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DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Indirect Taxation and Tax administration
Indirect taxes other than VAT

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Ms Jeanette Rose Hansen
Ministry of Taxation
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Denmark
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Subject: Excise duty on tea

Ref.: 13-0192976 of 25 November 2013

Dear Ms Hansen,

In the above mentioned letter of 25 November 2013 you raise the question whether the abolishment of the excise duty currently levied on tea in Denmark would constitute unlawful state aid. I believe that your question is of the competence of Directorate-General for Agriculture and Rural Development, DDG4, Unit M.2, Competition, and I would suggest that you address all your questions on state aid directly to that Unit.

The information provided in your letter contains no indication that the abolishment of the excise duty on tea would infringe EU taxation law. There are no harmonised EU provisions for taxes on coffee or tea. Council Directive 2008/118/EC concerning the general arrangements for excise duty allows Member States to apply national taxes on such products as long as these taxes do not give rise to formalities connected with the crossing of frontiers between Member States. Furthermore, a Member State that decides to impose or abolish such a tax is obliged to ensure that its legislation is compatible with all provisions of EU law, and in particular the rules ensuring non-discrimination in taxation.

Yours sincerely,

Rolf Diemer
Head of Unit