

LAW ON EXCISE

I. SECTION ONE

CHAPTER I GENERAL PROVISIONS

Article 1 **Area of application**

This law regulates excise paid directly or indirectly for consumption in the territory of the Republic of Macedonia (further in the text: excise territory) of the following commodities:

- mineral oils,
- alcohol and alcohol drinks, and
- tobacco commodities.

Article 2 **Definition of terms**

The terms used in this law have the following meaning:

- a) non-existence of conditions for excise debt occurrence:* in case commodities subject to excise tax are put in non-existence of conditions for excise debt occurrence procedure, no excise occurs;
- b) Procedure for non-existence of conditions for excise debt occurrence:* tax regulation applied at production, storage and transport of commodities at non-existence of conditions for excise debt occurrence;
- c) Excise warehouse:* any facility where under conditions stipulated in this Law, at a procedure of non-existence of excise debt occurrence on the part of the excise license holder, a commodity subject to excise tax is produced, stored, received or shipped;
- d) Excise license holder:* is an entity, authorized by the competent organ, that in performing its activities in a procedure of non-existence of conditions for excise debt occurrence produces, stores, receives or ships in an excise warehouse commodities subject to excise tax;
- e) Commodity subject to excise tax:* the commodities stipulated in article 1 of this law, detailed in the Second Section of this Law;
- f) Customs nomenclature:* nomenclature in compliance with the Customs Tariff Law (Official Gazette of the Republic of Macedonia No. 38/96, 45/97, 61/97, 26/98 and 15/2001);

g) Excise-legal free circulation: commodities subject to excise tax not in procedure of non-existence of conditions for excise debt occurrence, are put in excise-legal free circulation;

h) Import: import of commodities subject to excise tax is their entry on the excise territory, when they are released in excise-legal free circulation;

i) Excise permit holder: an entity authorized by the competent organ to use excise commodities for preferential purposes;

j) Production for obtainment: a production process through which an excise commodity is obtained from a non-excise commodity.

k) Production for processing: a production process through which an excise good is processed into another excise good.

l) Competent organ: Ministry of Finance (Public Revenue Office and Customs Administration).

Article 3

Subjection to excise tax

The commodities stipulated in article 1 of this Law become subject to excise tax with their production on the excise territory or upon their import. According to article 4 paragraph 2 of this Law these goods are considered subject to excise tax while in customs custody.

CHAPTER II

TAXATION

Article 4

Procedure in conditions of non-existence of excise debt occurrence

(1) No excise tax arises for commodities subject to excise tax when in an excise warehouse or transported in a procedure of non-existence of excise debt occurrence.

(2) Commodities subject to excise tax when under customs custody according to the customs regulations are considered to be at the same time in procedure of non-existence of excise debt occurrence.

(3) The Minister of Finance enacts more detailed regulations regarding the implementation of paragraph 2 of this article when this is necessary for the provision of tax principles.

Article 5

Excise Warehouse

(1) Commodities subject to excise tax in conditions of non-existence of excise debt occurrence can be produced, stored, received or shipped in excise

warehouses. The production can be either for obtainment or processing, if not otherwise stipulated in the provisions of this Law.

(2) Entities that want to produce or store commodities subject to excise tax in a procedure of non-existence of conditions for excise debt occurrence have to hold an excise license.

Article 6

Conditions for excise license procurement

(1) An excise license shall be issued only to an entity that fulfills the following conditions:

1. performs independently or intends to perform activity and with seat in the Republic of Macedonia;
2. keeps business records according to the current regulations and regularly submits annual statement of accounts for the last two years;
3. with no pending bankruptcy or liquidation procedure; and
4. regularly pays tax and customs duty.

(2) In case signs of tax principle imbalance occur even prior the issuance of the excise licence, an excise guarantee has to be submitted for the excise assumed to occur within two months for goods to be released from an excise warehouse into excise-legal free circulation. The excise license can be revoked in cases when one of the conditions stipulated in paragraph 1 of this article is not met, or no guarantee has been submitted or the submitted guarantee is insufficient.

(3) The Minister of Finance enacts more detailed regulations on the issue and type of licenses stipulated in paragraph 2 of this article.

Article 7

Application for the issue of an excise license

(1) The excise license is issued on the basis of a written application.

(2) The written application stipulated in paragraph 1 of this article has to contain the following data: description of the activity or type of excise commodity for which the excise license is requested; identification of the entity applying for the excise license; proof that the conditions for supervision by the competent organs have been met; nature and description of the individual production procedures; data for the apparatuses that provide measurement of the produced, processed, stored and shipped excise commodities according to international standards; ways of excise commodity shipment; amount of equity and the equity of the partners; planned annual production with the number, location and description of the production and storage facilities. The entities registered in the trade or court register should also submit a copy of the registration.

(3) The entity applying for an excise license has to have a permit for the measurement apparatuses stipulated in paragraph 2 of this article, issued by the Standard and Metrology Service.

Article 8
Issuance of Excise License

- (1) The excise license is issued by the Public Revenue Office upon prior consent by the Minister of Finance.
- (2) The excise license is issued to the name of the applicant, with retained right to revoke it.
- (3) The excise license shall not be transferred to another entity.
- (4) The excise license can cover one or more excise warehouses.
- (5) The following data has to be put in the excise license: location of the excise warehouses; types of excise commodities that shall be produced, stored or shipped in and from the excise warehouse; other obligations of the excise warehouse holder; provided ways of excise tax payment; the supervision organ and the validity term of the excise license.
- (6) The Public Revenue Office decides on the application for the issue of an excise license within a period of two months after the receipt of the application.

Article 9
Obligations of the excise license holder

- (1) The excise license holder is obligated:
 1. to provide adequate storage of the excise commodities in the excise warehouse; to supervise all stages, including shipment and receipt of excise commodities; to determine losses, that is, the shortage; to investigate all irregularities in the excise warehouse operations;
 2. to provide everything needed for unhindered supervision;
 3. to keep record of excise commodity inventory by type and quantity and record of the excise commodity movement for each excise warehouse and submit a quarterly inventory report to the Public Revenue Office;
 4. to inform the Public Revenue Office about all changes in data stated in the excise license application;
 5. in case of status change, enlargement, limitation or termination of activities, or foundation and function of new excise warehouse to apply to the Public Revenue Office for change of the excise license.
- (2) in case the Public Revenue Office determines that the excise license holder does not meet the obligations stipulated in the previous item, it shall determine a time limit for amending the irregularities.
- (3) The Minister of Finance enacts more detailed regulations on the content and manner of keeping records stipulated in paragraph 1, item 3 of this article.

