Excise duty: lower rates on tobacco products for consumption in Corsica

2003/0075(CNS) - 05/12/2003 - Final act

PURPOSE : to authorise France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. LEGISLATIVE ACT : Council Directive 2003/117/EC amending Directives 92/79/EEC and 92/80/EEC, in order to authorise the French Republic to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. CONTENT : this Directive authorises France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. In order to prevent damage to the island's economic and social equilibrium, this Directive stipulates that from 1 January 2003 to 31 December 2009 the French Republic may continue to apply a reduced rate of excise duty to cigarettes released for consumption in Corsica. This rate shall apply solely to an annual quota of 1200 tonnes. From 1 January 2003 to 31 December 2007 the reduced rate must equal at least 35 % of the price for cigarettes in the price category most in demand in Corsica. From 1 January 2008 to 31 December 2009 the reduced rate must equal at least 44 % of the price for cigarettes in the price category most in demand in Corsica. In addition, from 1 January 2003 to 31 December 2009 the French Republic may continue to apply a reduced rate of excise duty to manufactured tobaccos other than cigarettes released for consumption in Corsica. The reduced rate shall be: - for cigars and cigarillos, at least 10 % of the retail selling price, inclusive of all taxes, charged in Corsica; - for fine-cut tobacco intended for the rolling of cigarettes, at least 25 % of the retail selling price, inclusive of all taxes, charged in Corsica; - for other smoking tobaccos, at least 22 % of the retail selling price, inclusive of all taxes, charged in Corsica." ENTRY INTO FORCE : 20/12/2003. IMPLEMENTATION : 01/01/2004.