Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores (2014-2020)

2014/0064(CNS) - 12/06/2014 - Final act

PURPOSE: to authorise Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

LEGISLATIVE ACT:Council Decision No 376/2014/EU authorising Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

CONTENT: the Decision authorises Portugal to apply, from 1 July 2014 to 31 December 2020, **a reduced rate of excise duty** in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

The granting of the new authorisation is justified in order to avoid endangering the development of these outermost regions. Faced with difficulties in exporting outside the regions, the regional markets are the only possible outlets to sell those products.

The reduced rate of excise duty may be less than the minimum rate of excise duty on alcohol set in Directive 92/84/EEC, but may not be more than 75% less than the normal national rate of excise duty on alcohol.

No later than 30 September 2017, Portugal shall submit a **report** to the Commission to allow the latter to assess whether the reasons justifying the granting of the derogation still apply.

ENTRY INTO FORCE: the decision is applicable from 01.07.2014 to 31.12.2020.