Republic of Latvia

Cabinet

Regulation No. 679

Adopted 28 November 2023

**Procedures for Transferring the Excise Duty Paid for Excise Goods to Cover Duty Debts or for Subsequent Duty Payments or Its Refunding**

*Issued pursuant to*

*Section 26, Paragraph seventeen, Section 26.1, Paragraph six, and Section 27, Paragraph 12.1 of the law On Excise Duties*

**I. General Provisions**

1. The Regulation prescribes:

1.1. the documents to be submitted, the terms for the refund of excise duty (hereinafter – the duty), the requirements for the certification of the duty payment, and other conditions, and also the procedures by which the duty shall be transferred to cover duty debts, for subsequent duty payments, or to refund it in the cases referred to in Section 26, Paragraphs fifteen and sixteen and Section 26.1, Paragraph five of the law On Excise Duties (hereinafter – the Law);

1.2. the procedures (including the requirements for the payer of the duty and the documents to be submitted) by which, in accordance with the conditions of Section 27, Paragraph 12.1 of the Law, the duty is transferred to cover the duty debts or for subsequent duty payments, or is refunded, and excise goods marked with excise duty stamps (hereinafter – the duty stamps) are destroyed or processed.

2. The State Revenue Service shall, in accordance with the procedures laid down in the Administrative Procedure Law, examine the submission referred to in Paragraphs 3, 5, 7, 10, 15, and 21 of this Regulation and the documents referred to in Paragraphs 4, 6, 8, 12, 16, and 21 of this Regulation, and take the decision to transfer the duty to cover the duty debts or for subsequent duty payments, or to refund the duty.

**II. Requirements for the Refund of Duty for a Certified Consignor and Temporary Certified Consignor if the Excise Goods are Exported to Another Member State**

3. The certified consignor or temporary certified consignor referred to in Section 26 of the Law (hereinafter – the merchants) shall submit a submission to the State Revenue Service after the excise goods (alcoholic beverages, tobacco products, or oil products) have been moved to another Member State and an electronic Simplified Administrative Document has been finalised. The following shall be indicated in the submission:

3.1. information on the merchant (name, registration number of the payer of the duty, excise identification number of the certified consignor or temporary certified consignor);

3.2. number of the electronic Simplified Administrative Document;

3.3. information on the excise goods marked with the duty stamps (type according to the applicable duty rate, quantity, series and number or series and interval of numbers of the duty stamps, amount of the paid duty);

3.4. information on the excise goods that are not marked with the duty stamps:

3.4.1. on alcoholic beverages (type according to the applicable duty rate, quantity (in litres), and amount of the paid duty);

3.4.2. on oil products (type, quantity (in litres, kilograms), and amount of the paid duty);

3.5. information on the transfer of the paid duty into the single tax account to cover duty debts or for subsequent duty payments (if there are no duty debts);

3.6. if a refund of the duty is requested, the credit institution (name, code) and the account number to which the respective amount of money is to be transferred.

4. In respect of the excise goods not marked with the duty stamps, the merchant shall, in addition to the submission referred to in Paragraph 3 of this Regulation, submit the following to the State Revenue Service:

4.1. if the payer of the duty who is an approved warehousekeeper receives back the excise goods which were released for consumption in Latvia and then, as a certified consigner, dispatches them to another Member State, the accompanying documents under which the dispatched excise goods have been moved back to the tax warehouse;

4.2. a wholesaler or retailer – information on the delivery document under which the dispatched excise goods were received (date and number) and the supplier (name, registration number of the payer of the duty).

**III. Requirements for the Refund of Duty for a Person Who is not Subject to the Conditions for a Certified Consignor or Temporary Certified Consignor if the Excise Goods are Exported to Another Member State**

5. In order to transfer the paid duty to cover duty debts or for subsequent duty payments, or to receive its refund, other persons referred to in Section 26 of the Law who are not subject to the conditions for a certified consignor or temporary certified consignor shall, prior to the movement of excise goods to another Member State, submit a submission to the State Revenue Service. The following shall be indicated in the submission:

5.1. information on the merchant (name, registration number of the payer of the duty, address of the trading venue from which the excise goods are exported);

5.2. information on the excise goods (type according to the applicable duty rate, quantity, series and number of the duty stamps (for excise goods marked with the duty stamps), amount of the paid duty);

5.3. information on the transfer of the paid duty into the single tax account to cover duty debts or for subsequent duty payments (if there are no duty debts);

5.4. if a refund of the duty is requested, the credit institution (name, code) and the account number to which the respective sum of money is to be transferred.

6. In addition to the submission referred to in Paragraph 5 of this Regulation, the person shall submit to the State Revenue Service a document under which excise goods have been brought out to a Member State and a certification of the consignee of another Member State on the receipt of the excise goods.

