

**COUNCIL DECISION
of 17 December 1999**

authorising Member States to apply and to continue to apply to certain mineral oils, when used for specific purposes, existing reduced rates of excise duty or exemptions from excise duty, in accordance with the procedure provided for in Directive 92/81/EEC

(1999/880/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 92/81/EEC of 19 October 1992 on the harmonisation of the structures of excise duties on mineral oils⁽¹⁾, and in particular Article 8(4) thereof,

Having regard to the proposal from the Commission,

Whereas:

- (1) Pursuant to Article 8(4) of Directive 92/81/EEC, the Council, acting unanimously on a proposal from the Commission, authorised Member States to introduce exemptions or reductions in the excise duty charged on mineral oils for special policy considerations;
- (2) The Commission has been informed by Member States of their intention to continue to apply certain such exemptions or reductions which are already provided for in their taxation law or to introduce exemptions or reductions to which the procedure provided for under the said Article 8(4) should be applied;
- (3) The other Member States have been informed thereof;
- (4) In certain cases, for specific policy considerations, certain exemptions and reductions should continue to have effect until 31 December 2000; there should be provision for the possibility of an extension beyond that date; the reductions or exemptions will be regularly reviewed by the Commission to ensure that they are compatible with the operation of the internal market and other objectives of the Treaty;
- (5) This Decision replaces in particular Decision 97/425/EC⁽²⁾ which should accordingly be repealed,

HAS ADOPTED THIS DECISION:

Article 1

In accordance with Article 8(4) of Directive 92/81/EEC and notwithstanding the obligations imposed by Council Directive 92/82/EEC of 19 October 1992 on the approximation of the

rates of excise duties on mineral oils⁽³⁾, the following Member States are authorised to continue to apply the reductions in rates of excise duties or exemptions from excise duty herein specified until 31 December 2000 and to continue to apply them automatically for subsequent periods of two years, unless the Council decides unanimously before the end of such periods, on a proposal from the Commission, that any or all of these derogations shall be abolished or modified:

1. in the Kingdom of Belgium:

- for local public passenger transport vehicles,
- for liquid petroleum gas (LPG), natural gas and methane,
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
- for navigation in private pleasure craft;

2. in the Kingdom of Denmark:

- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
- for partial reimbursement to the commercial sector, provided that the taxes concerned are in conformity with Community provisions and provided that the amount of the tax paid and not reimbursed at all times respects the minimum rates of duty or monitoring charge on mineral oils as provided for in Community law,
- for local public passenger transport vehicles,
- for a reduction in the rate of duty on diesel to encourage the use of more environmentally friendly fuels, provided that such incentives are linked to established technical characteristics including specific gravity, sulphur content, distillation point, cetane number and index and provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law;

3. in the Federal Republic of Germany:

- for the use of waste hydrocarbon gases as heating fuel,
- on samples of mineral oils intended for analysis, tests on production or for other scientific purposes,

⁽¹⁾ OJ L 316, 31.10.1992, p. 12.

⁽²⁾ OJ L 182, 10.7.1992, p. 22.

⁽³⁾ OJ L 316, 31.10.1992, p. 19.