Article 10
Expiration of excise license validity

(1) The excise license expires:

1. when the holder of the excise license – physical entity – dies;
2. when the legal entity holder of the excise license ceases to exist;
3. when the license is returned; and
4. when the Public Revenue Office takes away the excise license.

(2) The Public Revenue Office takes away the excise license when: its holder does not meet any more the set conditions; when no adequate system for supervision of inventory is provided and no inventory taken in the time limits set forth in the excise license; when the reasons and conditions for which the excise license was issued cease to exist; when the license is issued on the basis of incomplete or incorrect data; when the irregularities are not amended in the time limit set forth by the Public Revenue Office; when a bankruptcy or liquidation procedure is initiated.

(3) The complaint against the revoking of the excise permit does not withhold the execution of the decision. The Public Revenue Office can postpone the revoking of the excise license until the complaint is reviewed when it assesses that the complaint could be accepted as founded.

(4) The Minister of Finance enacts more detailed regulations on the termination of the excise license validity.

Article 11

Transport of commodities through the excise territory in conditions of non-existence of conditions for excise debt occurrence

(1) The commodities subject to excise tax may be transported in conditions of non-existence of conditions for excise debt occurrence from one to another excise warehouse within the excise territory, or to the excise permit holders.

(2) The commodities subject to excise tax can be exported to an excise warehouse located on the excise territory in a procedure of non-existence of conditions for excise debt occurrence. The Public Revenue Office shall determine the cases when the procedure for non-existence of conditions for excise debt occurrence at export could be substituted with a customs export procedure when it secures the tax principles.

(3) The commodities subject to excise tax can be transported upon termination of the customs custody stipulated in article 4 paragraph 2 of this Law in a procedure of non-existence of conditions for excise debt occurrence to the excise warehouse or to the holder of the excise permit in the excise territory.

(4) In case of signs of tax principle disturbance, the excise license holder for the excise warehouse from which the commodities exit shall provide the transport guarantee. The competent organ may allow upon request that the transport guarantee in a procedure of non-existence of conditions for excise debt occurrence be provided by the transporter, the entity declaring customs duty or the owner of the commodities instead of the supplier.

(5) In cases stipulated in paragraph 1 of this article the commodities subject to excise tax must be admitted in an excise warehouse without delay by

the excise license or excise permit holder, or in cases stipulated in paragraph 2 of this article be exported without delay by the excise license holder.

(6) The Finance Minister prescribes the details of the transport of goods subject to excise tax in a procedure of non-existence of conditions for excise debt occurrence.

Article 12

Excise document

(1) Every commodity subject to excise tax that is transported in a procedure of non-existence of conditions for excise debt occurrence is accompanied by an excise document issued by the supplier.

(2) An excise document is a document that accompanies the transport of excise commodities and is used to prove the movement of the excise commodities in a procedure of non-existence of conditions for excise debt occurrence, or at export from an excise warehouse in a procedure of non-existence of conditions for excise debt occurrence except when otherwise not stipulated by this Law.

(3) Should the transport of excise commodities be performed between excise warehouses of a same holder of excise licence in a procedure of non-existence of conditions for excise debt occurrence, but an economic need exists and the tax principles are not violated, Public Revenue Office may approve application of a simplified excise document instead of excise document, upon prior consent by the Minister of Finance.

(4) The Finance Minister prescribes the form, content, manner of issuance and application of the excise document.

Article 13

Excise occurrence

(1) The excise occurs with the delivery of commodities subject to excise tax for consumption in an excise warehouse or with their exit from it, except when connected to use of commodities in the excise warehouse exempt from excise tax or in a new procedure of non-existence of conditions for excise debt occurrence. Excise payer is the excise license holder. In case of illegal release of commodities in excise-legal free circulation, the excise payer becomes the person who perpetrated the act.

(2) In case the commodity subject to excise tax is produced outside a procedure of non-existence of conditions for excise debt occurrence, the excise occurs with the production. The excise payer is the producer. He is obligated to submit an excise return for the commodity subject to excise tax for which an excise occurred. The excise tax is paid immediately.

(3) The commodities subject to excise tax located in an excise warehouse at the moment the excise license expires are treated as released in excise-legal free circulation, except when they are transferred to another excise warehouse in

a time limit of ten days after the excise license expired. The excise payer is the excise license holder.

(4) The excise occurs for the shortage determined at prescribed or officially conducted inventory, except when loss of commodities is determined. The quality loss is treated as loss. The excise payer is the excise license holder.

(5) The excise occurs also the moment the commodities exit the procedure of non-existence of conditions for excise debt occurrence when transported in such procedure, except in case of quality loss of the commodities. The same applies when the commodities are not delivered to the buyer stated in the excise document, except in cases when they are directly handed to another entity in the excise territory authorized to accept commodities subject to excise tax in procedure of non-existence of conditions for excise debt occurrence or in cases of proven loss of the commodities due to unforeseen circumstances or act of God. The excise payer is the supplier, or the transporter, the customs payer or the owner of the goods, in case someone has given a guarantee in the procedure for shipment of the commodities instead of the supplier. The entity receiving the commodity in the excise territory will become the excise payer in case it is in his possession before the excise occurred. The person who has appropriated illegally the commodity becomes the excise payer.

(6) Excise occurs on excise preferential goods used contrary to their purpose. The use contrary to the purpose is determined in cases when the commodity subject to excise is used contrary to the excise preferential use stated in the purpose or when it cannot be used any more for the determined purpose. Excise does not occur in cases when the commodities are lost due to unforeseen circumstances or act of God. The quality loss is treated as loss of the commodity due to unforeseen circumstances or act of God. The excise payer shall be the entity who owns the excise preferential use license when it uses the commodity contrary to its purpose. The excise payer should submit an excise return for the commodity subject to excise on which excise has occurred in which it would calculate the excise. The excise is paid immediately.

(7) In case of import of excise commodities in the excise territory the relevant customs regulations apply (except when otherwise stipulated in this Law) regarding: the occurrence of the excise, the moment determined for its calculation, the determination of the excise payer, the payment terms, the return and additional payment of the excise, as well as for the excise procedure.

Article 14

Excise period

The excise period for which the excise is calculated and paid is the calendar month in which the excise occurred.

Article 15

Excise calculation

(1) The excise payer calculates the excise tax for the excise period when the excise occurred according to article 13 of this Law.

(2) In the event of excise commodity import, the excise is calculated by the competent customs organ undertaking the customs procedure.

