

PART THIRTY-THREE

Amendment to the Excise Duties Act

Article LIV

Act No 353/2003 on excise duties, as amended by Act No 479/2003, Act No 237/2004, Act No 313/2004, Act No 558/2004, Act No 693/2004, Act No 179/2005, Act No 217/2005, Act No 377/2005, Act No 379/2005, Act No 545/2005, Act No 310/2006, Act No 575/2006, Act No 261/2007, Act No 270/2007, Act No 296/2007, Act No 37/2008, Act No 124/2008, Act No 245/2008, Act No 309/2008, Act No 87/2009, Act No 281/2009, Act No 292/2009, Act No 362/2009, Act No 59/2010, Act No 95/2011, Act No 221/2011, Act No 420/2011, Act No 457/2011, Act No 458/2011, Act No 18/2012, Act No 407/2012, Act No 500/2012, Act No 308/2013, by the legal measure of the Senate No 344/2013, Act No 201/2014, Act No 331/ /2014, Act No 157/2015, Act No 315/2015, Act No 382/2015, Act No 188/2016, Act No 243/2016, Act No 453/2016, Act No 65/2017, Act No 183/2017, Act No 4/2019, Act No 80/2019, Act No 277/2019, Act No 364/2019, Act No 229/2020, Act No 299/2020, Act No 343/2020, Act No 584/2020, Act No 609/2020, Act No 93/2022, Act No 131/2022, Act No 179/2022, Act No 286/2022 and Act No 234/2023, is amended as follows:

1 . In Section 1(1)(a), the words ‘, other tobacco products, products related to tobacco products’ are inserted after the words ‘tobacco products’.

2 At the end of Section 1(3)(f), the word ‘and’ is replaced by a comma and the following points (g) and (h) are inserted:

‘g) duty on other tobacco products;

h) duty on products related to tobacco products; and’.

Point (g) is renumbered as point (i).

3. . Section 3(1)(m) is deleted.

Points (n) to (x) are renumbered as points (m) to (w).

4. In Section 4(1)(c), the number ‘55’ is replaced by ‘56’.

5. . In Section 11(1)(e) to (g), the words ‘for the City of Prague’ are replaced by ‘in Prague’.

6. . Section 49(1) reads as follows:

‘(1) Mineral oils referred to in Section 45(1), (2) and (6) used for purposes other than motor fuel or heat generation shall be exempt. Other petrol is not exempt from duty in this way.’.

7. Section 49(3) and (4) are deleted.

Paragraphs (5) to (13) are renumbered (3) to (11).

8. In Section 49(4), the words ‘air transport, aeronautical work, testing, repair or maintenance of aircraft, excluding mineral oils used’ are replaced by: ‘types of flights other than’ and at the end of the paragraph, the following sentence is added: ‘This exemption applies exclusively to mineral oils used for flights between the fiscal territory of the Czech Republic and the tax territory of another Member State or a third country.’.

9. . In Section 50(2), the words ‘6 and 8’ are replaced by ‘4 and 6’ and ‘(5)(a) is replaced by ‘5’.

10. In Section 52(1), ‘5’ is replaced by ‘3’.

11. In Section 52a(4), ‘10, 12 or 13’ is replaced by ‘8, 10 or 11’

12. In Section 53(1), ‘5, 6 and 8’ is replaced by ‘3, 4 and 6’.

13. Section 55, including the title, is deleted.

14. In the second sentence of Section 56(1), the words ‘ , 15a or 55’ are replaced by ‘or 15a’.

15. In Section 56(2), the last sentence is deleted.

16. The following words are added at the end of the text of Section 57(9): ‘ ; such documents must be submitted by the person referred to in paragraph (1) to the tax authorities upon request’.

17. In the first sentence of Section 57(13), the words ‘consisting of fish farming in accordance with the Act governing fisheries’ shall be inserted after the word ‘primary production’, at the end of the sentence, the words ‘ ; this register must be submitted by the person referred to in paragraph (1) to the tax authorities at his request’ are added, and in the second sentence, the words ‘vegetable production or breeding of livestock consumption may be proven by’ are replaced by the words ‘other types of primary agricultural production the consumption of mineral oils is proven by’.

18. Section 57(14) is deleted.

Paragraphs (15) to (23) are renumbered to (14) to (22).

19. In Section 57(14)(b), the words ‘consisting of fish farming in pursuant to the Act governing fisheries’ are inserted after the word ‘primary production’.

20. In Section 70(1), the sum ‘CZK 32,250 ’ is replaced by: ‘CZK 35,500 ’ and the sum ‘CZK 16,200 ’ is replaced by ‘CZK 17,800’. ‘.

21. In Section 70(1), the sum ‘CZK 35,500 ’ is replaced by: ‘CZK 39,100 ’ and the sum ‘CZK 17,800 ’ is replaced by ‘CZK 19,600’. ‘.