- for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty;
4. in the Hellenic Republic:
- for local public transport vehicles,
 - for LPG and methane used for industrial purposes,
 - for use by the national armed forces,
 - to grant relief from the excise duties on mineral oils for fuels intended to be used to power the official vehicles of the Ministry of the Presidency and the national police force;
5. in the Kingdom of Spain:
- for LPG used as motor fuel in local public transport vehicles,
 - for LPG used as motor fuel in taxis,
 - for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty;
6. in the French Republic:
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
 - for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty,
 - for fuel used in taxis within the limits of an annual quota,
 - in the framework of certain policies aimed at assisting areas suffering from depopulation;
7. in Ireland:
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
 - for navigation in private pleasure craft,
 - for local public passenger transport vehicles,
 - for LPG, natural gas and methane used as motor fuel,
 - for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty,
 - for the production of alumina in the Shannon region,
 - in motor vehicles used by the disabled;
8. in the Italian Republic:
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
 - in local public passenger transport vehicles,
 - for fuel used in taxis,
 - for waste hydrocarbon gases used as fuel,
 - for methane used as fuel in motor vehicles,
 - for consumption in the regions of Val d'Aosta and Gorizia,
 - in respect of the national armed forces,
 - in respect of ambulances;
9. in the Grand Duchy of Luxembourg:
- in local public passenger transport vehicles,
 - for LPG, natural gas and methane;
10. in the Kingdom of the Netherlands:
- for LPG, natural gas and methane,
 - on samples of mineral oils intended for analysis, tests on production or for other scientific purposes,
 - in respect of the national armed forces;
11. in the Republic of Austria:
- for LPG used as motor fuel in local public passenger transport vehicles;
12. in the Portuguese Republic:
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81BEC,
 - to grant relief from excise duty for LPG, natural gas and methane when used as fuel for local public passenger transport,
 - for a reduction in excise duty on fuel oil consumed in the autonomous region of Madeira; this reduction may not be greater than the additional costs incurred in transporting the fuel oil to that region,
 - for excise duty for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty;
13. in the Republic of Finland:
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
 - for navigation in private pleasure craft,
 - for an exemption from excise duty for methane and LPG for all purposes,

- for reduced excise duty rates on diesel fuel and heating gas oil, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law,
 - for reduced excise duty rates on reformulated unleaded and leaded petrol, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law;
14. in the Kingdom of Sweden:
- for reduced excise duty rate for mineral oils used for industrial purposes, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law,
 - for an exemption from excise duty for biologically produced methane and other waste gases,
 - for reduced tax rates for diesel in accordance with environmental classifications;
15. in the United Kingdom of Great Britain and Northern Ireland:
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC,
 - for local public passenger transport vehicles,
 - for LPG, natural gas and methane used as motor fuel,
 - for navigation in private pleasure craft,
 - for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty.
- Article 2*
- In accordance with Article 8(4) of Directive 92/81/EEC and notwithstanding the obligations imposed by Directive 92/82/EEC, the following Member States are authorised to apply or to continue to apply the reductions in rates of excise duties or exemptions from excise duty herein specified until 31 December 2000 unless the Council unanimously determines before that date on a proposal from the Commission that any or all of these derogations shall be modified or extended for a further specific period:
1. in the Kingdom of Belgium:
 - for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty,
 2. in the Kingdom of Denmark:
 - for a reduction in the rate of excise duty on heavy fuel oil to encourage the use of more environmentally friendly fuels. Such reduction shall be specifically linked to sulphur content and in no case can the reduced rate fall below EUR 6,5 per tonne;
 - for the application of differential rates of excise duty between petrol distributed from petrol stations equipped with a return system for petrol fumes and petrol distributed from other petrol stations, provided that such rates at all times respect the minimum rates of excise duty on mineral oils as provided for in Community law;
 3. in the Hellenic Republic:
 - for differential rates of tax on unleaded petrol to reflect different environmental categories, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law;
 4. in the Kingdom of Spain:
 - for differential rates of tax on unleaded petrol to reflect different environmental categories, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law;
 5. in the French Republic:
 - for a reduction in the rate of excise duty on heavy fuel oil to encourage the use of more environmentally friendly fuels. This reduction shall be specifically linked to sulphur content and the rate of duty charged on heavy fuel oil must correspond to the minimum rate of duty on heavy fuel oil as provided for in Community law,
 - for exemption from duty on gases used as motor fuel for public transport subject to an annual quota;
 6. in Ireland:
 - for differential rates of tax on unleaded petrol to reflect different environmental categories, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law;
 7. in the Italian Republic:
 - for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty;

8. in the Grand Duchy of Luxembourg:

- for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty,
- for a reduction in the rate of excise duty on heavy fuel oil to encourage the use of more environmentally friendly fuels. Such reduction shall be specifically linked to sulphur content and in no case can the reduced rate fall below EUR 6,5 per tonne;

9. in the Republic of Austria:

- for natural gas and methane,
- for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty;

10. in the Portuguese Republic:

- for differential rates of tax on unleaded petrol to reflect different environmental categories, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law,
- for a reduction in the rate of excise duty on heavy fuel oil to encourage the use of more environmentally friendly fuels. This reduction shall be specifically linked to sulphur content and the rate of duty charged on heavy fuel oil must correspond to the minimum rate of duty on heavy fuel oil as provided for in Community law;