Article 16

Submittal of excise return and excise payment

(1) The excise payer is obligated to file an excise return and pay the excise for every excise period within a time limit of 15 days after the end of each calendar month, except when otherwise stipulated by this Law.

(2) The excise license holder is obligated to file an excise return submitted within the time limit set forth in paragraph 1 of this article even there is no outstanding debt for the relevant excise period.

(3) When the excise license holder has more than one excise warehouse he can submit a joint excise return for all the excise warehouses.

(4) When an excise license expires, the submittal of the excise return and the payment is done within 30 days after the expiration date, except in case of liquidation, bankruptcy or merger.

(5) In case of bankruptcy, liquidation or merger the excise return is submitted and the excise paid within 30 days after the completion of the procedures.

(6) The Finance Minister prescribes the form and content of the excise return.

Article 17

Excise supervision and determination of excise tax by the competent organ

(1) The Public Revenue Office shall determine with a decision the excise for the relevant excise period, when:

1. the excise payer does not submit an excise return in the prescribed time limits;

2. the excise has not been calculated correctly, or is not adequate to the occurred excise;

3. in the control it is determined that the records of the excise payer is incomplete or contains incorrect data.

(2) When determining the excise stipulated in paragraph 1 of this article the provisions of the Law on Determination and Collection of Public Revenues are adequately applied.

(3) The inventory of the commodities, the marking and adequate use of the excise commodities is supervised by the Public Revenue Office and the customs organ, the market inspection organ, and when necessary by the authorized person of the traffic police.

CHAPTER III EXCISE PREFERENTIALS

Article 18 Excise preferential use

(1) Within the excise preferential use the commodities subject to excise tax may be used for purposes exempt from excise or with a preferential excise.

(2) The entity intending to use the commodities subject to excise tax for the relevant purposes with excise preferential use should have a permit issued by the Public Revenue Office, except in cases stipulated in articles 24 and 25 paragraph 1 item 2, 3, 5, and 6 of this Law.

Article 19 Conditions for the issue of excise preferential use permit

The excise permit may be issued only to an entity that meets the following requirements:

1. performs independently or intends to perform an activity and has its seat in the Republic of Macedonia;
2. keeps business records according to the current regulation and submits annual accounts regularly for the last two years;
3. there is no bankruptcy or liquidation procedure pending; and
4. regularly pays its tax and customs duties.

Article 20 Applications for the issue of excise preferential use permit

(1) The permit is issued on the basis of a written application.

(2) The written application stipulated in paragraph 1 of this article must contain the following data: description of the activity and type of excise commodity for which the excise permit is requested; identification of the entity requesting the excise permit; proof that the conditions for supervision by the competent organs have been met; nature and description of the separate production procedures; data about the apparatuses allowing the measurement of the produced, processed, stored and shipped excise commodities according to international standards; the way in which the excise commodities are shipped, the amount of the equity capital and the capital of the partners, planned annual production by quantity, location and description of the production and storage facilities. The entities registered in the trade or court register should submit a registration document.

(3) The excise permit applicant must have a permit for the measurement instruments stipulated in paragraph 2 of this article issued by the Standardization and Metrology Service.

Article 21

Issuance of excise preferential use permit

(1) The permit is issued by the Public Revenue Office upon prior consent by the Minister of Finance.

(2) The permit is issued on the name of the applicant, whereas the right to revoke it is exclusively retained.

(3) The permit must not be transferred to another entity.

(4) The permit should contain the following: place of the excise preferential use; types of excise commodities that can be produced in the location approved for excise preferential use; the organ competent for supervision and the term of the permit.

(5) The Public Revenue Office decides on the application for a permit within two months after the receipt of the application.

Article 22

Obligations of the holder of excise preferential use permit

(1) The permit holder is obligated:

1. to provide adequate storage of the excise commodities in the warehouse; to supervise all procedures, including the shipment and reception of excise commodities, to determine the losses, that is the shortages; to document and report all irregularities in the excise preferential use to the Public Revenue Office;

2. to provide everything necessary for unhindered supervision;

3. to keep records of the inventory of excise commodities by type and quantity and records about the movement of excise commodities and submit a quarterly inventory report to the Public Revenue Office;

4. to inform the Public Revenue Office about all changes in the data stated in the permit application;

(2) When the Public Revenue Office determines that the permit holder does not meet the obligations stipulated in the previous paragraph it shall determine a time limit for amendment of the irregularities.

(3) The Finance Minister enacts detailed regulations on the content and manner of keeping records stipulated in paragraph 1, item 3 of this article.

Article 23

Expiration of the excise preferential use permit

(1) The permit ceases to be valid:

1. when the permit holder – a physical entity dies;

2. when the legal entity holder of the permit ceases to exist;

3. with the return of the permit; and

4. in case the Public Revenue Office revokes the permit.

(2) The Public Revenue Office shall revoke the permit when: the holder does not meet any more the conditions determined in it, and especially when it does not provide an adequate system for supervision of the inventory and does

not take inventory in the time limits set forth in the permit; when the reasons and conditions on the basis of which the permit was issued cease to exist; when the permit is issued on the basis of incomplete or incorrect information; when the irregularities are not amended in the time limit set forth by the competent organ; when bankruptcy or liquidation procedure starts.

(3) The complaint against the revoking of the permit does not delay the execution of the decision. The Public Revenue Office may decide to postpone the revoking of the permit after the complaint is filed when it assesses that the complaint could be accepted as founded.

(4) The Finance Minister enacts more detailed regulations on the expiration of the excise preferential use permit.

CHAPTER IV EXCISE EXEMPTIONS

Article 24

Excise exemptions for diplomatic and consular representations and international organizations

(1) Without affecting the provisions in the Second section of this Law, the commodities subject to excise shall be exempt from excise tax in the following cases:

1. for circulation within diplomatic and consular missions on the basis of separate agreements signed with the country supplier, on the basis of reciprocity;

2. for international organizations that have been acknowledged as such by the services of the country host, as well as their members, according to the conditions determined with the international agreements for the establishment of these organizations or in the contracts by which their seats are determined;

3. for military forces of the contractual parties of the North Atlantic Treaty, for use and consumption by the forces or their personnel, or as supplies for their casinos and canteens;

(2) The excise commodities exempt from payment of excise tax according to this article cannot be expropriated except after the excise tax is paid.

(3) As an exception to paragraph 1 of this article the excise exemption shall be done according to the procedure and the manner determined in Articles 48 and 49 from the Law on Value Added Tax.