22. In Section 70(1), the sum ‘CZK 39,100 ’ is replaced by: ‘CZK 41,050 ’ and the sum ‘CZK 19,600 ’ is

23. In Section 77(1), the sum ‘CZK 40,000,000’ is replaced by ‘CZK 50,000,000’.

24. In Section 77(2), the sum ‘CZK 120,000,000 ’ is replaced by: ‘CZK 150,000,000 ’.

25. In Section 101(2), the words ‘duties on tobacco products’ are replaced by ‘excise duties’.

26. In Section 101(3)(c)(2), the word ‘or’ is deleted.

27. At the end of Section 101(3), the full stop is replaced by the word ‘or’ and the following point 4 is added:

‘4. water pipe tobacco.’.

28. In Section 101(4) and (6), the number ‘8’ is replaced by the number ‘9’.

29. After Section 101(7), the following new paragraph (8) is inserted:

‘(8) Water pipe tobacco means, for excise purposes, tobacco that can only be used with the use of a hookah in such a way that the released emissions pass through the liquid before inhalation.’.

Paragraph (8) is renumbered as (9).

30. In Section 101(9), the words ‘of the Czech Republic’ are deleted.

31. In Section 104(1), the sum ‘CZK 1.97 ’ is replaced by: ‘CZK 2.17 ’, the sum ‘CZK 3.52 ’ is replaced by ‘CZK 4.22’. ‘, the sum ‘CZK 2.29 ’ is replaced by ‘CZK 2.52’. ‘ and the sum ‘CZK 3,000 ’ is replaced by ‘CZK 3,300’. ‘.

32. Section 104(1) reads as follows:

‘(1) Duty rates are set as follows:

| Text | Duty rate | | | |
|--------------------|-------------------------------------|--------------------|---------------|-----------------------------------|
| | Type | Percentage portion | Fixed portion | Minimum |
| cigarettes | | 30 % | 2.17 CZK/unit | a total of at least 4.22 CZK/unit |
| cigars, cigarillos | | | 2.52 CZK/unit | |
| smoking tobacco | base rate | | 3300 CZK/kg | |
| | reduced rate for water pipe tobacco | | 594 CZK/kg | |

replaced by ‘CZK 20,550’. ‘.

33. In Section 104(1), the sum 'CZK 2.17 ' is replaced by ' CZK 2.28 ', the sum ' 4.22 ' is replaced by 'CZK 4.44 ', the sum 'CZK 2.52 ' is replaced by 'CZK 2.65 ', the sum 'CZK 3,300 ' is replaced by 'CZK 3,470'. ' and the sum 'CZK 594 ' is replaced by 'CZK 623'. '.

34. In Section 104(1), the sum 'CZK 2.28 ' is replaced by ' CZK 2.39 ', the sum ' 4.44 ' is replaced by 'CZK 4.66 ', the sum ' 2.65 ' is replaced by 'CZK 2.78 ', the sum 'CZK 3,470 ' is replaced by 'CZK 3,650'. ' and the sum 'CZK 623 ' is replaced by 'CZK 654'. '.

35. In Section 104(1), the sum 'CZK 2.39 ' is replaced by ' CZK 2.51 ', the sum ' 4.66 ' is replaced by 'CZK 4.89'. ', the sum ' 2.78 ' is replaced by 'CZK 2.92 ', the sum 'CZK 3,650 ' is replaced by 'CZK 3,830'. ' and the sum 'CZK 654 ' is replaced by 'CZK 687'. '.

36. Section 130(1) reads as follows:

'(1) A heated tobacco product means, for the purposes of excise duty, a product,

- a) that contains tobacco;
- b) the heating of which, by means of a heating device or by similar means, emits emissions intended to be inhaled;
- c) that is not subject to duty on tobacco products; and
- d) that, as an electronic cigarette refill, is not subject to duty on products related to tobacco products.'

37. After Section 130(1), new paragraphs (2) and (3) are inserted, which read as follows:

'(2) For purposes of excise duty, a heated tobacco product also means a product that contains, in whole or in part, substances other than tobacco and that fulfils the conditions laid down in paragraph (1)(b) to (d).

'(3) A product is not considered a heated tobacco product if

- a) does not contain tobacco and meets the conditions set out in paragraph (1)(b) to (d) or paragraph (2); and
- b) it is used exclusively for medical purposes and a certificate thereof shall be issued by the Ministry of Health or by an institution authorised by the Ministry.'

Paragraphs (2) and (3) are renumbered as paragraphs (4) and (5).

38. In Section 130a, the words 'tobacco contained' are replaced by 'filler contained'.

39. In Section 130b(1), the words 'tobacco contained' are replaced by 'fillers contained'.

40. In Section 130b(2), the word 'tobacco' is replaced by 'fillers'.

41. In Section 130c(1), the sum 'CZK 3 ' is replaced by: 'CZK 3.45 '.

42. In Section 130c(1), the sum 'CZK 3.45 ' is replaced by ' CZK 3.97 '.

43. In Section 130c(1), the sum 'CZK 3.97 ' is replaced by: 'CZK 4.57 '.

44. In Section 130c(1), the sum 'CZK 4.57 ' is replaced by 'CZK 5.26 '.

45. In Section 130d(2)(b), the words 'tobacco contained' are replaced by 'fillers contained'.

46. In the heading of Section 130f, after the word 'on', the word 'heated' is inserted.

47. In Section 130f, after the word 'A', the word 'heated' is inserted.

48. In Section 130g, the word 'tobacco' is replaced by 'filler'.

49. In Part Three, the following chapters VII and VIII are inserted after Chapter VI:

'CHAPTER VII

"

Duty on other tobacco products

Section 130h

Other tobacco products

(1) For the purposes of excise duty, other tobacco products mean a product containing tobacco intended for human consumption

- a) through which nicotine can be absorbed into the human body by simple non-industrial handling or that allows such absorption; and
- b) that is subject neither to duty on tobacco products nor duty on heated tobacco products.

