the period from 1 January 2010 to 31 December 2015, a reduced rate of excise duty to manufactured tobacco other than cigarettes released for consumption in the departments of Corsica. The reduced rate shall be:

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|---|--|--|-----|--|------|---|-------|---|
| (a) for cigars and cigarillos | : | at least 10 % of the retail selling price, inclusive of all taxes; | | | | | | |
| (b) for fine-cut smoking tobacco intended for the rolling of cigarettes | : | <table border="0"> <tr> <td>(i)</td> <td>until 31 December 2012, at least 27 % of the retail selling price, inclusive of all taxes;</td> </tr> <tr> <td>(ii)</td> <td>from 1 January 2013, at least 30 % of the retail selling price, inclusive of all taxes;</td> </tr> <tr> <td>(iii)</td> <td>from 1 January 2015, at least 35 % of the retail selling price, inclusive of all taxes;</td> </tr> </table> | (i) | until 31 December 2012, at least 27 % of the retail selling price, inclusive of all taxes; | (ii) | from 1 January 2013, at least 30 % of the retail selling price, inclusive of all taxes; | (iii) | from 1 January 2015, at least 35 % of the retail selling price, inclusive of all taxes; |
| (i) | until 31 December 2012, at least 27 % of the retail selling price, inclusive of all taxes; | | | | | | | |
| (ii) | from 1 January 2013, at least 30 % of the retail selling price, inclusive of all taxes; | | | | | | | |
| (iii) | from 1 January 2015, at least 35 % of the retail selling price, inclusive of all taxes; | | | | | | | |
| (c) for other smoking tobacco | : | at least 22 % of the retail selling price, inclusive of all taxes. | | | | | | |