

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 166 final

Brussels, 6 April 1983.

Proposal for a  
Seventh Council Directive  
amending Directive 69/169/EEC on the harmonization of provisions  
laid down by law, regulation or administrative action relating  
to exemption from turnover tax and excise duty on imports in  
international travel

---

(submitted to the Council by the Commission)

COM(83) 166 final



## EXPLANATORY MEMORANDUM

Owing to the lack of clarity in some of the provisions relating to the remission of tax on goods acquired by persons travelling by air or by sea within the Community, and to the tax exemptions to be granted on imports of such goods, the provisions in question are interpreted and applied differently by Member States. The Commission thus considers it necessary to clarify the legal position with a view to harmonizing the national provisions applied in this field.

With this in mind, the Commission proposes that Member States should be free to authorize shops under customs control in airports or ports, as well as airlines and shipping companies, to continue to make tax-free sales to intra-Community travellers, but to restrict these sales to the value and quantity limits applied in respect of the exemptions granted to travellers coming from third countries.

The Commission also proposes that, although the value added tax and/or excise duty normally applicable in the Member State of acquisition has not been charged on them, goods acquired in this way should qualify for exemption upon importation into the Member State of destination. Such exemption will, however, be restricted in scope to the value and quantity limits applied for the exemptions granted to travellers coming from third countries.

Application of the same limits to the tax-free sale and importation of the goods will make it possible to simplify the checks carried out on travellers upon arrival. In order to achieve this objective, certain obligations will have to be imposed on persons operating tax-free shops at airports or ports, as well as on airlines and on shipping companies, especially with regard to the issue of sales documents enabling the origin

./.

and characteristics of the goods to be identified.

For persons travelling to third countries, Member States will remain entirely free to lay down the conditions governing sales of tax-free goods.

The Commission would like to point out that all the proposed provisions concerning sales of goods on which tax has either been remitted or not charged are optional, and do not prevent Member States from maintaining more restrictive arrangements currently in force under which, for example, tax-free sales are not allowed on certain international routes or there is no provision for exemption from value added tax.

It should also be noted that this proposal clarifies the situation in respect of tax-free shops from the point of view of own resources derived from value added tax and will have a positive effect as far as own resources are concerned.

Proposal for a  
Seventh Council Directive  
amending Directive 69/169/EEC on the harmonization  
of provisions laid down by law, regulation or  
administrative action relating to exemption from  
turnover tax and excise duty on imports in  
international travel

---

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 provisions currently applicable in respect of the remission of tax on goods acquired by persons travelling by air or by sea within the Community, and in respect of the tax exemptions to be granted on imports of such goods, give rise to differing national interpretations and hence to differing national rules;

Whereas the conditions under which goods may be sold in shops under customs control at airports and ports, on board aircraft, and on vessels or hovercraft used for sea transport should be harmonized;

./.

Whereas it would appear to be advisable to limit the value and quantity of goods supplied tax-free to persons travelling between Member States and to allow such persons an exemption at import corresponding to that granted to travellers coming from third countries; whereas Member States should remain free to apply more restrictive provisions to supplies of such goods in order to ensure that such harmonization does not lead to an extension of sales of this kind;

Whereas the relaxation and ultimately the elimination of checks at import in intra-Community travel are objectives of the Community; whereas, in order to achieve these objectives, Member States must adopt measures which will ensure strict compliance by licensed operators of shops under customs control, by airlines and by shipping companies of the restrictions on supplies of tax-free goods;

Whereas it must be possible for Member States to maintain in force the provisions they apply at present to sales made in shops under customs control at airports and ports, or on board means of air or sea transport, to travellers going to third countries;

Whereas, for this purpose, Council Directive 69/169/EEC<sup>1</sup>, as last amended by Directive 82/443/EEC<sup>2</sup>, should be amended,

HAS ADOPTED THIS DIRECTIVE:

---

<sup>1</sup>OJ No L 133, 4.6.1969, p. 6

<sup>2</sup>OJ No L 206, 14.7.1982, p. 35

Article 1

Directive 69/169/EEC is hereby amended as follows:

1. the following sub-paragraph is added to Article 2(1):

"However, the requirement that such goods should have been acquired subject to the general rules governing taxation on the domestic market of one of the Member States shall not apply in respect of the exemption applying to imports of goods acquired subject to the conditions referred to in Article 6(7) provided that their total value does not exceed the amount mentioned in Article 1(1) or (2), as the case may be".

2. In Article 4

a) the following new paragraph 5 is inserted:

"5. For imports of goods acquired subject to the conditions referred to in Article 6(7), the quantities to be exempted shall be those set out in paragraph 1, column I.";

b) former paragraph 5 becomes paragraph 6.

3. In Article 6(2)

a) the following expression is deleted:

"Without prejudice to rules relating to sales made at airport shops under customs control and on board aircraft,";

b) the following paragraphs 7, 8 and 9 are added:

"7. In the case of sales made at airport or port shops under customs control and on board aircraft, sea-going vessels or hovercraft operating international services, Member States may authorize supplies of goods on which tax has been remitted or on which excise duty and/or turnover tax has not been charged:

(a) notwithstanding paragraph 1 and within the limits laid down in Articles 1 and 4(1), column I, to travellers possessing a travel document mentioning as their immediate destination an airport or port situated in another Member State;

(b) subject to the conditions laid down by them, to travellers possessing a travel document mentioning as their immediate destination an airport or port situated in a third country.

"Immediate destination" means the airport or port at which the traveller may, on the basis of the particulars given on the travel document, disembark from the aircraft or means of sea transport in order to leave the area under customs control at that airport or port.

8. Member States shall adopt the provisions necessary to ensure that the limits and conditions laid down at (a) in paragraph 7 are strictly applied by the seller. At the moment of the sale, the seller shall provide the buyer with a copy of the invoice or of any other document issued in lieu thereof specifying the nature and price of the goods sold.

./.



9. The Commission shall send to the Council every five years a report on the application of Articles 2(1), 4(5), 6(7) and 6(8), together with any necessary proposals."

Article 2

Member States shall take the measures necessary to comply with this Directive from .....

They shall inform the Commission of the provisions they adopt for the application of this Directive.

Article 3

This Directive is addressed to the Member States.

Done at Brussels,

For the Council  
The President

