

COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 20 December 1974

Proposal for a

COUNCIL DIRECTIVE

on the exemption from taxes on importation of small
consignments from third countries of goods of a non-
commercial nature

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

On 22 September 1972 the Commission submitted to the Council a proposal for a Council Directive on the exemption from taxes at importation on small consignments of goods sent to private persons.

The Commission's attention had already been drawn on several occasions to the problem of dispatch between Member States of consignments of small value sent in particular by post. The people of the Member States find it difficult to understand why taxes should be charged on consignments of small value imported for personal use whose contents have, as a rule, already been taxed in the consignor country.

Since 1969 travellers from third countries to the Community have been allowed a limited exemption for goods contained in their personal luggage. It would seem strange if measures favouring private persons inside the Community were restricted to small consignments moving within the Community.

For this reason the Commission considers it necessary to propose a relaxation of the rules governing the sending of small consignments from private persons in third countries to private individuals within the Community as it had already done in the case of consignments coming from another Member State.

To this end it is proposed that, provided the goods satisfy a certain number of conditions, no taxes should be charged at importation on consignments of small value coming into the Community, sent by one private individual in a third country to another within the Community.

Consignments, in respect of which taxes are not to be charged, are to be of a non-commercial nature and are to consist solely of goods sent by a private individual entirely free of charge, for personal or family use by the consignee.

As the exemption is granted in respect of goods, which are likely to have been obtained tax-free by the consignor, from outside the Community, the value of the consignment must not exceed 25 U.C.

Article 2 lays down quantitative limits for certain products which usually bear a high rate of excise duty in the Member States. The products in question are those specified in the list which lays down the tax exemptions for travellers.

Article 3 of this proposal for a Directive provides that if the value limit or any of the various quantitative limits is exceeded, all of the goods in the small consignment are to be taxed.

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third countries of goods of a non-commercial nature

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 99 thereof

Having regard to the proposal from the Commission :

Having regard to the Opinion of the European Parliament ;

Having regard to the Opinion of the Economic and Social Committee :

Whereas the Council Directive of (1) on the exemption
from taxes at importation on small consignments of goods of a non-
commercial character from other Community countries laid down the limits
and conditions under which such consignments may be exempted from value-
added tax and from any other taxes on consumption ;

Whereas Community rules should likewise be laid down for exemption from
turnover taxes and excise duties at importation in respect of small con-
signments of a similar nature coming from third countries ;

Whereas the extent of such exemption should for practical reasons be,
as far as possible, as specified in Council Regulation No of
in respect of exemption from import duties and charges ;

(1) O.J. No.
(2) O.J. No.

Whereas, because of the high level of taxation to which certain products are at present subject in Member States, there is still a need to set special limits for such products :

HAS ADOPTED THIS DIRECTIVE :

Article 1

1. Small consignments of goods of a non-commercial nature sent by a private person in a third country to another private person in a Member State shall be exempt on importation from turnover tax and excise duty.
2. For the purposes of paragraph 1, "small consignments of a non-commercial nature" means consignments of goods :
 - (a) which are not intended for any commercial purpose and are of a nature and quantity such as to show that they are intended solely for personal or family use by the consignee ;
 - (b) which are sent free of payment of any kind by the consignee
 - (c) the total value of which does not exceed 25 units of account in respect of any one consignment.

Article 2

Article 1 shall in respect of the goods listed below apply subject to the following quantitative limits :

- (a) Tobacco products
 - 50 cigarettes, or
 - 25 cigarillos (cigars of a maximum weight of 3 grammes each), or
 - 10 cigars, or
 - 50 grammes of pipe tobacco.

(b) Alcoholic beverages

- distilled beverages and spirits of an alcoholic strength exceeding 22° :

1 standard bottle (not exceeding 1 litre)

or

- distilled beverages and spirits and aperitifs with a wine or alcoholic base, of an alcoholic strength not exceeding 22° ; sparkling wines, fortified wines :

1 standard bottle (not exceeding 1 litre)

or

- still wines : 2 litres

(c) Perfumes : 60 grammes or 2 ounces

or

toilet waters : 1/4 litre or 8 ounces

(d) Coffee : 500 grammes

or

coffee extracts and essences : 200 grammes

(e) Tea : 100 grammes

or

tea extracts and essences : 40 grammes

Article 3

The presence in a consignment of goods of a value exceeding 25 units of account or of a quantity exceeding the limits laid down in Article 2 shall render the entire consignment ineligible for exemption from turnover tax and excise duty.

Article 4

1. Member States shall bring into force the measures necessary to comply with this Directive not later than

2. Each Member State shall inform the Commission of the measures adopted by it in implementation of this Directive.

Article 5

This Directive is addressed to the Member States.

Done at Brussels,

For the Council,
The President