(2) For the purposes of excise duty, other tobacco products also mean a product that also partially contains substances other than tobacco and that fulfils the other conditions set out in paragraph (1).

(3) The provisions concerning tobacco products subject to excise duty on tobacco products shall apply mutatis mutandis to heated tobacco products.

(4) Other tobacco products are considered a selected product.

Section 130i

Subject matter of duty on other tobacco products

Other tobacco products are subject to duty on other tobacco products.

Section 130j

Tax base for duty on other manufactured tobacco

(1) The tax base for duty on other manufactured tobacco is the quantity of product in a unit packet intended for direct consumption, expressed in grams, rounded to one decimal place.

(2) In determining the quantity of goods referred to in paragraph (1), the weight of the product at the time when the obligation to declare and pay the duty is incurred is key.

Section 130k

Rate and calculation of the duty on other tobacco products

(1) The rate of duty on other tobacco products is set at CZK 0.4/g.

(2) The duty on other manufactured tobacco shall be calculated as the product of the tax base and the rate of the duty on other tobacco products.

Section 130l

Transport of other tobacco products

The provisions on the transport of selected products shall apply mutatis mutandis to the transport of other tobacco products.

Section 130m

Special provisions for other tobacco products labelled incorrectly

Any other tobacco product that is labelled with a

tobacco label corresponding to the old duty rate and that, at the time of entry into free tax circulation, was labelled in accordance with this Act and the implementing legislation shall also not be regarded as an other tobacco product that is labelled incorrectly.

Section 130n

Quantities of other tobacco products for personal consumption

A quantity of other tobacco products not exceeding 500 g is deemed to be a quantity of other tobacco products for personal consumption.

CHAPTER VIII

Duty on products related to tobacco products

Section 130o

Products related to tobacco products

(1) Products related to tobacco products shall, for the purposes of excise duty, mean:

- a) e-cigarette refills;
- b) nicotine pouches; and
- c) other nicotine products.

(2) A product related to tobacco products is not a product pursuant to paragraph (1) that is subject to duty on tobacco products or duty on heated tobacco products.

(3) A product referred to in paragraph (1) that is used exclusively for medical purposes is not considered a product related to tobacco products, and confirmation of this shall be issued by the Ministry of Health or an institution authorised by the Ministry.

(4) The provisions concerning tobacco products subject to excise duty on tobacco products shall apply mutatis mutandis to products related to tobacco products.

(5) A product related to tobacco products is considered as selected product.

Section 130p

E-liquid

(1) For excise duty purposes, e-liquid is considered a liquid

- a) containing nicotine that may be used in or to refill an e-cigarette; or
- b) not containing nicotine that is intended to be used in an e-cigarette or to refill it.

(2) For the purposes of excise duty, an e-cigarette means a device that

- a) may be used to use vapour through a mouthpiece, or any part of this device including a cartridge, a tank or a device without a cartridge or tank; and
- b) can be disposable or refillable with a replacement liquid or tank or reusable using disposable cartridges.

Section 130q

Nicotine pouches

For excise duty purposes, nicotine pouches are products for oral use that

- a) do not contain tobacco;
- b) contain nicotine that is mixed with vegetable fibres or similar material; and
- c) are offered in pouch portions, porous pouches or similar packaging.

Section 130r

Other nicotine products

For excise duty purposes, other nicotine products are products that

- a) do not contain tobacco;
- b) contain nicotine; and
- c) are not e-liquids or nicotine pouches.

Section 130s

Subject of duty on products related to tobacco products

The subject of duty on products related to tobacco products are products related to tobacco products.

Section 130t

Tax base for duty on products related to tobacco products

(1) The tax base for duty on products related to tobacco products is, for

- a) e-liquids, the quantity of e-liquid in a unit packet intended for direct consumption, expressed in millilitres, rounded to one decimal place;
- b) nicotine pouches and other nicotine product, the quantity of the product contained in the unit packet intended for direct consumption, expressed in grams, rounded to one decimal place.

(2) For the purposes of determining the quantity of a product pursuant to paragraph (1), the quantity of the product at the time the obligation to declare and pay the duty is incurred decisive.

Section 130u

Rate and calculation of duty on products related to tobacco products

(1) The rates of duty on products related to tobacco products are set as follows:

| | |
|-------------------------|------------|
| | duty rate |
| e-liquids | 2.5 CZK/ml |
| nicotine pouches | 0.4 CZK/g |
| other nicotine products | 0.4 CZK/g |

(2) The duty on products related to tobacco products shall be calculated as the product of the tax base and the duty rate on products related to tobacco products.