Article 25

Other excise exemptions

(1) Without affecting the provisions of the Second Section of this Law, the commodities subject to excise tax shall be exempt from it when:

1. used as test analysis, for necessary production tests or scientific purposes;

2. destroyed under tax supervision;

3. denaturalized under tax supervision;
4. used for scientific purposes;
5. the traveler carries them abroad in his personal baggage, when not of commercial nature; and
6. they are mineral oils and gas kept in standard reservoirs of motor vehicles or airplanes coming from abroad and are not aimed for further sales. These are also exempt from import tax payment according to the customs regulations.

(2) The Finance Minister prescribes the more detailed regulations on the implementation of the provisions of this article.

Article 26

Return or non-payment of excise tax

(1) Upon request the excise is not paid or returned for the provable taxed and not used excise commodities that:

1. are returned to the excise warehouse, and
2. are destroyed or fully denaturalized under tax supervision.

(2) In the cases stipulated in paragraph 1 item 1 of this article, the holders of the excise permit have the right to exemption, while in the cases stipulated in item 2 of this article the persons possessing the commodities when they were destroyed or denaturalized.

II. SECTION TWO

CHAPTER V MINERAL OILS

Article 27 Subject to taxation

(1) Mineral oils subject to excise tax are:

1. Products with tariff number 2706;
2. Products with tariff numbers 2707 10, 2707 20; 2707 30, 2707 50, 2707 91 00, 2707 99 11 and 2707 99 19;
3. Products with tariff number 2709;
4. Products with tariff number 2710;
5. Products with tariff number 2711, including chemically pure marsh and propane gas, with the exception of natural gas;
6. Products with tariff sub-numbers 2712 10, 2712 20, 2712 90 31, 2712 90 33, 2712 90 39, 2712 90 91 and 2712 90 99;
7. Products with tariff number 2715;
8. Products with tariff number 2901;
9. Products with tariff sub-numbers 2902 11, 2902 19, 2902 20, 2902 30, 2902 41 00, 2902 42 00, 2902 43 00 and 2902 44;
10. Products with tariff sub-numbers 3403 11 00 and 3403 19;
11. Products with tariff number 3811;
12. Products with tariff number 3817.

(2) Except the commodities stipulated in paragraph 1 of this article, mineral oils subject to excise are considered also all other commodities aimed for use as fuel or as additives to fuel that as such are offered for sales or use, as well as other carbon hydrates aimed for use as heating oil or offered as such for sales, with the exception of hard coal, brown coal, peat or other comparable solid carbon hydrates or earth gas. With their use excise occurs to be paid immediately. These commodities are taxed at the excise rate of the identical mineral oils.

Article 28 Specific excise

(1) The specific excise on the following mineral oils, when not stipulated otherwise in this Law, is:

1. motor fuel with tariff mark 2710 00 26 00 2710 00 27 00, 2710 00 29 00, 2710 00 32 00, 2710 00 34 00, 2710 00 36 00 as follows:
 - 1.1. petrol with lead content higher than 0.013 g/l and airplane petrol = 32.923 den/kg.
 - 1.2. unleaded petrol with lead content up to 0.013 g/l = 29.274 den/kg.
2. gas oil with tariff mark from 2710 00 66 00 to 2710 00 68 00, for use

- 2.1. as fuel = 14.746 den/kg
 - 2.2. as heating fuel = 3.742 den/kg
 3. liquid petrol gas with tariff marks from 2711 12 11 00 to 2711 19 00 00 and marsh gas with tariff mark 2711 29 00 00, for use
 - 3.1. as fuel = 4.900 den/kg
 - 3.2. as heating fuel = 4.876 den/kg
 4. kerosene with tariff mark 2710 00 51 00 and 2710 00 55 00, for use
 - 4.1. as fuel = 9.000 den/kg
 - 4.2. as heating fuel = 1.800 den/kg
 5. stoking oil with tariff marks 2710 00 74 00, 2710 00 76 00, 2710 00 77 00, 2710 00 78 00 = 0,100 den/kg
- (2) Mineral oils not stipulated in paragraph 1 of this article are taxed as mineral oils closer in content and composition.
- (3) When determining the retail prices of certain oil derivatives so as to round up the prices, the specific excise of mineral oils from paragraph 1, items 1, 2 and 5 of this Article, may deviate $\pm 3\%$.

Article 29

Proportional excise

Mineral oils with tariff marks 2710 00 39 00, 2710 00 87 00, 2710 00 88 00, 2710 00 89 00, 2710 00 92 00 and 2710 00 94 00 are taxed up to 10%, while the tax basis is the sales price without the value added tax that does not contain excise, while at import the basis is the value of the commodity determined according to the customs regulations, including the customs and other taxes paid at import.

Article 30

Mineral oils marking

(1) Gas oils with tariff marks 2710 00 66 00 to 2710 00 68 00 and the kerosene with tariff mark 2710 00 55 00, used as heating fuel are marked with the prescribed color and/or other elements. The marking of the mineral oils is made exclusively in an excise warehouse that has a marking license issued by the competent organ.

(2) The mineral oil imported in the excise territory shall be considered marked when the importer submits a certificate from a foreign tax or customs organ, that is, the producer or authorized marker confirming it has been marked outside the excise territory and that it contains at least the substances for marking prescribed on the basis of this Law. In case the certificate is not submitted or it is inadequate proof, the mineral oil shall be considered unmarked.

(3) The storage of mineral oils should be made in a way that enables neutralization of the color and/or the other components under the influence of other substances.

(4) The Finance Minister enacts more detailed regulations on the mineral oils marking procedure.

Article 31

Use of marked mineral oils

(1) Mineral oils that contain substances for marking prescribed by this Law must not be used and consumed as fuel.

(2) The entity using or consuming mineral oils contrary to the provisions of paragraph 1 of this article is obligated to pay immediately the excise according to article 28 of this Law.

Article 32

Excise exemption of mineral oils

(1) Mineral oils are exempt from excise tax, if the conditions stipulated in article 18 paragraph 2 are met, in cases when:

1. not used as fuel or for heating, except mineral oils stipulated in article 29 of this Law,

2. used in air traffic except when used in a plane for private purposes,

3. used in furnaces as an additive to the main fuel – coal within the chemical reduction procedures, and

4. purchased by the Defense and Interior Ministries for special vehicles used in defense or security.

(2) Mineral oils are exempt from excise tax when used for the production of mineral oils stipulated in article 28 of this Law. This exemption does not relate to non-production purposes, including the use of vehicle fuel.

Article 33

Special cases not considered as mineral oil production

(1) Cases when taxed or mineral oils exempt from excise are mixed together or with other substances outside the mineral oil production facilities are not considered mineral oil production.

