

**NB! Does not contain amendments of 22.04.2010 and 20.05.2010.**

## PACKAGING EXCISE DUTY ACT

Passed on 19. December 1996 ([RT I 1997, 5/6, 31](#)), in force since 1 March 1997, partially since 1 December 1998.

Amended by the following acts (date of adoption, publication in the State Gazette, date of entry into force):

16.06.1999 ([RT I 1999, 54, 583](#)) 23.06.1999

20.06.2000 ([RT I 2000, 59, 381](#)) 27.07.2000

17.10.2001 ([RT I 2001, 88, 531](#)) 1.07.2002

17.12.2003 ([RT I 2003, 88, 591](#)) 1.01.2004

24.03.2004 ([RT I 2004, 24, 165](#)) 1.05.2004

15.12.2004 ([RT I 2004, 89, 611](#)) 1.01.2005

16. 06. 2005 ([RT I 2005, 37, 288](#)) 10.07.2005

24.04.2008 ([RT I 2008, 20, 138](#)) 31.05.2008

### § 1. Object of tax

Excise duty on packaging (hereafter *excise duty*) is imposed on packaging of goods put on the market in Estonia or acquired in another Member State of the European Union (hereafter *another Member State*) and imported into Estonia.

[[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

### § 2. Definitions

For the purposes of this Act:

1) “packaging” means packaging as defined in the Packaging Act;

[[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

2) “import” means the release of packaging for free circulation as defined in Council Regulation 2913/92/EEC establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1-50) (hereafter *Community Customs Code*). Taking packaging onto the Community customs territory in other cases where import of goods incurs customs debt as defined in the Community Customs Code or use of packaging or destruction of packaging under the supervision of customs authorities in Estonia shall also be considered to be import;

[[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

(2<sup>1</sup>) [Repealed – [RTI 2004, 24, 165](#) – entered into force 1.05.2004];

2<sup>2</sup>) “intra-Community acquisition of packaging” means bringing packaging into Estonia from another Member State for business purposes;

3) “recovery of packaging” means recovery of packaging waste as defined in the Packaging Act;

[[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

4) [Repealed – RT I 2000, 59, 381 – entered into force 27.07.2000]

(5) [Repealed – [RTI 2008, 20, 138](#) – entered into force 31.05.2008]

6) “alcohol” means alcohol as defined in the Alcohol, Tobacco and Fuel Excise Duty Act;

7) “soft drink” means a drink the combined nomenclature (CN) rubrics are 2009, 2201 or 2202 according to Council Decision 2658/87/EMÜ on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 07.09.1987, p. 1-675).

[[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

### **§ 3. Receipt of excise duty**

(1) Excise duty established by this Act shall go into the state budget.

(2) Excise duty shall be paid in full kroons.

### **§ 4. Rates of excise duty**

(1) Excise duty on packaging shall be imposed according to the rates set out in the Annex hereto.

(2) The Minister of the Environment shall establish the procedure for the designation of packaging material.

### **§ 5. Payer of excise duty**

(1) Excise duty on packaging of imported goods shall be paid by entities that declare goods in the customs procedure for free circulation of goods as defined in the Community Customs Code or for whom such a declaration is made. In other cases, packaging excise duty shall be paid by entities that incur customs debt as defined in the Community Customs Code or that used packaging for their own needs or that requested packaging to be destroyed in Estonia.

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(2) Excise duty on packaging of goods packaged in Estonia shall be paid by entities that put the packaged goods onto the market in Estonia for the first time and make it available for distribution or use.

[\[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

(3) [Repealed – [RT I 2004, 24, 165](#) – entered into force 1.05.2004]

(4) Excise duty on packaging acquired from another Member State shall be paid by the entity that acquires the packaging.

## **§ 6. Imposition of excise duty**

(1) [Repealed – [RT I 2004, 89, 611](#) – entered into force 1.01.2005]

(2) Excise duty shall be imposed on packaging put on the market in Estonia and packaging acquired in another Member State and imported. This shall be done in the case of sales, exchange, transfer without charge or use for self-consumption of packaging.

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(3) The time of activities specified in Subsection 2 hereof shall be the moment when one of the following activities took place:

- 1) dispatch of packaging;
- 2) packaging was made available to the recipient;
- 3) packaging was used for self-consumption.