Section 130v

Transport of products related to tobacco products

The provisions on the transport of selected products shall apply mutatis mutandis to the transport of products related to tobacco products.

Section 130w

Special provisions on products related to tobacco products labelled incorrectly

Any product related to tobacco products that is labelled with a tobacco label corresponding to the old duty rate and that, at the time of entry into free tax circulation, was labelled in accordance with this Act and the implementing legislation shall also not be regarded as a product related to tobacco products that is labelled incorrectly.

Section 130x

Quantity of products related to tobacco products for personal consumption

The quantity of products related to tobacco products for personal consumption shall be considered to be a quantity that does not exceed

- a) 80 ml in the case of e-liquids;
- b) 500 g in the case of nicotine pouches;
- c) 500 g in the case of other nicotine products.'

Chapter VII is renumbered as Chapter IX.

50. In Section 130k, the sum 'CZK 0.4 ' is replaced by: 'CZK 0.8 '.

51. In Section 130k, the sum 'CZK 0.8 ' is replaced by: 'CZK 1.2 '.

52. In Section 130k, the sum 'CZK 1.2 ' is replaced by: 'CZK 1.7 '.

53. In Section 130u, the sum 'CZK 2.5 ' is replaced by: 'CZK 5 ' and the sum 'CZK 0.4 ' is replaced by 'CZK 0.8'. '.

54. In Section 130u, the sum 'CZK 5 ' is replaced by: 'CZK 7.5 ' and the sum 'CZK 0.8 ' is replaced by 'CZK 1.2'. '.

55. In Section 130u, the sum 'CZK 7.5 ' is replaced by: 'CZK 10 ' and the sum 'CZK 1.2 ' is replaced by 'CZK 1.7'. '.

56. In Section 134b(2)(b) and (c) and in Section 134f(c), the number '8' is replaced by '6'.

57. In the heading of Section 135, the word '**selected**' is deleted.

58. In Section 135(1), the words ', heated tobacco product, other tobacco product or product related to tobacco products' are inserted after the word 'product' and the word 'selected' is replaced by 'these'.

59. In Section 135a(1), after the words 'products', the words ', heated tobacco products, other tobacco products or products related to tobacco products' are inserted.

60. At the end of Section 135b(1)(b), the words ', heated tobacco products, other tobacco products or products related to tobacco products' are added.

61. In the heading of Section 135c, the words '**against an electronic accompanying document**' and the words '**selected products**' are deleted.

62. After Section 135c(1), following new paragraph (2) is inserted:

'(2) A corporate entity or sole trader, as the recipient of heated tobacco products, other tobacco products or products related to tobacco products transported under duty suspension in the tax territory of the Czech Republic, commits an infraction by

- a) failing to submit a notification of receipt of such products by means of the electronic system to the locally competent place of receipt of those products by the specified deadline; or
- b) failing to indicate in the notification of receipt of these products the losses and damage that occurred during the course of transport.'

Paragraph (2) is renumbered as (3).

63. In Section 135c(3), the words 'paragraph (1)' are replaced by 'paragraphs (1) and (2)'.

64. In the heading of Section 135d, the word '**selected**' is deleted.

65. In Section 135d(1), the words ', heated tobacco products, other tobacco products or products related to tobacco products' are inserted after the word 'products' and the word 'selected' is deleted.

66. In the heading of Section 135e, the word '**selected**' is deleted.

67. In Section 135e(1), the words ', heated tobacco products, other tobacco products or products related to tobacco products' are inserted after the words 'sending of selected products' and the words 'dispatch of selected' are replaced by 'dispatch of these'.

68. In Section 135g(1), the words '6 or 8' are replaced by '4 or 6'.

69. In Part Nine in the heading of Chapter IV, the word 'A' is replaced by comma and at the end of the heading text the following is added: ', DUTY ON OTHER TOBACCO PRODUCTS AND DUTY ON PRODUCTS RELATED TO TOBACCO PRODUCTS'.

70. In Section 135m(1)(a), the words ‘, heated tobacco products, other tobacco products or products related to tobacco products’ are inserted after the word ‘products’.

71. In Section 135m(1)(b), the words ‘, heated tobacco products, other tobacco products or products related to tobacco products’ are inserted after the word ‘products’.

72. In Section 135m(2), the words ‘, heated tobacco products, other tobacco products or products related to tobacco products’ are inserted after the word ‘products’.

73. In the heading of Section 135n, the word **‘tobacco’** is deleted.

74. In Section 135n(1), the words ‘, heated tobacco products, other tobacco products or products related to tobacco products’ are inserted after the word ‘products’ and the word ‘tobacco’ is replaced by ‘these’.

75. In the heading of Section 135p, the word **‘tobacco’** is deleted.

76. In Section 135p(2)(a), the words ‘, unmarked heated tobacco products, unmarked other tobacco products or unmarked products related to tobacco products’ are inserted after the word ‘products’.