(2) Cases of re-production of used mineral oils are not considered as mineral oil production when they do not affect the tax principles.

(3) The Finance Minister enacts more detailed regulations about provisions stipulated in paragraph 1 and 2 of this article.

Article 34

Mineral oil excise warehouse

The excise license according to article 5 paragraph 2 of this law for the storage of mineral oil is issued only in cases when the warehouse serves for wholesale trade, wholesale distribution by the producer, for mixing mineral oils or supply of priority users.

CHAPTER VI
ALCOHOL, ALCOHOL DRINKS

Article 35
Subject to taxation

(1) The following are subject to excise on beer:

1. Products with tariff number 2203 of the customs nomenclature with alcohol content more than 0.5% vol, and
2. Products with tariff number 2206 of the customs nomenclature containing a mixture of beer and beverage and with alcohol content more than 0.5% vol.

(2) The following are subject to sparkling wine excise:

- all products with tariff marks 2204 10, 2204 21 10, 2204 29 10 and 2205 of the customs nomenclature, when
 - products bottled with cork strengthened with special supporters or products under dissolved carbon dioxide pressure of 3 bars or more and
 - products with an alcohol content more than 1.2% vol, and 15% vol the most, when the alcohol content of the finished product has been obtained only by fermentation.

(3) The following are subject to wine excise:

- all products with tariff numbers 2204 and 2205 of the customs nomenclature, with the exemption of sparkling wines stipulated in paragraph 2 of this article, when
 - the alcohol content is higher than 1.2% vol, and the most 15% vol, when the alcohol in the finished product comes exclusively as a result of fermentation or
 - the alcohol content higher than 15% vol and the most up to 18% vol, if not produced by enrichment and when the alcohol content of the finish product comes exclusively as a result of fermentation.

(4) Besides sparkling wine, wine and beer, the following products are subject to excise tax under the name:

1. "Other sparkling fermented drinks" with tariff mark 2206 00 31 00 and 2206 00 39 00, as well as the products with tariff mark 2204 10, 2204 21 10, 2204 29 10 and 2205 of the customs nomenclature not stipulated in paragraph 2 of this article that:

- have been bottled with a cork sustained by special supporters, or with carbon dioxide pressure of 3 bars or more, and
 - have more than 1.2% vol alcohol content and 13% vol the most, or
 - have more than 13% vol alcohol content and 15% vol the most, when the alcohol in the finished product has come out of fermentation.

2. "Other non-sparkling fermented drinks" falling under tariff number 2204 and 2205 of the customs nomenclature and not stipulated in paragraph 3 of this article, as well as the products with tariff number 2206 of the customs nomenclature with the exception of the other sparkling fermented drinks

stipulated in item 1 of this paragraph and drinks stipulated in paragraph 1 of this article

- with alcohol content more than 1.2% vol and 10% vol the most or
- with alcohol content more than 10% vol and 15% vol the most when the alcohol contained in the finished product comes exclusively from fermentation.

(5) The following are subject to semi-products excise:

-all products falling under the tariff numbers 2204, 2205, and 2206 of the customs nomenclature, with an alcohol content more than 1.2% vol and 22% vol the most, not falling in the implementation area stipulated in paragraphs 2 and 3 of this article.

(6) The following are subject to ethyl alcohol excise:

1. all products under tariff numbers 2207 and 2208 of the customs nomenclature with an alcohol content more than 1.2% vol even when these products are part of some other product that falls under separate chapter of the customs nomenclature;

2. all products with tariff numbers 2204, 2205, and 2206 of the customs nomenclature with an alcohol content more than 22% vol;

3. Drinkable ethyl alcohol, regardless of whether it contains dissolved products or not.

(7) The Finance Minister enacts detailed regulations for determining the procedure for measurement of alcohol percentage volume.

Article 36

Specific excise

(1) The excise on beer according to article 35 paragraph 1 is 3 denars per liter/percentage of alcohol or 1.25 denars per liter/extract rate.

(2) The excise on sparkling wine according to article 35 paragraph 2 is 0 denars/liter.

(3) Excise on wine according to article 35 paragraph 3 is 0 denars/liter.

(4) Excise on other sparkling drinks according to article 35 paragraph 4 item 1 is 30 denars/liter.

(5) The excise on other non-sparkling drinks according to article 35 paragraph 4 item 2 is 30 denars/liter.

(6) The excise on semi products according to article 35 paragraph 5 is 300 denars/liter pure alcohol.

(7) The excise on ethyl alcohol according to article 35 paragraph 6 is 300 denars/liter pure alcohol, measure at temperature of 20 percent.

Article 37

Control stamps

(1) The excise on semi products and ethyl alcohol is paid by the use of control stamps.

(2) The excise license holder or importer gets control stamps.

(3) The release of semi products and ethyl alcohol in excise-legal free circulation in the excise territory is allowed only when these commodities are marked with a control stamp.

(4) The control stamp should be pasted on the adequate packaging of the alcohol drink, that is, on the bottle so that it would be damaged at opening.

(5) By taking up the control stamps a control stamp debt arises in the amount of the excise value of the stamps.

(6) Passengers carrying semi products and ethyl-alcohol from abroad, not included in Article 25 paragraph 1 item 5 of this Law, and citizens of the Republic of Macedonia and foreign citizens receiving semi products and ethyl alcohol from abroad pursuant to the customs regulations, pay excise otherwise than by control stamps. Excise has to be immediately registered with the authorized customs body and paid.

(7) In cases of releasing semi products and ethyl alcohol in excise-legal free circulation at international fairs, exhibition or other performances or in cases they are released as samples, excise may be paid otherwise than by control stamps. Excise has to be immediately registered with the authorized customs body.

(8) The obligation regarding the usage of control stamps does not apply to semi products and ethyl alcohol excise exempted, and in cases of paragraphs 6 and 7 of this Article, except in the cases under Article 24 paragraph 3 of this Law.

(9) The Finance Minister enacts more detailed regulations related to the control stamp acquisition, the payment of the control stamp debt, as well as their form, content, ways of issue and calculation of their excise value.

Article 38

Time limit for payment of control stamp debt

The control stamp debt is paid at the following time limits:

1. for control stamps acquired by the fifteenth day of the current month until the fifteenth day of the next month.

2. for control stamps acquired by the sixteenth day of the current month until the last day of the next month.

