

A prerequisite for opening a chapter on taxes in negotiations with the EU

# EQUALIZATION OF EXCISE DUTY ON STRONG ALCOHOLIC BEVERAGES



## Excise duty in EU

EUR

0,4/l Gasoline

0,3/l Fuel Oils

0,1/kg Liquefied Petroleum Gas

0,15 – 2,6/GJ  
Coke  
Natural gas  
Coal

0,5 – 1/MWh  
electricity

Excise duty is not required

1,8  
By cigarette pack

2,2/l\*



## Excise duty in Serbia

EUR

Gasoline 0,5/l

Fuel Oils 0,5/l

Liquefied Petroleum Gas 0,4/kg

there is no excise duty

electricity 7,5%  
7.5 on final consumption

1/kg  
Roasted Coffee

1,4  
By cigarette pack

1,1/l\* Fruit brandy  
2,9/l\* Grain brandy



### ENERGY

### COFFEE

### CIGARETTES

### ALCOHOLIC BEVERAGES

\*an example of a strong alcoholic beverage containing 40% alcohol

As there are many specific features that determine excise duty, such as the type of product (e.g. petrol, fuel oil, cigarettes, cigarillos, pipe tobacco or beer, liqueurs, spirits), the purpose (business, individual), the amounts so presented are illustrations of excise duty for individual products in Serbia and the EU.

Excise duties are a type of consumption tax which is additionally levied on certain categories of products such as energy, tobacco products and alcoholic beverages.



- The directive stipulates that Member States must levy excise duty on these three groups of products, but may also impose it on other products.
- The Directive also prescribes a minimum amount of excise duty for each of these product groups, while Member States may increase these amounts. Excise duty on domestic and imported product categories must be equal.
- The EU directive lays down the minimum amount of excise tax on strong alcoholic beverages per % of alcohol.



- The amounts of excise duties are prescribed by the Law on Excise Duties, whereby the amount of excise duties is adjusted by applying the consumer price index, once or twice a year, depending on the type of excise product.
- Under the applicable Law, the rate of excise tax on strong alcoholic beverages is different for different types of beverages, namely the rate for fruit brandy is 134.6 din / l and for grain brandy 343.7 din / l.

Excise duties at the EU level are regulated by the 2008 Directive:  
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008L0118&from=GA>

Excise policy in the Republic of Serbia is regulated by the Law on Excise Duties:  
<https://www.paragraf.rs/propisi/zakon-o-akcizama.html>

## Unequal excise duty on strong alcoholic beverages in Serbia



## Conclusion:

The amendments to the Law on Excise Duties in the RS should enable imposing excise duty on strong alcoholic beverages per % of alcohol, rather than per the type of beverage. This would eliminate a key obstacle to opening this critical chapter for negotiations with the EC.