77. At the end of 135p(2)(b), the words ‘, heated tobacco products labelled incorrectly, other tobacco products labelled incorrectly or products related to tobacco products labelled incorrectly’ are added.

78. In Section 135q(1), the words ‘, heated tobacco products, other tobacco products or products related to tobacco products’ are inserted after the word ‘products’.

79. In Section 135q(2), in the introductory part of the provision, the words ‘, heated tobacco products, other tobacco products or products related to tobacco products’ are inserted after the word ‘products’.

80. In Section 135q(2)(c), the word ‘tobacco’ is replaced by ‘these’.

81. In Part Nine, Chapter IX, including its heading, reads as follows:

‘CHAPTER IX

Forfeiture and seizure of unlabelled and incorrectly labelled products

Section 135zf

Forfeiture of unlabelled products and incorrectly labelled products

If the conditions for imposing forfeiture of a thing are met, its forfeiture shall be imposed, even if its value is conspicuously disproportionate to the nature of the infraction, if it involves

- a) an unlabelled tobacco product, unlabelled heated tobacco product, unlabelled other tobacco product or unlabelled product related to tobacco products; or
- b) an incorrectly labelled tobacco product, incorrectly labelled heated tobacco product, incorrectly labelled other tobacco product, or incorrectly labelled product related to tobacco products.

Section 135zg

Seizure of unlabelled products and incorrectly labelled products

If the conditions for a decision on seizure of a thing are met, its seizure shall be decided, even if its value is conspicuously disproportionate to the nature of the infraction, if it involves

- a) an unlabelled tobacco product, unlabelled heated tobacco product, unlabelled other tobacco product or unlabelled product related to tobacco products; or
- b) an incorrectly labelled tobacco product, incorrectly labelled heated tobacco product, incorrectly labelled other tobacco product, or incorrectly labelled product related to tobacco products.

Section 135zh

Common provisions on forfeiture and seizure

(1) The General Directorate of Customs shall destroy products forfeited pursuant to Section 135zf or seized pursuant to Section 135zg.

The destruction is supervised by a three-member committee composed of officials of the tax administration.

(2) An offender who has had goods forfeited pursuant to Section 135zf or a person that has had products seized pursuant to Section 135zg shall be obliged to reimburse the State for the costs associated with their administration and destruction.

(3) A decision to seize products pursuant to Section 135zg or the obligation to reimburse the State for the costs associated with their administration and destruction cannot be appealed'.

82 . In the introductory part of Section 135zi(2)(a) and in the introductory part of Section 135zi(3) the words 'and duty on heated tobacco products' are replaced by ' , duty on heated tobacco products, duty on other tobacco products and duty on products related to tobacco products'.

83 . In Section 135zi(2)(a)(3) and in Section 135zi(3)(c), the word 'tobacco' is deleted.

84 . In Section 135zi(4), the words 'against the handling of tobacco products' are replaced by the words 'in the area of administration of the duty on tobacco products, duty on heated tobacco products, duty on other tobacco products and duty on products related to tobacco products, on infractions against the handling of products'.

Article LV

Notification

This part was notified in accordance with Directive (EU) 2015/1535 of the European Parliament and of the Council of 9 September 2015 laying down a procedure for the provision of information in the field of technical regulations and of rules on Information Society services.

Article LVI

Transitional provisions

1. Excise duty liabilities from the tax period preceding the effective date of this Act and the rights and obligations related to these liabilities shall be governed by Act No 353/2003, as amended prior to the effective date of this Act.

2. A tax guarantee provided pursuant to Act No 353/2003, as amended prior to the effective date of this Act, for an alcohol excise warehouse or by an authorised recipient for repeated receipt of alcohol shall be deemed to be a tax guarantee provided in accordance with Act No

353/2003, as amended prior to the effective date of this Act, until the last day of the third calendar month following the effective date of this Act.

3. A tax guarantee provided pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV points 31 and 41, for an excise warehouse for tobacco products or heated tobacco products shall be deemed to be a tax guarantee provided in accordance with Act No 353/2003, as amended prior to the effective date of Article LIV points 31 and 41, until the last day of the third calendar month following the effective date of Article LIV points 31 and 41.

4. If a person who, during the 12 calendar months preceding the effective date of this Act, became entitled to a tax refund pursuant to Section 55 of Act No 353/2003, as amended prior to the effective date of this Act, and who, as a result of the adoption of this Act, now fulfils conditions for issuing a permit to receive and use exempt mineral oils, submits within 30 days of the effective date of this Act an application for a permit to receive and use exempt mineral oils for the purposes of Section 49(1) of Act No 353/2003, as amended prior to the effective date of this Act, this application is looked upon as a permit to receive and use exempt mineral oils for the purposes of Section 49(1) of Act No 353/2003, as amended prior to the effective date of this Act.

5. In the event that the tax authority rejects the application pursuant to point 4, the person referred to in point 4 shall become liable to declare and pay duty on mineral oils has received tax-free based on the application. This person must file a tax return within 15 days of the final date of the decision rejecting the application; this tax is due by the deadline for filing the tax return.

