Tax and duty-free allowances: exemption from valued added tax VAT and excise duty of goods imported by travellers from third countries (repeal. Directive 69/169/EEC)

2006/0021(CNS) - 03/12/2013 - Follow-up document

The Commission presented a report based on Article 16 of Council Directive 2007/74/EC on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries according to which the Commission shall provide a report to the Council concerning the implementation of this Directive, where appropriate accompanied by a proposal for amendment.

In order to establish this report the Commission carried out a consultation of Member States in order to obtain feedback on the implementation, effectiveness and usefulness of the relevant provisions.

The vast majority of Member States is content with the provisions and do not see any need to revise the current Directive. A considerable number of comments received refer to linguistic/editorial changes only.

While identifying a number of relevant problems, notably as regards the definition and interpretation of technical terms such as ‘occasional imports’, **the Commission sees no convincing case for legislative action at this stage**.

In particular, the Commission:

- continues to see a need for the specific rules in Art. 3 (1) and 3(2) of Council Directive 2007/74/EC (which distinguish between a “third country “and a “territory other than a third country where Directives 2006/112/EC or 92/12/EEC, or both not apply”);
- sees no real room for making the exclusion of individuals travelling via private pleasure-flying or private pleasure-sea-navigation optional for Member States;
- sees no room for aligning the definition of traveller in Article 3 of the Directive to that in Article 236 of Regulation 2454/93;
- is not aware of abusive practices having an economic dimension which would require a legislative initiative nor have Member States reported such practices. The Commission services do therefore not intend to open discussion on this issue of including duty free purchases made on the traveller's outward journey in the provision on personal luggage/monetary thresholds;
- does not see a need or any value-added in aligning the definition of “crew of a means of transport” in Article 13 of the Directive to that of Article 49(1) of Regulation (EEC) No 918/83 of the Council on the Community system of reliefs from customs duty, replaced by Council Regulation (EU) No 1186/2009;
- does not intend proposing an amendment of the Directive as regards the treatment of ‘snus’;
- sees no reason to abolish the distinction between air travellers and other travellers (applying lower quantitative limits for tobacco products only to travellers other than air travellers);
- does not support an increase of quantitative limits in the Directive to the **guide levels** stipulated in Council Directive 2008/118/EC;
- does not intend to amend this provision concerning the age of travellers at this stage (one Member State suggests replacing the age indication of "17" with "18", with respect to public health measures for minors in the various Member States);
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- is favourable of maintaining the exemption for fuel contained in standard tanks of vehicles as well as the exemption for fuel contained in a portable container of not exceeding 10 litres;
- does therefore not intend to re-open discussions on this topic of the relation between monetary thresholds and quantitative limits;
- discuss the topic of inland navigation and passenger transport on the river Danube with Member States in the Committee on excise duties.

In conclusion, the Commission is open to developing administrative tools and best practices together with interested Member States for **addressing practical problem scenarios appropriately** and then sharing that knowledge with other Member States.