

# **Excise duties: reduced rate on locally produced beer in the autonomous region of Madeira**

2007/0273(CNS) - 03/06/2008 - Final act

**PURPOSE:** to apply a lower rate of excise to locally produced beer in the autonomous region of Madeira.

**LEGISLATIVE ACT:** Council Decision 2008/417/EC authorising Portugal to apply a reduced rate of excise duty on locally produced beer in the autonomous region of Madeira.

**CONTENT:** this Decision authorises Portugal to apply to beer produced in Madeira a rate of excise duty lower than the standard national excise duty rate. It provides that the Decision applies in the case of beer produced in the autonomous region of Madeira by independent breweries situated in that region, whose total annual production does not exceed 300000 hectolitres. Production in excess of 200000 hectolitres annually may benefit from the reduced rate only to the extent it is consumed locally in Madeira.

The term "independent brewery" means a brewery which is legally and economically independent of any other brewery, which uses premises situated physically apart from those of any other brewery and does not operate under licence. However, where two or more breweries cooperate, and their combined annual production does not exceed 300000 hectolitres, those breweries may be treated as a single independent brewery.

The reduced excise duty rate, which may fall below the minimum rate, will not be set more than 50 % lower than the standard national excise duty rate for Portugal.

By 31 December 2010, Portugal must send the Commission a report on the situation, to enable it to assess whether the reasons justifying the derogation still exist.

The Decision applies until 31 December 2013.