6. Section 70(1) of Act No 353/2003, as amended prior to the effective date of this Act, shall not apply to ethyl alcohol for which the obligation to declare and pay duty arose in the tax period commencing as amended prior to the effective date of this Act.

7. Section 70(1) of Act No 353/2003, as amended prior to the effective date of Article LIV point 21, shall not apply to ethyl alcohol for which the obligation to declare and pay duty arose in the tax period commencing as amended prior to the effective date Article LIV point 21.

8. Section 70(1) of Act No 353/2003, as amended prior to the effective date of Article LIV point 22, shall not apply to ethyl alcohol for which the obligation to declare and pay duty arose in the tax period commencing as amended prior to the effective date Article LIV point 22.

9. . The provisions of Section 104(1) and Section 130c(1) of Act No 353/2003, as amended as of the effective date of Article LIV points 31 and 41, will not be applied to

- a) tobacco products or heated tobacco products for which the obligation to declare and pay the duty arose before the effective date of Article LIV points 31 and 41;
- b) raw tobacco for which a tax liability arose before the effective date of Article LIV points 31 and 41.

10. The provisions of Section 104(1), Section 130c(1), Section 130k(1) and Section 130u(1) of Act No 353/2003, as amended as of the effective date of Article LIV points 33, 42, 50 and 53, will not be applied to

- a) tobacco products, heated tobacco products, other tobacco products or products related to tobacco products for which the obligation to declare and pay the duty arose before the effective date of Article LIV points 33, 42, 50 and 53;
- b) raw tobacco for which a tax liability arose before the effective date of Article LIV points 33, 42, 50 and 53.

11. The provisions of Section 104(1), Section 130c(1), Section 130k(1) and Section 130u(1) of Act No 353/2003, as amended as of the effective date of Article LIV points 34, 43, 51 and 54, will not be applied to

- a) tobacco products, heated tobacco products, other tobacco products or products related to tobacco products for which the obligation to declare and pay duty arose before the date of entry into force of Article LIV points 34, 43, 51 and 54;

- b) raw tobacco for which a tax liability arose before the effective date of Article LIV points 34, 43, 51 and 54.

12. The provisions of Section 104(1), Section 130c(1), Section 130k(1) and Section 130u(1) of Act No 353/2003, as amended as of the effective date of Article LIV points 35, 44, 52 and 55, will not be applied to

- a) tobacco products, heated tobacco products, other tobacco products or products related to tobacco products for which the obligation to declare and pay duty arose before the effective date of Article LIV points 35, 44, 52 and 55;
- b) raw tobacco for which a tax liability arose before the effective date of Article LIV points 35, 44, 52 and 55.

13. In the event of a change in the rate of excise duty pursuant to Section 104(1) and Section 130c(1) of Act No 353/2003, as amended as of the effective date of Article LIV, points 31 and 41, the period pursuant to

- a) Section 118a(1) of Act No 353/2003, as amended, is four weeks prior to the effective date of Article LIV points 31 and 41;
- b) Section 118b(1) of Act No 353/2003, as amended, is four weeks prior to the first acquisition of tobacco labels corresponding to the new duty rate.

14. A tax guarantee provided for the transport of alcohol commenced before the effective date of this Act shall be deemed to be a guarantee of tax provided in accordance with Act No 353/2003, as amended prior to the effective date of this Act.

15. A duty payment guarantee provided for the transport of tobacco products or heated tobacco products commenced prior to the effective date of Article LIV points 31 and 41 is considered a tax guarantee provided in accordance with Act No 353/2003, as amended as of the effective date of Article LIV points 31 and 41.

16. A tax guarantee provided for the transport of alcohol, tobacco products, heated tobacco products, other tobacco products or products related to tobacco products commenced prior to the effective date of Article LIV points 21, 33, 42, 50 and 53 is considered a tax guarantee provided in accordance with Act No 353/2003, as amended as of the effective date of Article LIV points 21, 33, 42, 50 and 53.

17. A tax guarantee provided for the transport of alcohol, tobacco products, heated tobacco products, other tobacco products or products related to tobacco products commenced prior to the effective date of Article LIV points 22, 34, 43, 51 and 54 is considered a tax guarantee provided in accordance with Act No 353/2003, as amended as of the effective date of Article LIV points 22, 34, 43, 51 and 54.

18. A tax guarantee provided for the transport of alcohol, tobacco products, heated tobacco products, other tobacco products or products related to tobacco products commenced prior to the effective date of Article LIV points 35, 44, 52 and 55 is considered a tax guarantee provided in accordance with Act No 353/2003, as amended as of the effective date of Article LIV points 35, 44, 52 and 55.

19. The provisions of Section 101 and 104 of Act No 353/2003, as amended as of the effective date of Article LIV, points 26 to 29 and 32, shall not apply to water pipe tobacco for which the obligation to declare and pay duty arose in the tax period commencing before the effective date of Article LIV, points 26 to 29 and 32.

