Basic information

2014/0064(CNS) CNS - Consultation procedure Decision	Procedure completed
Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores (2014-2020) **Subject** 2.70.02 Indirect taxation, VAT, excise duties 3.10.06.08 Wine, alcoholic and non-alcoholic beverages 4.70.06 Outlying and outermost regions, overseas countries and territories **Geographical area** Portugal	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
REGI Regional Development	HÜBNER Danuta Maria (PPE)	01/04/2014

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Environment	3320	2014-06-12

European Commission

Commission DG	Commissioner
Taxation and Customs Union	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
		COM(2014)0117	Summary

05/03/2014	Legislative proposal published		
01/04/2014	Vote in committee		
02/04/2014	Committee referral announced in Parliament		
02/04/2014	Committee report tabled for plenary, 1st reading/single reading	A7-0262/2014	Summary
16/04/2014	Decision by Parliament	T7-0405/2014	Summary
16/04/2014	Results of vote in Parliament		
12/06/2014	Act adopted by Council after consultation of Parliament		
12/06/2014	End of procedure in Parliament		
21/06/2014	Final act published in Official Journal		

Technical information

Procedure reference	2014/0064(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the European Union TFEU 349-p1sub1-as1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/15395

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE532.269	24/03/2014	
Committee report tabled for plenary, 1st reading/single reading		A7-0262/2014	02/04/2014	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0405/2014	16/04/2014	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2014)0117	05/03/2014	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2014)0117	29/04/2014	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2014/0376 OJ L 182 21.06.2014, p. 0001	Summary

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) - 05/03/2014 - Legislative proposal

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.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: Council Decision 2009/831/EC authorised 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 which may be lower than the minimum rate of excise duty set by Directive 92/84/EEC but not more than 75% lower than the standard national excise duty on alcohol.

The Portuguese authorities requested the renewal of the authorisation to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie until 31 December 2020. 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 detailed calculations provided in the reports presented by Portugal confirm that the reduction of 75% of the rate of excise duty does not offset completely the competitive disadvantage which distilled alcoholic beverages produced in Madeira and Azores face as a result of higher production and marketing costs. Therefore, a reduction of the rate of excise duty should continue to be authorised at the level requested.

CONTENT: the proposed Decision **authorises Portugal to apply form 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 which may be lower than the minimum rate of excise duty set by Directive 92/84/EEC but not more than 75% lower than the standard national excise duty on alcohol.

The Portuguese authorities will have to send a mid-term report to the Commission by 30 September 2017 in order to assess whether the reasons which justify the granting of the tax derogation still apply and whether the fiscal advantage granted by Portugal remains proportionate.

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) - 02/04/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Regional Development adopted, in the framework of a special legislative procedure (Parliament consultation), the report by Danuta Maria HÜBNER (EPP, PL) on the proposal for a Council decision 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.

To recall, Council Decision 2009/831/EC authorised Portugal, up to 31 December 2013, to apply a reduced rate of excise duty in the outermost regions of Madeira and Azores on locally produced and consumed rum and liqueurs, and on locally produced and consumed liqueurs and eaux-de-vie, respectively, on the grounds of the small size, fragmented nature and low mechanisation of agricultural holdings, and in order to compensate for the additional costs incurred in the transport of raw material and installation of equipment in those remote insular regions.

Portugal requested the renewal of this authorisation until 31 December 2020, and the Commission found the renewal to be justified.

Given that this measure is intended to continue to stimulate economic activity in outermost regions, and does not have a distortive effect on the internal market, the committee proposed that this proposal be adopted without amendment.

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.

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) - 16/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 588 votes to 70, with 13 abstentions, a legislative resolution on the proposal for a Council decision 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.

Following its Committee on Regional Development, Parliament approved the Commission proposal which seeks to authorise Portugal to apply, from 1 July 2014 to 31 December 2020, a reduced rate of excise duty in the outermost regions of Madeira and Azores on locally produced and consumed rum and liqueurs.