Article 39

Excise exemptions for alcohol and alcohol drinks

(1) Ethyl-alcohol is excise free when conditions stipulated in article 18 paragraph 2 of this law are met, in the following cases:

(a) when used for the production of vinegar in the sense of tariff number 2209 of the customs nomenclature,

(b) when totally denaturalized according to the relevant regulations is put in excise-legal free circulation,

(c) when used for the production of a product not suitable for human taste out of denaturalized alcohol,

(d) when used for production of medications,

(e) when used for medical purposes in hospital, clinics and pharmacies,
(f) when used for the production of aromas for food products and soft drinks with an alcohol content of 1.2% vol the most,

(g) when used directly or as part of semi products for the production of food, stuffed or in other form. The content of alcohol in the praline candies must not pass the limit of 8.5 liters pure alcohol per 100 kg of the product, and with other products other than praline candies – 5 liters of pure alcohol per 100 kg of the product.

(h) The Finance Minister enacts more detailed provisions related to the conditions for excise exemption stipulated in paragraph 1 of this article.

Article 40 **Small producers**

(1) Small producers in the sense of this article are entities producing annually less than

- a) 5 hl wine
- b) 2 hl ethyl-alcohol

(2) The wine and the ethyl-alcohol produced by small producers for own needs are exempt from specific excise.

CHAPTER VII TOBACCO COMMODITIES

Article 41 **Subject of taxation**

(1) The following are subject to tobacco commodity excise:

- 1. Cigars and cigarillos
- 2. cigarettes
- 3. smoking tobacco, being:
 - finely chopped tobacco for wrapping cigarettes and
 - other tobacco for smoking

(2) Cigars and cigarillos are tobacco wraps aimed for smoking with internal wrapping or with internal and external wrapping that have been made:

- 1. exclusively of natural tobacco
- 2. with an external wrapping of natural tobacco or
- 3. with external wrapping in the color of a cigar and internal wrapping, both out of homogenized and reconstructed tobacco, when at least 60% of the tobacco particles in them are wide and long more than 1.75 mm, the external wrapping wrapped in a spiral way, while the cigar has a 30% sharper end compared to the axis of the cigar, or
- 4. with external wrapping in cigar color and internal wrapping, both out of homogenized and reconstructed tobacco, when at least 60% of the tobacco particles in them are wide and long more than 1.75 mm, while the width of the

wrapping is at least 34 mm in one third of the length of the roll. The weight per piece is the average weight of 1000 pieces without filter or mouth addition at the time of the excise tax occurrence.

(3) Cigarettes are

1. tobacco wraps, directly aimed for smoking, and not cigars or cigarillos stipulated in paragraph 2 of this article,

2. tobacco wraps that in a simple non-industrial process are put in a cigarette paper wrap,

3. tobacco wraps that in a simple non-industrial process are wrapped in cigarette paper sheets.

(4) Tobacco for smoking (finely chopped tobacco and other tobacco for smoking) is cut or in other ways grind, woven (de-stemmed) or tobacco pressed in boards that can be smoked without further industrial processing. Tobacco waste is considered for tobacco for smoking when is aimed for smoking and retail sales and does not fall under cigars and cigarillos stipulated in paragraph 2 of this article and cigars according to paragraph 3 of this article.

(5) Tobacco for smoking stipulated in paragraph 4 of this article is considered finely chopped tobacco for wrapping cigarettes when 25% by weight of the pieces in it are less than 1 mm wide. Tobacco for smoking is also considered as finely chopped tobacco when 25% by weight of the pieces in it are more than 1 mm wide and which is sold or intended to be sold for wrapping cigarettes.

(6) Tobacco for smoking stipulated in paragraph 4 of this article, is considered as smoking tobacco being other tobacco for smoking, except the finely chopped tobacco for wrapping cigarettes stipulated in paragraph 5 of this article.

Article 42

Combined excise

(1) The excise on the following tobacco commodities when released from an excise warehouse in free legal-excise circulation is:

1. for cigars and cigarillos in the sense of article 41 paragraph 2 of this Law 0 denars a piece and 33% of the retail price.

2. for cigarettes in the sense of article 41 paragraph 3 of this Law 0 denars a piece and 33% of the retail price.

3. for tobacco for smoking as finely grind tobacco in the sense of article 41 paragraph 5 of this Law 0 denars per kilogram and 33% of the retail price.

4. for tobacco for smoking as other tobacco for smoking in the sense of article 41 paragraph 6 of this Law 0 denars per kilogram and 33% of the retail price.

(2) The excise on the following tobacco commodities at import is:

1. for cigars and cigarillos in the sense of article 41 paragraph 2 of this Law 1.35 denars per piece and 0% of the retail price.

2. for cigarettes in the sense of article 41 paragraph 3 of this Law 1.35 denars per piece and 0% of the retail price.

3. for tobacco for smoking as finely grind tobacco in the sense of article 41 paragraph 5 of this Law 1,350.00 denars per kilogram and 0% of the retail price.

4. for tobacco for smoking as other tobacco for smoking in the sense of article 41 paragraph 6 of this Law 1,350.00 denars per kilogram and 0% of the retail price.

Article 43

Calculation basis

(1) Retail price is the price determined by the producer or importer as unit trade price for cigars, cigarillos and cigarettes per piece and for tobacco for smoking per kilogram. In case only the price per pack is determined, retail price shall be considered the price deriving from the price per pack and the content of the pack.

(2) The net weight at the moment of excise occurrence is used for the calculation of the excise on tobacco for smoking.

(3) The producer, that is, the importer determines the retail price also for the commodities that are expropriated without compensation. This price must not be smaller than the individual price of the adequate tobacco commodities.

(4) The producer, that is, the importer is obligated to report the retail price of the tobacco commodities to the Public Revenue Office and announce it in the Official Gazette of the Republic of Macedonia prior to the release of the tobacco commodities at the determined prices in the excise legal free circulation.

Article 44

Control stamps

(1) The excise on tobacco commodities is paid with the use of control stamps.

(2) The producer or importer acquires the control stamps.

(3) The release of tobacco commodities in the excise legal free circulation in the excise territory is allowed only when the tobacco commodities are marked with control stamps.

(4) The control stamp has to be pasted on the packaging under the cellophane or other paper so as to be visible and damaged at opening. On the original packages of cigars and cigarillos not wrapped in cellophane or other paper, the control stamp can be pasted directly on the packaging.

(5) With the acquisition of the control mark the excise debt for control stamps arises in the amount of the excise value of the stamps.

(6) The excise value of a control stamp is calculated from the excise for one cigarette, cigar, cigarillo or 1 kg of tobacco for smoking and the data about quantity stated on the control stamp.