11. in the Republic of Finland:

- for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty;

12. in the Kingdom of Sweden:

- for differential rates of tax on unleaded petrol to reflect different environmental categories, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law,
- for a reduced rate of excise duty on mineral oils used for industrial purposes by introducing both a rate which is lower than the standard rate and a reduced rate for energy-intensive enterprises, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law and do not give rise to distortions of competition,
- in respect of air navigation other than that covered by Article 8(1)(b) of Directive 92/81/EEC;

13. in the United Kingdom of Great Britain and Northern Ireland:

- for a reduction in the rate of duty on diesel to encourage the use of more environmentally friendly fuels,
- for the application of differential rates of excise duty on unleaded petrol to reflect different environmental categories, provided that such rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law.

Article 3

In accordance with Article 8(4) of Directive 92/81/EEC and notwithstanding the obligations imposed by Directive 92/82/EEC, the following Member States are authorised to apply or to continue to apply the reductions in rates of excise duties or exemptions from excise duty hereinafter specified until 31 December 2000 unless the Council unanimously determines before that date on a proposal from the Commission that any or all of these derogations shall be modified or extended for a further specific period:

1. in the Kingdom of Denmark:

- for differential rates of excise duties on petrol, provided that such rates respect the obligations imposed by Directive 92/82/EEC, and in particular the minimum rates of excise duties prescribed in Articles 3 and 4 of that Directive,

- for differential rates of excise duties on gas oil, provided that such rates respect the obligations imposed by Directive 92/82/EEC, and in particular the minimum rates of excise duties prescribed in Article 5 of that Directive;

2. in the Federal Republic of Germany:

- for a differential rate of excise duty on the fuel used by manufacturing industries, in accordance with the obligations laid down by Directive 92/82/EEC, and in particular the minimum rates referred to in Articles 3 and 4 thereof;

3. in the French Republic:

- for consumption on the island of Corsica, provided that the reduced rates at all times respect the minimum rates of duty on mineral oils as provided for in Community law,

- for a differential rate of excise duty on the diesel used in commercial vehicles, provided that this rate respects the minimum rate of duty as provided for in Community law,
 - for a differential rate of excise duty on a new fuel composed of a water-and-antifreeze/diesel emulsion stabilised by surfactants, provided that this differential rate respects the obligations imposed by Directive 92/82/EEC of 19 October 1992 on the harmonisation of the structures of excise duties on mineral oils, and in particular the minimum rates of excise duties prescribed in Article 5 of that Directive,
 - for an exemption for heavy fuel oil used as fuel for the production of alumina in the region of Gardanne;
4. in the Italian Republic:
- for an exemption from excise duty on mineral oils used as fuel for alumina production in Sardinia,
 - for a reduction in the excise duty on fuel oil, for the production of steam, and for gas oil, used in ovens for drying and 'activating' molecular sieves in Reggio Calabria, provided that the rate of duty respects the minimum rates of duty on mineral oils as provided for in Community law,
 - for a reduction in excise duty on petrol consumed on the territory of Friuli-Venezia Giulia, provided that the rate of duty respects the minimum rate as provided for in Community law,
 - for a reduction in the rate of duty for mineral oils consumed in the regions of Udine and Trieste, provided that the rates of duty respect the minimum rates as provided for in Community law,
 - in certain particularly disadvantaged geographical areas, for reduced rates of excise duty on domestic fuel and LPG used for heating and distributed through the

networks of such areas, in accordance with the obligations laid down in Directive 92/82/EEC and in particular the minimum rates referred to in Articles 5 and 7 thereof;

5. in the Kingdom of the Netherlands:
- for reduced diesel rates for commercial vehicles, provided that the rate of duty respects the minimum rate as provided for in Community law,
 - for differential rates of excise duty on LPG used as fuel for public transport vehicles;
6. in the Republic of Finland:
- natural gas used as fuel.

Article 4

Decision 97/425/EC is hereby repealed with effect from 1 January 2000.

Article 5

This Decision shall apply from 1 January 2000.

Article 6

This Decision is addressed to the Member States.

Done at Brussels, 17 December 1999.

For the Council
The President
K. HEMILÄ