**IV. Requirements for the Refund of Duty if Excise Goods are Dispatched in Distance Selling**

7. In order to transfer the paid duty to cover duty debts or for subsequent duty payments, or to receive its refund, the consignor in distance selling or another person on its behalf shall submit a submission to the State Revenue Service after dispatching or exporting excise goods (alcoholic beverages, non-alcoholic beverages, or coffee). The following shall be indicated in the submission:

7.1. information on the merchant (name, registration number of the payer of the duty, number of the special permit (licence), address of the place of activity from which the alcoholic beverages, non-alcoholic beverages, or coffee is dispatched);

7.2. information on the consignee of excise goods in another Member State;

7.3. information on the alcoholic beverages marked with the duty stamps (type according to the applicable duty rate, quantity (in litres), series and number of the duty stamps, amount of the duty);

7.4. information on the excise goods not marked with the duty stamps:

7.4.1. on alcoholic beverages (type according to the applicable duty rate, quantity (in litres), in case of beer, also litres of absolute alcohol, and amount of the duty);

7.4.2. on non-alcoholic beverages (quantity (in litres), type of the non-alcoholic beverage according to the applicable duty rate, amount of the duty, information on the supplier from which the non-alcoholic beverages have been purchased (name of the merchant, registration number of the payer of the duty));

7.4.3. on coffee (quantity (in kilograms), amount of the duty, information on the supplier from which the coffee has been purchased (name of the merchant, registration number of the payer of the duty, excise identification number));

7.5. information on the document (date, number, name of the payer, amount of the paid duty) certifying that the duty on alcoholic beverages has been paid in the Member State of the consignee;

7.6. information on the transfer of the paid duty into the single tax account to cover duty debts or for subsequent duty payments (if there are no duty debts);

7.7. if a refund of the duty is requested, the credit institution (name, code) and the account number to which the respective sum of money is to be transferred.

8. In addition to the submission referred to in Paragraph 7 of this Regulation, the merchant shall submit a certification to the State Revenue Service that:

8.1. it has registered as a payer of the excise duty in the Member State of the consignee and a duty guarantee has been provided before dispatching alcoholic beverages. If a representative of the payer of the duty has been appointed, information shall be indicated on its name, registration number, and country where it is registered;

8.2. excise goods have been received in another Member State;

8.3. the duty has been paid in the Member State of the consignee;

8.4. it is keeping records of the supplies of excise goods to other Member States.

**V. Requirements for the Refund of Duty if Excise Goods to be Marked with the Duty Stamps are Exported to a Country Other than a Member State**

9. The duty stamps shall be removed from excise goods within the territory of the Republic of Latvia in a tax warehouse or customs warehouse if the excise goods are to be exported to countries other than Member States. The duty stamps may also be removed by the respective warehousekeeper if the payer of the duty has entered into a contract with the warehousekeeper for the removal of the duty stamps.

10. The payer of the duty who has received the respective duty stamps shall submit a submission to the State Revenue Service prior to the export of excise goods to a country other than a Member State. The following shall be indicated in the submission:

10.1. information on the payer of the duty (name, address, registration code of the payer of he duty, the number of the special permit (licence) for commercial activities involving the respective excise goods);

10.2. the identification number of such tax warehouse or the identification number of such customs warehouse from which excise goods are to be exported and information on the time and justification for the removal of duty stamps;

10.3. information on the excise goods (type, quantity, amount of the duty):

10.3.1. on cigarettes – the name, number of application indicated in the delivery note issued by the State Revenue Service under which the duty stamps have been issued, the series and interval of numbers of the duty stamps, the maximum retail price, and the number of cigarettes in a pack;

10.3.2. on tobacco products (except for cigarettes) and alcoholic beverages – the name, number of application indicated in the delivery note issued by the State Revenue Service under which the duty stamps have been issued, the series and interval of numbers of the duty stamps;

10.3.3. on the liquid to be used in electronic smoking devices, ingredients for the preparation of liquid to be used in electronic smoking devices, and tobacco substitute products – the name, number of application indicated in the delivery note issued by the State Revenue Service under which the duty stamps have been issued, the series and interval of numbers of the duty stamps;

10.4. information on the consignee of excise goods (name, address, country, registration code of the payer of the duty).

11. The State Revenue Service shall verify the conformity of the duty stamps with the information referred to in Sub-paragraph 10.3 of this Regulation until the export of such excise goods which have been marked with the duty stamps and shall prepare a survey statement in two copies. One copy shall remain with the State Revenue Service and the other with the payer of the duty.

12. The paid duty shall be transferred to cover tax debts or for subsequent duty payments or refunded if the payer of the duty submits the following to the State Revenue Service in addition to the submission referred to in Paragraph 10 of this Regulation:

12.1. the document under which excise goods have been exported to a country other than a Member State;

12.2. the duty stamps and a submission for the duty stamps returned for such excise goods which have been released into free circulation or released for consumption in accordance with the laws and regulations governing the marking of alcoholic beverages, tobaccos products, liquid to be used in electronic smoking devices, ingredients for the preparation of liquid to be used in electronic smoking devices, and tobacco substitute products with excise duty stamps.

**VI. Destruction and Processing of Excise Goods Marked with Duty Stamps**

13. An approved warehousekeeper may destroy excise goods together with duty stamps or process them without duty stamps. The respective payer of the duty shall return the removed duty stamps to the State Revenue Service.