(7) Passengers carrying tobacco commodities from abroad, not included in Article 25 paragraph 1 item 5 of this Law, and citizens of the Republic of Macedonia and foreign citizens receiving tobacco commodities from abroad pursuant to the customs regulations, pay excise otherwise than by control

stamps. Excise has to be immediately registered with the authorized customs body and paid.

(8) In cases of releasing tobacco commodities in excise-legal free circulation at international fairs, exhibition or other performances or in cases they are released as samples, excise may be paid otherwise than by control stamps. Excise has to be immediately registered with the authorized customs body.

(9) The obligation regarding the usage of control stamps does not apply to tobacco commodities excise exempted, and in cases of paragraphs 7 and 8 of this Article, except in the cases under Article 24 paragraph 3 of this Law.

(10) The Finance Minister prescribes more detailed provisions related to the acquisition of control stamps, payment of control stamps debt, as well as their form, content, manner of issue and calculation of their excise value.

Article 45

Time limit for control stamp payment

The control stamp debt is paid in the following time limits:

1. for the control stamps acquired by the fifteenth day of the current month until the fifteenth day of the next month
2. for control stamps acquired by the sixteenth day of the current month until the last day of the next month.

Article 46

Excise warehouse for tobacco commodities

The excise license stipulated in article 5 paragraph 2 of this Law is issued for the purposes of storage issues to entities authorized:

- to acquire control stamps (producer and importer) or
- to test the quality of the tobacco commodities or
- to ship non-taxed tobacco commodities.

Article 47

Exception from the rule for excise occurrence

By exception according to article 13 paragraph 1 of this Law, the excise on tobacco commodities does not occur when the taxed tobacco commodities are returned to the excise warehouse and released again in excise-legal free circulation from it in still unopened retail packaging with undamaged prescribed control stamps or when delivered for consumption in the warehouse.

Article 48

Excise occurrence in case of unauthorized increase of retail price

In case of unauthorized increase of retail price above the reported at the Public Revenue Office and published in the Official Gazette of the Republic of Macedonia an excise occurs in the amount of the different between the excise

debt before and after the increase of the price. The excise payer is the tradesman. The excise is paid immediately.

Article 49

Regulations for packaging, prohibition to add items in packaging

(1) The tobacco commodities can go out of the excise warehouses in excise legal free circulation, to be given for use in excise warehouse or to be imported or transported in the excise territory only closed, in retail packaging.

(2) No other objects may be packed with the tobacco commodities in the retail packaging stipulated in paragraph 1 of this article. Other objects may not be added to the packaging outside, except in cases when these objects are aimed for the reseller. This applies irrespective of whether the other objects would be handed over directly or indirectly to the consumer.

Article 50

Packaging in trade, sales by piece

The tradesman has to keep the retail packaging closed and must not damage the control stamps. By exception, he may open the packaging to control the content, show the product, test it or give out to consumers for marketing purposes. The packages of cigars, cigarillos or cigarettes may be opened for sale by piece. The tradesman may open the packaging only by damaging the control stamp.

Article 51

Ban of expropriation and over the retail price

The release of tobacco commodities in excise legal free circulation above the retail price reported to the Public Revenue Office and published in the Official Gazette of the Republic of Macedonia is not allowed. Exempt from this principle is expropriation for testing or marketing purposes. The retailer may not give rebate or other discounts. At sales the tradesman must not give the consumers other additional objects nor link the sales of tobacco commodities to the sales of other goods.

III. SECTION THREE

CHAPTER VII

ADMINISTRATIVE OBLIGATIONS

Article 52

Record obligations

(1) The excise license holder is obligated to keep good and accurate records for the calculation of the occurred excise.

(2) The records stipulated in paragraph 1 of this article must contain certain data about:

1. The produced quantities of excise commodities;
2. quantities of excise commodities in inventory, production, warehouses or other business premises;
3. quantities of excise commodities for which excise has occurred and paid according to the prescribed rates.
4. quantities of excise commodities for which excise has occurred but not paid;
5. quantities of excise commodities used in the excise warehouse;
6. amounts of calculated and paid excise.

(3) The provisions in paragraph 1 and 2 of this article are adequately applied also to the excise permit holders.

(4) The Finance Minister prescribes more detailed regulations on record obligations.

Article 53

Issue of invoices, other documents

(1) The holder of excise license and the holder of excise permit are obligated to issue an invoice or other document showing the shipment of excise goods at every release of excise goods in free legal excise circulation.

(2) The invoice or other document for the excise commodities delivered for excise preferential use should contain the number and date of the permit issued to the entity for excise preferential use.

(3) The invoice, that is, the other document stipulated in paragraphs 1 and 2 of this article are issued in two copies. The first copy is delivered to the recipient of the excise commodities while the second copy is kept in personal records in the terms stipulated in article 54 of this Law.

Article 54

Keeping documentation

The invoices and other documents, issued on the basis of this Law, as well as the business records are kept for at least five years after the end of the calendar year to which they relate.

CHAPTER IX REGISTERS

Article 55

Register of excise license holders and Register of excise permit holders

(1) The Public Revenue Office establishes and keeps separate Register of excise license holders and Register of excise permit holders.

(2) The Register of excise license holders contains the following data:

1. number or the excise license issued by the Public Revenue Office to the holder of the excise license;
2. name and address of the excise license holder and of the excise warehouse or warehouses;
3. type of excise commodities for which the excise license is issued;
4. address of the Public Revenue Office; and
5. date of issue of the excise license and date of revoking.

(3) The Register of excise permit holders contains the following data:

1. number of excise permit issued by the Public Revenue Office to the holder of the excise permit;
2. name and address of the excise permit holder and the warehouse, that is, warehouse;
3. type of excise commodities the excise permit relates to, and
4. date of issue of the excise permit and date of revoking.

Article 56

Removal from Register of excise license holders and removal from Register of excise permit holders

(1) The removal from the Register of excise license holders is done:

1. upon request of the legal successor, that is, proxy in cases stipulated in article 10 paragraph 1 item 1 of this Law;
2. upon request of the excise license holder in cases stipulated in article 10 paragraph 1 items 2 and 3 of this Law; and
3. in line of duty by the competent organ in cases stipulated in article 10 paragraph 1 item 4 of this Law.

(2) The removal from the Register of excise permit holders is done:

1. upon request of the legal successor, that is, proxy in cases stipulated in article 23 paragraph 1 item 1 of this Law;
2. upon request of the excise permit holder in cases stipulated in article 23 paragraph 1 items 2 and 3 of this Law;
3. in line of duty by the Public Revenue Office in cases stipulated in article 23 paragraph 1 item 4 of this law.

