Tax and duty-free allowances for travellers: temporary derogation to Germany and Austria (amend. Directive 94/4/EC)

1998/0250(CNS) - 14/12/1998 - Final act

OBJECTIVE: to amend Directive 94/4/EC in order to extend until 2003 the temporary fiscal derogation applicable to Germany and Austria with regard to duty-free allowances for travellers. COMMUNITY MEASURE: Council Directive 98/94/EC amending Directive 94/4/EC and extending the temporary derogation applicable to Germany and Austria. CONTENTS: Until 31.12.97, Austria and Germany enjoyed a derogation allowing them to apply an allowance of ECU 75 (instead of ECU 175, which is the Community figure) for goods imported by travellers entering their territory at a land border linking them to countries (Czech Republic, Hungary, Slovenia, etc.) other than Member States and EFTA countries. The reasons put forward by these two Member States concerned both the considerable disparity in prices between their national markets and those of their neighbours to the east, and the existence of duty-free shops in close proximity to their land borders with those countries. These factors were causing considerable commercial and fiscal distortions. As the economic conditions which led to the adoption of Directive 94/4/EC have persisted or even worsened, the German and Austrian authorities have requested an extension of the derogation and the Directive therefore extends the derogation until 1 January 2003, with the proviso that the two Member States concerned must gradually raise the limit from the figure of ECU 75. The proposal therefore sets an ex officio figure of ECU 100, to apply as from 1 January 1999 in order to limit distortions of fiscal and customs competition between Member States. Germany and Austria will be required to increase this figure gradually, to reach ECU 175 by 1 January 2003 at the latest. ENTRY INTO FORCE: 31 December 1998. DEADLINE FOR TRANSPOSITION: 1 January 1999. ??