(4) Use for self-consumption of packaging put on the market in Estonia or packaging acquired in another Member State and imported means use of the goods in the packaging by payers of excise duty for their business purposes or giving of the packaging to their employees.

[\[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

(5) If the quantity of recoverable packaging is smaller than the rate specified by Subsection 1 of Section 8 hereof during a taxation period, excise duty shall be paid for the difference between that rate and the smaller quantity of packaging actually recovered.

(6) Upon import of packaging in other cases, if this incurs a customs debt as defined in the Community Customs Code, debtors shall incur the payment obligation on the day they incur the customs debt.

## **§ 7. Taxable period and reporting**

(1) [Repealed – [RT I 2004, 89, 611](#) – entered into force 1.01.2005]

(2) The taxable period for packaging put into the market in Estonia or acquired in another Member State and imported shall be a quarter. The taxable period for packaging put into the market in Estonia or acquired in another Member State and imported shall be a calendar year if the payer of excise duty has transferred their obligations in compliance with Section 11<sup>1</sup> hereof.

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(3) Excise duty on packaging put on the market in Estonia or acquired in another Member State and imported shall be paid to the bank account of the Tax and Customs Board and an excise duty return shall be filed with the Tax and Customs Board by the fifteenth day of the month following the taxable period. The standard format for excise duty returns shall be established by the Minister of Finance.

[\[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

(4) [Repealed – [RT I 2004, 89, 611](#) – entered into force 1.01.2005]

## **§ 8. Exemption from excise duty**

(1) Full exemption from packaging excise duty shall be applicable to:

1) packaging on which a deposit has been established in compliance with the Packaging Act, except metal packaging of beverages, and:

at least 60% of each class of its materials is recovered as of 1 January 2005;

at least 63% of each class of its materials is recovered as of 1 January 2006;

at least 65% of each class of its materials is recovered as of 1 January 2007;

at least 70% of each class of its materials is recovered as of 1 January 2008;

at least 75% of each class of its materials is recovered as of 1 January 2009;

at least 85% of each class of its materials is recovered as of 1 January 2012;

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2) metal packaging for beverages at least 40% of which is recovered;

at least 50% of which is recovered as of 1 January 2010;

[\[RTI 2008, 20, 138](#) – entered into force 31.05.2008]

3) packaging for alcoholic and soft drinks not mentioned in Subsection 1 hereof if at least 60% of each class of its materials is recovered;

4) other sales packaging until 1 July 2005 and the same after that term if at least 15% of each class of its materials is recovered.

5) other packaging which is recovered to the extent specified in Section 36 of the Packaging Act as of 1 January 2009.

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(1<sup>1</sup>) In order to be granted an exemption from the excise duty, the packaging recovery targets set in Subsection 1 hereof must be met during the taxation period.

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(2) Full exemption from packaging excise duty shall be applicable to:

1) packaging which contains goods imported by natural persons or acquired by them from another Member State for non-business purposes;

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2) exported packaging;

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3) packaging which is imported by foreign diplomatic representations and consular posts, representations of intergovernmental organisations, and foreign diplomatic representatives, consular agents and representatives of special missions accredited to Estonia, on the basis of a declaration of goods and which contain goods intended for their professional use;

4) packaging taken to another Member State from Estonia, including packaging which is conveyed on board a vessel or aircraft used for foreign travel in order to be sold to the passengers on board.

5) plastic packaging of goods put on the market in Estonia or acquired in another Member State and imported if its mass is less than 2.5 kilograms, and packaging of other material with a mass of less than 5 kilograms a quarter.

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(3) The Minister of the Environment shall establish the procedures for calculating packaging recovery rates and determining packaging mass.

**§§ 9-10 [Repealed – [RTI 2004, 89, 611](#) – entered into force 1.01.2005]**

## **§ 11. Keeping records**

(1) Payers of excise duty shall keep record of sales, exchange, transfer without charge or use for self-consumption of packaging of goods put on the market in Estonia and packaging of goods acquired in another Member State and imported. For that purpose they record the respective packaging mass and classes of packaging material in each quarter. If a payer of the excise tax has transferred its obligations in compliance with Section 11<sup>1</sup> hereof, the accounting period as regards the above packaging shall be a calendar year.

