Excise duty: reduced rate in Madeira and Azores on locally produced and consumed rum, liqueurs and eaux-de-vie

2001/0169(CNS) - 18/02/2002 - Final act

PURPOSE : to authorise Portugal to apply a reduced rate of excise duty on rum and liquers and eaux-de-vie. COMMUNITY MEASURE : Council Decision 2002/167/EC 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 : This Decision authorises Portugal, by way of derogation from Article 90 of the Treaty, to apply a rate of excise duty lower than the full rate on alcohol laid down in Council Directive 92 /84/EEC to the products mentioned above. The reduced rate may not, however, be more than 75% lower than the standard national duty on alcohol. Taking into account the importance of giving local economic operators the fiscal security that they need to develop their commercial activities as against the need to set a time limit on tax derogations, the derogation is granted for a period of seven years. Portugal must send the Commission a report by 31/12/05 to enable it to assess whether the reasons which justified the granting of the reduced rate still exist. DATES APPLICABLE : The Decision shall apply from 1 January 2002 until 31 December 2008.