

Taxation of energy products and electricity: possibility for certain Member States to apply temporary exemptions or reductions in the levels of taxation

2004/0016(CNS) - 29/04/2004 - Final act

PURPOSE: to apply temporary exemptions or reductions in the levels of taxation.

LEGISLATIVE ACT: Council Directive 2004/74/EC amending Directive 2003/96/EC as regards the possibility for certain Member States to apply, in respect of energy products and electricity, temporary exemptions or reductions in the levels of taxation.

CONTENT: the Council adopted a Directive allowing Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia and Slovakia to apply temporary exemptions or reductions in the levels of taxation. Those Member States should be permitted, on a temporary basis, to apply additional exemptions from or reduced levels of taxation, where it will not be detrimental to the proper functioning of the internal market and will not result in the distortion of competition. Moreover, consistent with the principles in accordance with which transitional periods were originally granted under Directive 2003/96/EC, any such measures should be designed to bring about a progressive alignment with the applicable Community minimum rates. The Council also adopted a Directive which allows Cyprus to apply temporary exemptions or reductions in the levels of taxation, namely on gas oil and kerosene as well as on unleaded petrol used as propellant.

ENTRY INTO FORCE : 01/05/2004.