14. If a payer of the duty is not an approved warehousekeeper, the payer of the duty may enter into a contract with an approved warehousekeeper for the destruction or processing of excise goods.

15. A payer of the duty who has received the respective duty stamps shall, before the destruction or processing of the excise goods which have been marked with duty stamps and released into free circulation or released for consumption, submit a submission to the State Revenue Service. The following shall be indicated in the submission:

15.1. information on the payer of the duty (name, address, registration code of the payer of he duty, the number of the special permit (licence) for commercial activities involving the respective excise goods);

15.2. excise identification number of the tax warehouse which will ensure the destruction or processing of excise goods;

15.3. the place, time, and justification for the removal of duty stamps if excise goods are destroyed without duty stamps or processed;

15.4. information on the excise goods to be destroyed or processed (type, quantity, amount of the paid duty) and their duty stamps:

15.4.1. on cigarettes – the name, number of application indicated in the delivery note issued by the State Revenue Service under which the duty stamps have been issued, the series and interval of numbers of the duty stamps, the maximum retail price, and the number of cigarettes in a pack;

15.4.2. on tobacco products (except for cigarettes) and alcoholic beverages – the name, number of application indicated in the delivery note issued by the State Revenue Service under which the duty stamps have been issued, the series and interval of numbers of the duty stamps;

15.4.3. on the liquid to be used in electronic smoking devices, ingredients for the preparation of liquid to be used in electronic smoking devices, and tobacco substitute products – the name, number of application indicated in the delivery note issued by the State Revenue Service under which the duty stamps have been issued, the series and interval of numbers of the duty stamps;

15.5. information on the taxation period in which the excise goods to be destroyed or processed have been released into free circulation or released for consumption.

16. The payer of the duty shall append a copy of the contract referred to in Paragraphs 9 and 14 of this Regulation, if such contract has been entered into, and accompanying documents according to which excise goods have been moved to a tax warehouse to the submission referred to in Paragraph 15 of this Regulation.

17. Prior to the destruction or processing of such excise goods which have been marked with duty stamps and released into free circulation or released for consumption, the State Revenue Service shall verify the conformity of duty stamps with the information referred to in Sub-paragraph 15.4 of this Regulation and shall prepare a survey statement in two copies. One copy shall remain with the State Revenue Service and the other with the payer of the duty.

18. An approved warehousekeeper shall destroy tobacco products, liquid to be used in electronic smoking devices, ingredients for the preparation of liquid to be used in electronic smoking devices, and tobacco substitute products in accordance with the laws and regulations regarding the exemption of tobacco products, liquid to be used in electronic smoking devices, ingredients for the preparation of liquid to be used in electronic smoking devices, and tobacco substitute products from the duty, but alcoholic beverages – in accordance with the laws and regulations regarding the application of the duty exemption to alcoholic beverages.

19. An approved warehousekeeper shall inform the State Revenue Service in writing of the time and place for processing the excise goods not later than five working days prior to the processing of excise goods. The authorised official of the State Revenue Service may participate in the processing of excise goods.

20. An approved warehousekeeper shall draw up a statement on the processing of excise goods as regards the processing of excise goods. The type, name, and total quantity of the processed excise goods, as well as the name and quantity of goods obtained as a result of processing shall be indicated in the statement. If cigarettes are processed, the maximum retail price of the cigarettes processed and obtained as a result of the processing and their number in a pack shall be additionally indicated in the statement. The statement on the processing of excise goods shall be signed by an authorised official of the State Revenue Service (if he or she participates in the processing of excise goods) and by an authorised representative of the approved warehousekeeper.

21. In order to transfer the paid duty to cover the duty debts or for subsequent duty payments or to receive its refund, the payer of the duty shall, in addition to the documents referred to in Paragraphs 15 and 16 of this Regulation, submit to the State Revenue Service the duty stamps (if excise goods are processed or destroyed without the duty stamps) and an submission for the returned (destroyed) duty stamps for such excise goods which have been released into free circulation or released for consumption in accordance with the laws and regulations governing the marking of alcoholic beverages, tobacco products, liquid to be used in electronic smoking devices, ingredients for the preparation of liquid to be used in electronic smoking devices, and tobacco substitute products with excise duty stamps.

22. The statement on the processing or destruction of excise goods shall certify that the duty paid for the processed or destroyed excise goods may be transferred to cover duty debts or for subsequent duty payments of the payer of the duty or refunded thereto.

23. The statement on the destruction of excise goods (if excise goods with duty stamps have been destroyed) which has been drawn up in the fulfilment of the conditions referred to in Paragraph 18 of this Regulation shall certify that the duty paid for the destroyed excise goods may be transferred to cover duty debts or for subsequent duty payments of the payer of the duty or refunded thereto.

**VII. Closing Provision**

24. Cabinet Regulation No. 9 of 11 January 2022, Procedures for Transferring the Excise Duty Paid for Excise Goods to Cover Duty Debts or for Subsequent Duty Payments or Its Refunding (*Latvijas Vēstnesis*, 2022, No. 9), is repealed.

Prime Minister E. Siliņa

Minister for Finance A. Ašeradens