



EUROPEAN COMMISSION

Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs
Single Market Enforcement
Notification of Regulatory Barriers

Uimhir an Fhógra : 2021/0703/DK (Denmark)

Tax on nicotine products

An dáta ar a bhfuarthas é/í : 10/11/2021

Deireadh leis an Tréimhse Neamhghníomhaíochta : Not applicable

Bearta Fioscacha : Is ea

Message

Message 002

Communication from the Commission - TRIS/(2021) 03990

Directive (EU) 2015/1535

Translation of the message 001

Notification: 2021/0703/DK

No abre el plazo - Nezahajuje odklady - Fristerne indledes ikke - Kein Fristbeginn - Viivituste perioodi ei avata - Καμμία έναρξη προθεσμίας - Does not open the delays - N'ouvre pas de délais - Non fa decorrere la mora - Neietekmē atlikšanu - Atidėjimai nepradedami - Nem nyitja meg a késéseket - Ma' jiftaħx il-perijodi ta' dawmien - Geen termijnbegin - Nie otwiera opóźnień - Não inicia o prazo - Neotvorí oneskorenia - Ne uvaja zamud - Määräaika ei ala tästä - Inleder ingen frist - He ce предвижда период на прекъсване - Nu deschide perioadele de stagnare - Nu deschide perioadele de stagnare.

(MSG: 202103990.EN)

1. MSG 002 IND 2021 0703 DK EN 10-11-2021 DK NOTIF

2. DK

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4. 2021/0703/DK - X40M

5. Legislative proposal amending the Act on various consumption taxes and the Collection Act (Introduction of tax on nicotine products and aggregation of tax rates for smokeless tobacco, etc.).

6. The proposal concerns the introduction of a tax on nicotine products and the aggregation of tax rates on smokeless tobacco and the proposal for a stamping scheme for retail packages of nicotine products and smokeless tobacco.

7. -

8. In § 1 of the attached legislative proposal, it is proposed to introduce a tax on nicotine products and to aggregate the



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tax rates for smokeless tobacco with the associated stamping scheme. This is, partly, a new tax, which is proposed to be inserted into the Act on various consumption taxes, cf. Consolidated Act No 1445 of 21 June 2021, as amended by § 8 of Act No 1728 of 27 December 2018, § 1 of Act No 1182 of 8 June 2021 and § 11 of Act No 1240 of 11 June 2021, and amending an existing tax in § 13 of the Consumer Tax Act.

§ 1(2) of the legislative proposal proposes to aggregate the tax rates for smokeless tobacco (§ 13), so that from 1 July 2022 the tax will be DKK 461 and 37 øre per kg for all types of smokeless tobacco. § 1(3) of the legislative proposal (the proposed § 13a) proposes to introduce a tax on nicotine products. The tax is proposed to consist of a rate of 5.5 øre per mg of nicotine. The tax is proposed to be introduced from 1 July 2022, cf. § 4(2) of the legislative proposal. In addition, for technical reasons, it is proposed to repeal the already adopted tax on nicotine-containing liquids (see Act No 1182 of 8 June 2021), cf. § 3 of the legislative proposal and reinstated as the proposed § 13b in § 1(3) of the legislative proposal. It should be noted that this Act was notified as a draft with notification number 2021/243/DK.

With § 1(3) of the legislative proposal, the proposed § 13d-13h, proposes the introduction of a stamping scheme under which retail packaging of nicotine products, smokeless tobacco and nicotine-containing liquids will have to be provided with a stamp. The scheme for nicotine-containing liquids is generally the same as in the one already adopted — but not in force — described in Act No 1182 of 8 June 2021. This scheme was thus also notified as a draft with notification number 2021/243/DK.

9. The Government has put forward a plan of action on more stringent requirements and strengthened controls on tobacco trade, which states that possibilities for taxing nicotine products, including nicotine bags, will be explored. The legislative proposal is a follow-up to this. In addition, it should be noted that the tax on nicotine-containing liquids, which is included in the legislative proposal for technical reasons, was agreed as part of the Finance Act for 2020 (see notification 2021/243/DK).

However, nicotine is addictive and harmful to health, regardless of its form. The Government therefore wishes to impose taxes on nicotine products. It is proposed to aggregate the two tax categories for smokeless tobacco into one, in order to achieve simpler and more transparent legislation in which businesses will no longer have to distinguish between different tax categories, which is deemed not professionally justified to maintain.

The reason for the proposed introduction of a stamping scheme is to ensure the best possible control of the tax for the tax administration and to give consumers the best position to know whether tax has been paid on the products they buy.

10. Basic texts have been forwarded as part of an earlier notification: 2021/243/DK

11. No

12. -

13. No

14. Yes

15. The tax is expected to be passed on to consumers in the form of higher prices. The proposal is therefore expected to lead to a decrease in domestic sales.

The legislative proposal has administrative consequences for the business sector. The administrative consequences are mainly attributable to the stamping scheme.

16. WTO aspect

No, the draft has no particular impact on international trade.



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SPS aspect

No, the draft has no particular impact on international trade.

European Commission

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