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(2) If a payer of the excise tax has not transferred its obligations in compliance with Section 11<sup>1</sup> hereof, the payer of the excise tax shall keep quarterly records on packaging recovery. If a payer of the excise tax has transferred its obligations in compliance with Section 11<sup>1</sup> hereof, the accounting period as regards recovery of the above packaging shall be a calendar year.

(3) Data on activities related to packaging and packaging waste shall be submitted in compliance with Subsections 4 and 6 of Section 24 of the Packaging Act.

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## **§ 11<sup>1</sup>. Transfer of obligations**

(1) Payers of Excise tax may conclude a written agreement on the transfer of their obligations under this Act but the obligations may be transferred only to a recovery organisation founded in compliance with Subsection 2 of Section 16 of the Packaging Act.

(2) Excise duty payers that have concluded a written agreement with a recovery organisation on transfer of their obligations under this Act and that have fulfilled their obligations as regards to the recovery organisation, shall not be responsible for achievement of packaging waste recovery targets or sending information to the packaging register and other competent bodies.

[[RT I 2004, 89, 611](#) – entered into force 1.01.2005]

## **§ 12. Supervision and liability**

(1) The correctness of calculation and the timeliness of payment of the excise duty shall be supervised by the Tax and Customs Board.

(2) In the case of incorrect calculation, evasion or late payment of excise duty, the tax authority for state taxes shall apply sanctions and charge the interest prescribed in the Taxation Act.

(3) [Repealed – [RT I 2004, 89, 611](#) – entered into force 1.01.2005]

(4) Until the due date of the report provided for in Subsection 3 of Section 7 hereof, the interest prescribed in the Taxation Act shall not be calculated on the excise duty arrears of a payer of excise duty.

[[RT I 2004, 89, 611](#) – entered into force 1.01.2005]

## **§ 13. Certification of export and import**

(1) In a dispute between the Tax and Customs Board and a taxpayer concerning whether or not goods have been imported or re-imported, a document certifying registration of the export of the goods issued by the customs authorities of the foreign state from which the goods, according to the information at the disposal of the Tax and Customs Board, arrived directly into Estonia shall be deemed to be proof of the import or re-import of the goods.

(2) In a dispute between the Tax and Customs Board and a taxpayer concerning whether goods have been exported or re-exported, a document certifying registration of the import of the goods issued by the customs authorities of the foreign state into which the goods, according to the information supplied by the taxpayer, arrived directly from Estonia shall be deemed to be proof of export or re-export of the goods.

(3) The Tax and Customs Board shall contact the customs authorities of foreign states to obtain documents specified in Subsections 1 and 2 hereof.

[[RT I 2003, 88, 591](#) – entered into force 1.01.2004]

### § 13<sup>1</sup>. Implementation of Act

(1) Proof of packaging recovery shall be valid until the end of the term specified in them but not longer than until 1 January 2006.

(2) If the quantity of recoverable packaging is smaller than the rate specified in the proof during a taxation period, excise duty shall be paid for the difference between that rate and the smaller quantity of packaging actually recovered.

[[RT I 2004, 89, 611](#) – entered into force 1.01.2005]

### § 14. Entry into force of Act

(1) This Act enters into force on 1 March 1997, except Clause 2 of the Annex hereto which enters into force on 1 December 1998.

(2) As of 1 January 2005:

- 1) Subsections 5 and 6 of Section 6, Section 11<sup>1</sup> and 13<sup>1</sup> hereof enter into force;
- 2) Subsections 1, 3 and 7 of Section 2, Subsection 1 of Section 5, Subsections 2 and 4 of Section 6, Subsection 2 and 3 of Section 7, Section 8, Section 11 and Subsection 4 of Section 12 in the wording of 15 December 2004 and Annex hereof enter into force;
- 3) Subsection 1 of Section 6, Subsections 1 and 4 of Section 7, Section 9, Section 10 and Subsection 3 of Section 12 hereof are repealed.

3) Clauses 3 and 4 of Subsection 1 of Section 8 are repealed as of 1 January 2009.

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Annex  
to the Packaging Excise Duty Act  
[[RT I 2004, 89, 611](#) – entered into  
force 1.01.2005]

### RATES OF PACKAGING EXCISE DUTY

<b>Taxable packaging</b>	<b>Excise duty rate in kroons per kilogram</b>
1) glass and ceramics	10
2) plastic	40
3) metal	40
4) paper and cardboard, including composite cardboard	20
5) other	20