THE LAW AMENDING THE LAW ON SPECIAL TAX* ON TOBACCO PRODUCTS

Article 1

In the Law on Special Tax on Tobacco Products (Official Gazette, no. 51/94 and 56/95) the name of the Law is changed and reads: the Law on Special Tax on Tobacco Products.

In the text of the Law, in the appropriate (grammatical) cases, the words “tobacco products” are replaced by the words “tobacco products”.

Article 2

Article 6 is changed and reads:

“(1) Tobacco products – cigarettes, are classified into groups in accordance with the Tobacco Law.

(2) The Ministry of Finance classifies cigarettes into groups pursuant to a ruling issued by the Ministry of Agriculture and Forestry.”

Article 3

In Article 8, Item 1, the words “standard length 84 mm (+ - 2 mm)” are replaced by the words “length 120 mm (+ - 2 mm)”. 

Article 4

“(1) The special tax on cigarettes is paid:

1. on cigarettes of Group A (popular group) 3.90 kuna
2. on cigarettes of Group B (standard group) 4.30 kuna
3. on cigarettes of Group C (extra group) 7.00 kuna

(2) The special tax on other tobacco products is paid:

1. on tobacco as defined by Article 5, Paragraph 1 items 2 and 3 35.00 kuna
2. on cigars 1.00 kuna
3. on cigarillos 4.00 kuna.

(3) The amounts stipulated in Paragraph 1 of this Article are reduced or increased depending on whether there are more or less than 20 cigarettes in a package and on whether they are longer than 120 mm.

(4) The amounts stipulated in Paragraph 2 of this Article are reduced or increased depending on the weight of the tobacco and whether there are in a package one or more cigars or less or more than 20 cigarillos.”

* The Special tax is the Croatian official wording for “Excise Tax”

1 The original changes the word for Products, which is related to a root meaning “to process”, but the translation is just the same.
Article 5
In Article 11, Paragraph 1, the number “15” is replaced by the number “30”.

Article 6

Article 14 is changed and reads:

“(1) Only legal persons registered at the Commercial Court for carrying out trade activities, can, on the basis of an approval by the Ministry of Finance - Central Office of the Tax issued upon their request import and export tobacco products, supply airports, aeroplanes on international flights, ships on international routes and duty free shops.

(2) If a legal entity as defined by Paragraph 1 of this Article does not adhere to the provisions of this Law or if is penalised for a tax offence by a legally valid ruling or if the entity owes tax, the Ministry of Finance – Central Office of the Tax Administration can refuse to give the approval, take it away or issue a ruling forbidding it to import and export of tobacco products for a certain time, and/or if the offence is repeated, permanently.”

Article 7
In Article 15, Paragraph 3 is added and reads:

“(3). Products as defined by Articles 4 and 5 of this Law must not be sold by taxpayers or any other legal entities and natural persons in places that are defined as marketplaces and places at which occasional trading may take place and in all other outdoor areas, except within the context of providing catering services, or selling from vending machines, in accordance with the appropriate laws.”

Article 8
In Article 16 Paragraph 3 after the word "prices" the words "lower and" are added.

Article 9
In Article 17, Paragraph 2 is changed and reads:

“(2). Tobacco products that are exported, sold in duty free shops in airports, in planes that fly in international air space and on ships on international roots must be marked with the identification stamp of the Ministry of Finance that, in addition to the words "Republic of Croatia – Ministry of Finance (Republika Hrvatska – Ministarstvo financija)" must have the words “for export” (za izvoz)" in the Croatian or a foreign language marked on them, the letter designation of the series and the number.”

In Paragraph 3 the words “damaged while opening” are replaced by the words “see and while opening break”.

Paragraph 5 is changed and reads:

“(5): Exceptionally, products that are exported can be marked with a mark required by the importing country, which has to be documented by proof about taking over stamps or some other appropriate documentation.”
Article 10

In Article 20, after the word “importers” the words “and producers who are taking over the control stamps for the first time” are added.

Article 11

In Article 26 after the numbers “109/93” the numbers “95/94, 25/95 – revised text, 52/95, 106/96 and 164/98” are added.

After Paragraph 1, Paragraph 2 is added and reads:
“(2) Exceptionally to the provisions of Paragraph 1 of this Article, in the procedure of subsequently calculating the special tax on cigarettes and other tobacco products, the customs office will proceed in line with the provisions of the Customs Law that prescribe the procedures of subsequent calculation of customs and issuance of document on collecting and refunding customs duties not calculated or calculated in a smaller or larger sum than regulated.”

Article 12

In Paragraph 28 Article 1 Item 5, after the word “prices” the words “lower and” are added.

In Item 6 after the word “control” the words “or identifying” are added.

In Point 7, after the word “designation (mark)” the words “for export” are deleted and the words “importing country, proof about taking over the stamps or other appropriate document” are added.

After Item 8, Item 9 is added, which reads:
"9. if it sells in places that are defined as marketplaces and places in which occasional trading may take place except within the context of providing catering services and sales from vending machines, in accordance with the appropriate laws (Article 15 Paragraph 3)."

Article 13

The Legislation Committee of the House of Representatives of the Croatian State Parliament is authorised to establish and to issue a revised integral text of the Law on Special Tax on Tobacco Products.

Article 14

Until the establishment of the Register of stamps for tobacco products that are sold in the Republic of Croatia, the Ministry of Finance will classify cigarettes on the basis of the opinion of the Ministry of Agriculture and Forestry.

Article 15

This Law enters into force on the day of its publication in the Official Gazette, and is applied from July 1, 1999.