Basic information

2003/0075(CNS) CNS - Consultation procedure Directive	Procedure completed
Excise duty: lower rates on tobacco products for consumption in Corsica **Subject** 2.70.02 Indirect taxation, VAT, excise duties 3.40.12 Luxury products industry, cosmetics **Geographical area** France	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	PURVIS John (PPE-DE)	20/05/2003

Committee for opinion	Rapporteur for opinion	Appointed
AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	
RETT Regional Policy, Transport and Tourism	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Transport, Telecommunications and Energy	2551	2003-12-05

European Commission

Commission DG	Commissioner
Taxation and Customs Union	

Key events

Date	Event	Reference	Summary
16/04/2003	Legislative proposal published	COM(2003)0186	Summary
12/05/2003	Committee referral announced in Parliament		

01/10/2003	Vote in committee		Summary
01/10/2003	Committee report tabled for plenary, 1st reading/single reading	A5-0322/2003	
21/10/2003	Decision by Parliament	T5-0438/2003	Summary
05/12/2003	Act adopted by Council after consultation of Parliament		
05/12/2003	End of procedure in Parliament		
20/12/2003	Final act published in Official Journal		

Technical information

Procedure reference	2003/0075(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	EC Treaty (after Amsterdam) EC 093
Stage reached in procedure	Procedure completed
Committee dossier	ECON/5/19482

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0322/2003	01/10/2003	
Text adopted by Parliament, 1st reading/single reading		T5-0438/2003 OJ C 082 01.04.2004, p. 0025-0076 E	21/10/2003	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2003)0186	16/04/2003	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0954/2003 OJ C 234 30.09.2003, p. 0049-0051	16/07/2003	

Additional information

Source	Document	Date

European Commission	EUR-Lex	

Final act	
Directive 2003/0117 OJ L 333 20.12.2003, p. 0049-0050	Summary

Excise duty: lower rates on tobacco products for consumption in Corsica

2003/0075(CNS) - 16/04/2003 - Legislative proposal

PURPOSE : to permit France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. CONTENT : by the provisions of Directive 92/79/EEC and Directive 92/80/EEC, France could continue applying upto 31 December 2002 the same rates for tobacco products and cigarettes sold in Corsica as those in force on 31 December 1997. France considered more time was needed to bring the taxes applied in Corsica into line with those in mainland France, and requested prolongation of certain tax rules on tobacco products until 31 December 2009. To prevent damage to the island's economic and social equilibrium, the Commission agrees to derogation with effect from 1 January 2003 to 31 December 2009. France may apply a rate of excise duty that is lower then the national rate to cigarettes and other manufactured tobaccos released for consumption in Corsica. By the end of this derogation period, the tax rules for manufactured tobaccos must have been brought full into line with the rules for mainland France. In order to avoid too abrupt a change, the Commission proposes an intermediate increase in the excise duty currently levied on cigarettes in Corsica. On cigarettes, the provisions are as follows: - from 01/01/03 to 31/12/07 the total rate of excise duty must be at least 35% of the price charged for cigarettes of the most popular price category in Corsica; - from 01/01/08 to 31/12/09 the rate of excise duty must be at least 44% of the price charged for cigarettes of the most popular price category in Corsica; To avoid undermining the smooth functioning of the internal market, the volume of cigarettes eligible for this derogating measure is be limited to an annual quota of 1200 tonnes. On other tobacco products: - for cigars and cigarillos : maintain the 10% rate applicable to Corsica; this is higher than the Community rate of 5%. - for fine-cut tobacco intended for rolling: keep the 25% rate applicable; this is lower than the minimum Community rate (30%) but during the five-year derogation period France will aim to bring it up to the minimum Community rate; - for other smoking products: keep the 22% rate applicable, which is higher than the minimum Community rate (20%). The reduced rate of excise duty will apply for the period from 01/01/03 to 31/12/09. By the end of this period the taxes applied in Corsica must have brought fully into line with those applicable in mainland France.

Excise duty: lower rates on tobacco products for consumption in Corsica

2003/0075(CNS) - 05/12/2003 - Final act

PURPOSE : to authorise France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. LEGISLATIVE ACT : Council Directive 2003/117/EC amending Directives 92/79/EEC and 92/80/EEC, in order to authorise the French Republic to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. CONTENT : this Directive authorises France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. In order to prevent damage to the island's economic and social equilibrium, this Directive stipulates that from 1 January 2003 to 31 December 2009 the French Republic may continue to apply a reduced rate of excise duty to cigarettes released for consumption in Corsica. This rate shall apply solely to an annual quota of 1200 tonnes. From 1 January 2003 to 31 December 2007 the reduced rate must equal at least 35 % of the price for cigarettes in the price category most in demand in Corsica. From 1 January 2008 to 31 December 2009 the reduced rate must equal at least 44 % of the price for cigarettes in the price category most in demand in Corsica. In addition, from 1 January 2003 to 31 December 2009 the French Republic may continue to apply a reduced rate of excise duty to manufactured tobaccos other than cigarettes released for consumption in Corsica. The reduced rate shall be: - for cigars and cigarillos, at least 10 % of the retail selling price, inclusive of all taxes, charged in Corsica; - for fine-cut tobacco intended for the rolling of cigarettes, at least 25 % of the retail selling price, inclusive of all taxes, charged in Corsica; - for other smoking tobaccos, at least 22 % of the retail selling price, inclusive of all taxes, charged in Corsica." ENTRY INTO FORCE : 20/12/2003. IMPLEMENTATION : 01/01/2004.

Excise duty: lower rates on tobacco products for consumption in Corsica

2003/0075(CNS) - 21/10/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution with 452 votes in favour, 35 against and 22 abstentions on authorising France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica. The resolution was drafted by John PURVIS (EPP-ED, United Kingdom.) Parliament proposed amendments to the effect that the minimum rate be increased by 3% per year until the end of the transition period in 2009.