

# Adopted amendments to the Law on Excise Duties



The Law on Amendments to the Law on Excise Duties was published in the Official Gazette of the Republic of Serbia number 119/2012 dated 17 December 2012.

The adopted amendments are effective as of 18 December 2012.

## Significance of amendments

Amendments relate to taxation of oil derivatives and tobacco products. The principal amendments relate to:

- calculation of the amount and excise duty rate on oil derivatives and tobacco products until 2016;
- increase and gradual leveling off of excise duty on motor fuels, gas oil and liquefied petroleum gas (LPG) used as fuel for passenger vehicles, where the amount of excise duty on LPG remains lower because it is considered an environmentally friendly fuel;
- excise duty refunds on particular oil derivatives used for industrial purposes and as energy fuel in the production of electrical energy and for heating.

## Excise duty on oil derivatives

Excise duty on oil derivatives is as follows:

Oil derivatives	up to 17 Dec. 2012 (until Law goes into force)	from 18 Dec. 2012 to 31 Dec. 2013	from 1 Jan. 2014 to 31 Dec. 2014	from 1 Jan. 2015
Leaded gasoline	55 din/lit	55 din/lit	55 din/lit	55 din/lit
Unleaded gasoline	49.60 din/lit	49.60 din/lit	50.00 din/lit	50.00 din/lit
Gas oil	42.00 din/lit	42.00 din/lit	46.00 din/lit	50.00 din/lit
Kerosene	62.00 din/kg	62.00 din/kg	62.00 din/kg	62.00 din/kg
LPG	30.00 din/kg	30.00 din/kg	35.00 din/kg	40.00 din/kg
Other oil derivatives produced from fractions obtained from petroleum distillation in the range up to 380°C (fractions)	62.00 din/kg	62.00 din/kg	62.00 din/kg	62.00 din/kg

The next adjustment in excise duty on oil derivatives is scheduled for January 2016.

Amendments to the Law introduce refunds for the full amount of excise duty paid on the following uses of oil derivatives:

- gas oil used as energy fuel in the production of electrical energy and heating;
- gas oil used for industrial purposes;
- kerosene used for industrial purposes;
- LPG used for industrial purposes.

Starting on 1 January 2013 the amount up to which excise duty is refunded for LPG used as motor fuel for transportation purposes in transporting persons and goods is increased from 19.21 din/

kg to 20.50 din/kg, representing an increase in the excise duty burden of this use of gas.

The first adjustment in the amount up to which refunds of excise duty on oil derivatives can be claimed is scheduled for January 2014.

Starting on 1 January 2013, instead of refunds of excise duty on gas oil used as motor fuel for agricultural purposes, up to 2.5 din/lit, agricultural households will be entitled to subsidised purchases of this fuel up to the same amount.

In the period up to 31 December 2014 no excise duty is levied on LPG and fractions when they are used as raw materials and as energy fuel in case prescribed by Law.



## Excise duty on tobacco products

The excise duty on cigarettes is increased. The schedule of increases is as follows:

Period	Amount
1 July – 31 December 2013	45.00 din/pack
1 January – 30 June 2014	47.00 din/pack
1 July – 31 December 2014	49.00 din/pack
1 January – 30 June 2015	51.00 din/pack
1 July – 31 December 2015	53.50 din/pack
1 January – 30 June 2016	56.00 din/pack
starting 1 July 2016	58.50 din/pack

Excise duty on smoking tobacco and tobacco products will also increase as follows:

- up to 31 December 2012 – 35%
- from 1 January to 31 December 2013 – 37%
- from 1 January to 31 December 2014 – 39%
- from 1 January to 31 December 2015 – 41%
- starting from 1 January 2016 – 43%

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