20. Water pipe tobacco for which the obligation to declare and pay duty arose in the tax period commencing before the effective date of Article LIV, points 26 to 29 and 32, which is marked with a tobacco label in accordance with Act No 353/2003, as amended prior to the effective date of Article LIV points 26 to 29 and 32, shall not be regarded as an incorrectly labelled tobacco product.

21. Water pipe tobacco that, before the effective date of Article LIV points 26 to 29 and 32, was not subject to duty on smoking tobacco produced, transported from another Member State or imported into the tax territory of the Czech Republic before the effective date of this Act shall be deemed to have been taxed and placed into free tax circulation on the effective date of Article LIV points 26 to 29 and 32.

22. Water pipe tobacco that, before the effective date of Article LIV points 26 to 29 and 32, was not subject to duty on smoking tobacco produced, transported from another Member State or imported into the tax territory of the Czech Republic does not have to be placed into free tax circulation with a tobacco label for three months as of the effective date of Article LIV points 26 to 29 and 32; on the date such tobacco without a label enters into free tax circulation this tobacco shall be considered to be taxed.

23. Water pipe tobacco that, before the effective date of Article LIV points 26 to 29 and 32 has not been subject to duty on smoking tobacco, can be handled without a tobacco label pursuant to points 22 and 23 for six months as of the effective date of Article LIV points 26 to 29 and 32; during this period, this tobacco shall not be considered unmarked.

24. A person who, before the effective date of Article LIV points 26 to 29 and 32, produced in the tax territory of the Czech Republic, imported or transported water pipe tobacco from another Member State in the tax territory of the Czech Republic that before the effective date of Article LIV points 26 to 29 and 32 was not subject to duty on smoking tobacco, and does not hold a permit to operate an excise warehouse for smoking tobacco or a permit to repeatedly receive smoking tobacco pursuant to Act No 353/2003, as amended up to the effective date of Article LIV points 26 to 29 and 32, shall be deemed to be the holder of a permit to operate an excise warehouse for smoking tobacco or a permit to repeatedly receive smoking tobacco pursuant to Act No 353/2003, as amended as of the effective date of Article LIV points 26 to 29 and 32, for a period of 3 months as of the effective date of Article LIV points 26 to 29 and 32.

25. A person who, before the effective date of Article LIV points 26 to 29 and 32, produced in the tax territory of the Czech Republic, imported or transported water pipe tobacco from another Member State in the tax territory of the Czech Republic that before the effective date of this Act was not subject to duty on smoking tobacco, and does not hold a permit to operate an excise warehouse for smoking tobacco or a permit to repeatedly receive smoking tobacco pursuant to Act No 353/2003, as amended up to the effective date of Article LIV points 26 to 29 and 32, shall be deemed to be the holder of a permit to operate an excise warehouse for smoking tobacco or a permit to repeatedly receive smoking tobacco pursuant to Act No 353/2003, as amended as of the effective date of Article LIV points 26 to 29 and 32, if, within 3 months as of the effective date of Article LIV points 26 to 29 and 32 they submit

- a) an application for a permit to operate an excise warehouse for smoking tobacco or a permit to repeatedly receive smoking tobacco; or
- b) an application to amend a permit to operate an excise warehouse for tobacco products or a permit to repeatedly receive tobacco products extending this permit to smoking tobacco.

26. Unit packets of heated tobacco products intended for direct consumption purchased for resale with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV point 41, may not be stored or sold after the last day of the fifth calendar month following the month in which Article LIV point 41 came into effect.

27. Unit packets of heated tobacco products intended for direct consumption purchased for resale with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV point 42, may not be stored or sold after the last day of the fifth calendar month following the month in which Article LIV point 42 came into effect.

28. Unit packets of heated tobacco products intended for direct consumption purchased for resale with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV point 43, may not be stored or sold after the last day of the fifth calendar month following the month in which Article LIV point 43 came into effect.

29. Unit packets of heated tobacco products intended for direct consumption purchased for resale with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV point 44, may not be stored or sold after the last day of the fifth calendar month following the month in which Article LIV point 44 came into effect.

30. Unit packets of heated tobacco products that cannot be stored or sold pursuant to points 26 to 29 shall be considered incorrectly labelled tobacco products.

31. Section 122a of Act No 353/2003, as amended, shall apply *mutatis mutandis* to unit packets of heated tobacco products intended for direct consumption with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV, point 41, wherein the deadline pursuant to

- a) Section 122a(1)(b) of Act No 353/2003, as

amended, expires on the day on which such unit packets cannot be stored or sold;

- b) Section 122a(1)(d) and time according to Section 122a(2) of Act No 353/2003, as amended, expires on the last day of the second calendar month after the day on which such unit packets cannot be stored or sold.

32. Section 122a of Act No 353/2003, as amended, shall apply *mutatis mutandis* to unit packets of heated tobacco products intended for direct consumption with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV, point 42, wherein the deadline pursuant to

- a) Section 122a(1)(b) of Act No 353/2003, as amended, expires on the day on which such unit packets cannot be stored or sold;
- b) Section 122a(1)(d) and time according to Section 122a(2) of Act No 353/2003, as amended, expires on the last day of the second calendar month after the day on which such unit packets cannot be stored or sold.

