

**Amended proposal for a Council Directive on the approximation of the rates of excise duty on alcoholic beverages and on the alcohol contained in other products**

*COM(89) 527 final*

*(Submitted by the Commission on 6 November 1989)*

(90/C 12/07)

ORIGINAL PROPOSAL <sup>(1)</sup>	AMENDED PROPOSAL
THE COUNCIL OF THE EUROPEAN COMMUNITIES,	THE COUNCIL OF THE EUROPEAN COMMUNITIES,
Having regard to the Treaty establishing the European Economic Community, and in particular Article 99 thereof,	Unchanged
Having regard to the proposal from the Commission,	Unchanged
Having regard to the opinion of the European Parliament,	Unchanged
Having regard to the opinion of the Economic and Social Committee,	Unchanged
Whereas Council Directives ... lay down provisions relating to the structures of excise duties applicable respectively to alcohol, wine, beer and intermediate products;	Unchanged
Whereas for the purpose of establishing an internal market without frontiers it is necessary to apply common rates of excise duty to each of these products;	Whereas, to establish a convergence process, it is necessary to fix target rates of excise duty on alcohol, wine, beer and intermediate products;
Whereas it is necessary to provide for the periodic adjustment of those common rates;	Whereas it is necessary to make provision for adjustment of these target rates in order to take account of the requirements of sectoral policies;
	Whereas these target rates cannot be applied immediately because of the diverse situations in Member States; whereas, therefore, flexibility of rates should be introduced in the form of minimum rates in order to achieve an internal market without frontiers on 1 January 1993;
	Whereas the minimum and objective rates should be adapted to the trend in prices, and that it is pointed out these decisions shall be taken by the Council under a simplified procedure;
Whereas a reduced rate should be applied to undenatured alcohol used in the preparation of perfumes, toiletries and cosmetics;	Unchanged

<sup>(1)</sup> COM(87) 328 final.

## ORIGINAL PROPOSAL

Whereas the excise duty on intermediate products should be charged by reference to their volume;

Whereas different rates of excise duty should be applied to still wine and sparkling wine;

Whereas the excise duty on beer should be charged by reference to the original gravity of the product,

HAS ADOPTED THIS DIRECTIVE:

*Article 1*

Not later than 31 December 1992 Member States shall apply common rates of excise duty on alcoholic beverages and on the alcohol contained in other products in accordance with this Directive.

*Article 2*

The products covered by this Directive are:

- alcohol and alcoholic beverages as defined in Directive . . . ,
- intermediate products as defined in Directive . . . ,
- wine as defined in Directive . . . ,
- beer as defined in Directive . . .

*Article 3*

The common rates of excise duty laid down in this Directive shall be adjusted periodically in accordance with provisions to be established before 1 January 1989 in a directive adopted by the Council acting on a proposal from the Commission.

## AMENDED PROPOSAL

Whereas the most appropriate method of levying excise duty on intermediate products is based on volume;

Whereas the consumption pattern of sparkling wine differs from that of still wine; whereas, in line with practices in Member States, different rates should be applied to these two types of product;

Whereas the method of taxation for beer differs from that for wine in a large number of Member States; whereas, however, there must be some balance between the levels of taxation resulting from these different methods;

Whereas the only possible basis for levying excise duty on the alcohol contained in other beverages is the volume of pure alcohol;

Whereas, lastly, Member States may unilaterally adjust their rates of excise duty provided that they move closer to the target rates;

HAS ADOPTED THIS DIRECTIVE:

*Article 1*

Member States shall apply target rates of excise duty on alcoholic beverages and on the alcohol contained in other products in accordance with the rules laid down in this Directive.

*Article 1a*

Not later than 1 January 1993 Member States shall apply minimum rates of excise duty in accordance with the rules laid down in the Directive.

*Article 2*

Unchanged

*Article 3*

Every two years, and for the first time not later than 31 December 1994, the Council, acting on the basis of a report and, where appropriate, a proposal from the Commission, shall examine the target rates and the minimum rates and shall, acting unanimously, make the necessary adjustments.

## ORIGINAL PROPOSAL

## AMENDED PROPOSAL

*Article 4*

1. The common rate of excise duty on alcohol contained in alcoholic beverages other than those referred to in Articles 5 to 7 below and on the alcohol contained in foodstuffs shall be ECU 1 271 per hectolitre of pure alcohol.

2. A reduced rate of ECU 424 per hectolitre of pure alcohol shall be applied to undenatured ethyl alcohol contained in perfumes, toiletries and cosmetics.

*Article 5*

The common rate of excise duty on intermediate products shall be ECU 85 per hectolitre of product.

*Article 6*

The common rate of excise duty on wine shall be:

- as regards still wine, ECU 17 per hectolitre of product,
- as regards sparkling wine, ECU 30 per hectolitre of product.

*Article 4*

Without prejudice to the first paragraph, every two years, and for the first time not later than 31 December 1994, the Council, acting by a qualified majority on a proposal from the Commission, and after consultation with the European Parliament shall adjust the rates in order to maintain their real value.

The target rates of excise duty on the alcohol contained in beverages other than those referred to in Articles 5, 6 and 7 and on the alcohol contained in foodstuffs shall be ECU 1 398,1 per hectolitre of pure alcohol.

*Article 4a*

The minimum rate of excise duty on the alcohol contained in beverages other than those referred to in Articles 5a, 6a and 7a and on the alcohol contained in foodstuffs shall be ECU 1 118,5 per hectolitre of pure alcohol.

*Article 5*

The target rate of excise duty on intermediate products shall be ECU 93,5 per hectolitre of product.

*Article 5a*

The minimum rate of excise duty on intermediate products shall be ECU 74,8 per hectolitre of product.

*Article 6*

The target rate of excise duty on wine shall be:

- as regards still wine, ECU 18,7 per hectolitre of product,
- as regards sparkling wine, ECU 33 per hectolitre of product.

*Article 6a*

The minimum rate of excise duty on wine shall be:

- as regards still wine, ECU 9,35 per hectolitre of product,
- as regards sparkling wine, ECU 16,5 per hectolitre of product.

## ORIGINAL PROPOSAL

## AMENDED PROPOSAL

*Article 7*

The common rate of excise duty on beer shall be ECU 1,32 per hectolitre/degree Plato of finished product at a temperature of 15 °C.

*Article 7*

The target rate of excise duty on beer shall be ECU 1,496 per hectolitre/degree Plato of finished product.

*Article 7a*

The minimum rate of excise duty on beer shall be ECU 0,748 per hectolitre/degree Plato of finished product.

*Article 7b*

With effect from 1 January 1993, Member States may adjust their excise-duty rates provided that they move closer to the target rates laid down in this Directive:

*Article 8*

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive not later than 31 December 1992. They shall forthwith inform the Commission of any provisions of national law which they adopt in the field governed by this Directive.

*Article 8*

Unchanged

*Article 9*

This Directive is addressed to the Member States.

*Article 9*

Unchanged