CHAPTER X

LEGAL PROTECTION

Article 57

Forced collection, expiration and procedure for appeal

(1) The provisions of the Law on Determination and Collection of Public Revenues are applied to the forced collection of excise and forced collection related costs, interest rate, expiration terms and return of incorrectly calculated excise.

(2) The provisions of the Law on personal income tax are applied to the procedure of appeal and procedure renewal.

CHAPTER XI

MORE DETAILED PROVISIONS

Article 58

More detailed provisions

The Finance Minister prescribes more detailed provisions for implementation of this Law.

CHAPTER XII

PENALTY PROVISIONS

Article 59

Criminal acts

(1) The responsible persons in the legal and physical entities who, with the aim of gaining property benefits or value, transport commodities subject to excise contrary to the provisions of this Law (article 11 paragraph 7) or do not issue excise document (article 12 paragraph 1) or take out the commodities from the excise warehouse in excise legal free circulation without calculating and paying excise (article 13 paragraph 1) or the producer of the commodity subject to excise for which excise has occurred does not deliver an excise return nor pay the excise (article 16 paragraph 1) shall be punished with imprisonment for a period from one to ten years.

(2) The responsible people in the legal and physical entities who transfer the excise license (article 8 paragraph 3) or the permit for excise preferential use to other persons (article 21 paragraph 3) or when they use the permit for excise preferential contrary to the purpose (article 18) and gain by it property benefits or value shall be punished with imprisonment for a period from one to ten years.

Article 60
Criminal acts

The persons responsible in the legal and physical entity who imports or releases in excise legal free circulation tobacco commodities, semi products and ethyl-alcohol without control stamps (articles 37 and 44) to gain property benefits shall be punished with imprisonment for a period from one to ten years.

Article 61
Offences

The legal entity shall be punished for an offence with a fine from 250.000 to 300.000 denars when:

1. the excise license is transferred to another entity (article 8 paragraph 3);
2. the obligations stipulated in article 9 paragraph (1) are not met;
3. when the obligations stipulated in article 11 paragraphs (1) to (5) are not met;
4. an excise document is not issued at transport of excise commodities and does not issue an excise document in four copies (article 12 paragraphs (1) and (3));
5. the commodities subject to excise are not transferred to another excise warehouse in the prescribed time limit (article 13 paragraph (3));
6. no excise return is filed and the excise not paid in the prescribed time limit (article 16 paragraph 1 to 5);
7. the permit for excise preferential use is transferred to another entity (article 21 paragraph (3));
8. the obligations stipulated in article 22 paragraph (1) are not met;
9. excise commodities exempt from excise are expropriated (article 24 paragraph (2));
10. the gas oil and kerosene are not marked with the prescribed color and when the storage is not organized in the prescribed manner (article 30 paragraphs (1) and (3));
11. when mineral oils containing substances for marking are used as fuel (article 31 paragraph (1));
12. the excise products are not classified in the manner prescribed in article 27, 35 and 41;
13. semi products and ethyl-alcohol released in excise free legal circulation in the excise territory are not marked with a control stamp put on the packaging in a way that it has to be damaged at opening (article 37 paragraphs (3) and (4));
14. the control stamp debt is not paid in the prescribed time limits (articles 38 and 45);
15. the producer, that is the importer does not report and publish the retail price of the tobacco commodities (article 43 paragraph 4);
16. the tobacco commodities released in excise free legal circulation in the excise territory are not marked with a control stamp put on the packaging under

cellophane or other paper that has to be damaged at opening (article 44 paragraphs (3) and (4));

17. in the retail packages other objects are packed other than the tobacco commodities (article 49 paragraph (2));

18. the trader does not keep the retail packages closed and damages the control stamps (article 50);

19. the tobacco commodities are released in circulation at a price higher than the announced retail price (article 51 paragraph 1);

20. no records are kept or are kept incorrectly (article 52 paragraphs (1) and (2));

21. no invoice or other document for the shipment of the excise commodities is issued (article 53 paragraph (1));

22. the invoice and other documents and the business records are not kept in the prescribed time (article 54).

(2) For the offences stipulated in paragraph 1 of this article a fine of 40.000 to 50.000 denars is prescribed also for the responsible person at the legal entity.

(3) For repeated offences stipulated in paragraph 1 of this article in a period of two years, the legal entity shall be issued a security measure banning the activity for a period of six months to one year and the person responsible at the legal entity shall be issued a security measure banning the performance of the duty for a period of three months to one year.

CHAPTER XIII

TRANSITIONAL AND FINAL PROVISIONS

Article 62

Request for excise license and approval on the day of the implementation of the law

(1) The persons who intend to have an excise permit on the day of the implementation of the Law have to submit a written request for the issue of an excise license to the Public Revenue Office, two months prior to the application of this Law, in case the conditions set forth in articles 6 and 7 of this Law are met.

(2) The persons who on the day of the implementation of this law intend to have a permit for excise preferential use, have to submit a written request for the issue of the permit to the Public Revenue Office, two months prior to the application of this Law, in case the conditions set forth in articles 19 and 20 of this Law are met.

Article 63

Decanting of excise contained in inventory

(1) The persons who on the day of the implementation of this Law hold an excise license according to article 62 of this Law and who on Juny 30, 2001 have

mineral oils and beer as inventory with excise paid at sales price or at import according to the Excise Law ("Official gazette of RM" no. 78/93, 70/94, 14/95, 42/95, 71/96, 5/97, 36/97, 7/98, 63/98, 39/99, 43/99, 9/2000, 25/2000 and 11/2001), have the right to decanting.

(2) The amount of the excise that can be decanted according to paragraph 1 of this article, starting with the day of the implementation of this law is decanted with the excise occurred with their exit from the excise warehouse in an excise-legal free circulation or with the delivery of the goods for consumption in the excise warehouse.

(3) The Finance Minister regulates the details of the decanting procedure and determines the manner for proving the conditions for exercising the right to decanting according to paragraph 1 of this article.

Article 64

Expiration of Excise Law

On the day the implementation of this Law starts the Excise Law (Official Gazette of RM number 78/93, 70/94, 14/95, 42/95, 71/96, 5/97, 36/97, 7/98, 63/98, 39/99, 43/99, 9/2000, 25/2000 and 11/2001) expires, except the provisions in the section related to automobiles, that continue to be in force until 31 December 2002.

Article 65

Coming into force of this Law

This law comes into force on the day it is published in the Official Gazette of the Republic of Macedonia, and shall be applied from 1 July 2001, except the provisions in article 62 of this Law that shall be applied starting on the day this Law comes into force.