33. Section 122a of Act No 353/2003, as amended, shall apply *mutatis mutandis* to unit packets of heated tobacco products intended for direct consumption with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV, point 43, wherein the deadline pursuant to

- a) Section 122a(1)(b) of Act No 353/2003, as amended, expires on the day on which such unit packets cannot be stored or sold;
- b) Section 122a(1)(d) and time according to Section 122a(2) of Act No 353/2003, as amended, expires on the last day of the second calendar month after the day on which such unit packets cannot be stored or sold.

34. Section 122a of Act No 353/2003, as amended, shall apply *mutatis mutandis* to unit packets of heated tobacco products intended for direct consumption with a tobacco label corresponding to the duty rate pursuant to Act No 353/2003, as amended prior to the effective date of Article LIV, point 44, wherein the deadline pursuant to

- a) Section 122a(1)(b) of Act No 353/2003, as amended, expires on the day on which such unit packets cannot be stored or sold;

- b) Section 122a(1)(d) and time according to Section 122a(2) of Act No 353/2003, as amended, expires on the last day of the second calendar month after the day on which such unit packets cannot be stored or sold.

35. Heated tobacco products that, before the effective date of this Act, were not subject to duty on heated tobacco products, other tobacco products and products related to tobacco products produced, transported from another Member State or imported into the tax territory of the Czech Republic before the effective date of this Act shall be deemed to be taxed and put into free tax circulation on the effective date of this Act.

36. Heated tobacco products that, before the effective date of this Act, were not subject to duty on heated tobacco products, other tobacco products and products related to tobacco products produced, transported from another Member State or imported into the tax territory of the Czech Republic do not need to be placed into free tax circulation with a tobacco label for 3 months as of the effective date of this Act; on the date of release for free tax circulation of this product without a label, this product shall be considered to be taxed.

37. Heated tobacco products that, before the effective date of this Act, were not subject to duty on heated tobacco products, other tobacco products and products related to tobacco products without a tobacco label pursuant to points 35 and 36 can be handled for 9 months as of the effective date of this Act; during this period, these products are not considered unmarked.

38. A person who, before the effective date of this Act in the tax territory of the Czech Republic, imported or transported into the tax territory of the Czech Republic heated tobacco products from another Member State that, before the effective date of this Act, was not subject to tax on heated tobacco products, and does not, as at the effective date of this Act, hold a licence to operate an excise warehouse for heated tobacco products or a permit to repeatedly receive heated tobacco products pursuant to Act No 353/2003, as amended prior to the effective date of this Act, shall be deemed to be the holder of a permit to operate an excise warehouse for heated tobacco products or a permit to repeatedly receive heated tobacco products pursuant to Act No. 353/2003 Coll., as amended prior to the effective date of this Act, for a period of 3 months from the effective date of this Act.

39. A person who, before the effective date of this Act in the tax territory of the Czech Republic, imported or transported into the tax territory of the Czech Republic heated tobacco products from another Member State that, before the effective date of this Act, were not subject to duty on heated tobacco products, and is not in possession of a permit to operate an excise warehouse for heated tobacco products or a permit to repeatedly receive heated tobacco products pursuant to Act No 353/2003, as amended prior to the effective date of this Act, shall be, until the day preceding the date of final termination of the proceedings on an application for a permit or proceedings for the amendment of a permit, deemed to be the holder of a permit to operate an excise warehouse for heated tobacco products or a permit to repeatedly receive heated tobacco products pursuant to Act No 353/2003, as amended prior to the effective date of this Act, if, within 3 months from the effective date of this Act, they submit

- a) an application for a permit to operate an excise warehouse for heated tobacco products or to repeatedly receive heated tobacco products; or
- b) an application to amend a permit to operate an excise warehouse for tobacco products or a permit to repeatedly receive tobacco products extending this permit to heated tobacco products.

40. A person who, prior to the date of entry into force of this Act in the tax territory of the Czech Republic, has produced, imported or transported into the tax territory of the Czech Republic other tobacco products or products related to tobacco products from another Member State shall be deemed to be the holder of a permit to operate an excise warehouse for those products that he has produced or transported, or a permit to repeatedly receive such products pursuant to Act No 353/2003, as amended prior to the effective date of this Act, for a period of 3 months from the effective date of this Act.

41. A person who, prior to the effective date of this Act in the tax territory of the Czech Republic, has produced, imported or transported into the tax territory of the Czech Republic other tobacco products or products related to tobacco products from another Member State shall be deemed, until the day preceding the date of final termination of the proceedings on an application for a permit or proceedings for the amendment of a permit, to be the holder of a permit to operate an excise warehouse

for those products that he has produced or transported, or a permit to repeatedly receive such products pursuant to Act No 353/2003, as amended prior to the effective date of this Act, if, within 3 months from the effective date of this Act, they submit

- a) an application for a permit to operate an excise warehouse for these products or a permit to repeatedly receive such products; or
- b) an application to amend a permit to operate an excise warehouse for tobacco products or a permit to repeatedly receive tobacco products extending this permit to these products.