

FEDERAL LAW
NO. 12-FZ OF JANUARY 10, 1997
ON AMENDING THE FEDERAL LAW ON THE EXCISE TAXES
(with the Amendments and Additions of August 5, 2000)

Adopted by the State Duma December 25, 1996
Approved by the Federation Council December 26, 1996

According to [Federal Law No. 118-FZ of August 5, 2000](#) this Federal Law shall be abolished as of January 1, 2001

On amendments introduced by the present Federal Law see the Letter of the State Tax Service of the Russian Federation and the Ministry of Finance of the Russian Federation Nos PV-6-03/73, 04-03-06

Article 1. The following amendments shall be introduced in the [Federal Law](#) on the Excise Taxes (The Bulletin of the Congress of People's Deputies of the RSFSR and the Supreme Soviet of the RSFSR, item 1872, No. 52, 1991; Collection of Legislation of the Russian Federation, item 1016, No. 11, 1996):

1. [Part 2, Article 1](#) shall be set forth as follows:

"The following goods (products) shall be subject to excise taxation: ethyl alcohol from all kinds of raw materials (excluding cognac and raw alcohol), alcohol-containing solutions as per the list approved by the Government of the Russian Federation, alcohol products (potable alcohol, vodka, liquor articles, cognacs, natural wines, special wine and other foodstuff products with ethyl alcohol content in excess of 1.5 per cent by volume of alcohol product unit excluding wine materials), beer, tobacco articles, jewelry articles, crude oil including gas condensate, motor vehicle petrol, cars (excluding cars with manual steering including cars imported to the territory of the Russian Federation sold to disabled persons in accordance with the procedure established by the Government of the Russian Federation) as well as specific kinds of mineral raw materials as per the list approved by the Government of the Russian Federation (hereinafter referred to as "goods subject to excise taxation")."

2. The words "and also individual entrepreneurs" shall be added to [Subitem "a", Article 2](#).

3. In [Article 3.3](#):

1) In [Item 1](#):

in [Subitem "a"](#):

in [Paragraph 2](#) the words "not subject to excise taxation or used for own purposes - the value of the goods subject to excise taxation determined proceeding from the ex-works prices without account taken of excise taxes" shall replace the words "not subject to excise taxes - the value of the goods subject to excise taxation determined proceeding from the ex-works prices including excise taxes at established rates";

in [Paragraph 3](#) the words "without account taken of the excise taxes for similar goods of own manufacture as of the moment of transferring the finished goods and, should there be no such goods, proceeding from the market prices with account taken of the excise taxes prevailing in a given region for similar goods in the preceding accounting period" shall replace the words "with account taken of the excise taxes at established rates for similar goods of own manufacture and, should there be no such goods, proceeding from the market prices prevailing in a given region for similar goods in the preceding accounting period";

[Paragraph 4](#) shall be deleted;

in [Subitem "b"](#) the words "without account taken of the excise taxes" shall replace the words "including the excise taxes at established rates";

in [Subitem "c"](#) the word "goods" shall replace the words "kinds of mineral raw materials" and the word "sold" shall replace the word "mined";

2) Item 2 shall be set forth as follows:

"2. As for the goods imported to the territory of the Russian Federation the object of taxation shall be the value for customs purposes multiplied by the sum of the customs duty and the customs fees. When specific excise rates are being determined the object of taxation shall be the volume of the goods subject to excise taxation and imported to the territory of the Russian Federation in natural terms.";

3) in [Item 3](#):

in Paragraph 1:

the words "with account taken of the excise taxes at established rates for similar goods of own manufacture as of the moment of transferring the finished goods and, should there be no such goods, proceeding from the market prices prevailing in a given region for similar goods in the preceding accounting period" shall be replaced with the words "without account taken of the excise taxes for similar goods of own manufacture as of the moment of transferring the finished goods and, should there be no such goods, proceeding from the market prices with account taken of the excise taxes prevailing in a given region for similar goods in the preceding accounting period";

the sentence of the following wording shall be added to the Paragraph "Should remuneration for labor be paid in kind in the goods of own manufacture subject to excise taxation with respect to which firm (specific) excise tax rates have been established, should exchange be effected with the use of these goods subject to excise taxation, should they be transferred free of charge, the taxation object shall be the volume of the transferred goods in natural terms.";

4) in [Item 4](#) the word "being exported" shall be replaced with the word "having been exported";

4. In [Article 4](#):

1) [Item 1](#) shall be set forth as follows:

"1. The rates of the excise taxes on the goods subject to excise taxation (excluding the kinds of mineral raw materials subject to excise taxation) including the goods imported to the territory of the Russian Federation shall be uniform for the whole territory of the Russian Federation and shall be established as follows:

(per cent of the value of goods
at ex-works prices without account
taken of the excise taxes
or in rubles per unit)

Alcohol products excluding wines and low-alcohol content beverages	45 thousand rubles per liter of water-free (100%) ethyl alcohol, contained in the finished alcohol products
Natural wines, low-alcohol content beverages	2 thousand rubles per liter
Special wines (excluding natural), grape and fruit beverages having alcohol content by volume up to 28 per cent inclusive	3 thousand rubles per liter
Sparkling wines and champagnes	5 thousand rubles per liter
Beer (excluding canned)	500 rubles per liter
Canned beer	900 rubles per liter
Ethyl alcohol from all	

kinds of raw materials, alcohol-containing solutions	12 thousand rubles per liter
Ethyl alcohol issued to the medical, veterinary institutions, chemist's network and enterprises engaged in manufacturing medical preparations and medical and veterinary articles on proposal of the Ministry of Public Health of the Russian Federation and the Ministry of Agriculture and Foodstuffs of the Russian Federation within the general quotas for consumption of alcohol as approved by the Ministry of Economics of the Russian Federation	8 thousand rubles per liter
Tobacco articles:	
pipe tobacco	100 thousand rubles per kg
smoking tobacco	50 thousand rubles per kg
cigars	5 thousand rubles per piece
cigarillos, cigarettes with filter, longer than 85 mm	21 thousand rubles per 1,000 pieces
cigarettes with filter excluding cigarettes longer than 85 mm and cigarettes Class 1, 2, 3 and 4 per the stare standard	14 thousand rubles per 1,000 pieces
cigarettes with filter, Class 1, 2 and 3 per the state standard	10 thousand rubles per 1,000 pieces
cigarettes with filter, Class 4 per the state standard	7.5 thousand rubles per 1,000 pieces
cigarettes without filter	5.5 thousand rubles per 1,000 pieces
Russian-style cigarettes, Class 1	3 thousand rubles per 1,000 pieces
Jewelry articles	30 per cent
Crude oil including gas	

condensate*	55 thousand per 1 ton
Motor vehicle petrol	25 per cent
Cars	5 per cent";

- 2) [Item 2](#) shall be deleted;
- 3) [Items 3](#) and [4](#) shall be deemed Items 2 and 3 respectively;
- 4) [Item 3](#) shall be set forth as follows:

"3. The excise tax rates for the kinds of mineral raw materials subject to excise taxation (excluding crude oil, including gas condensate) shall be approved by the Government of the Russian Federation specifically for specific deposits depending on their mining and geological as well as economic and geographic conditions. The differentiated excise rates for crude oil, including gas condensate, shall be approved by the Government of the Russian Federation for specific deposits in accordance with the mean weighed excise rate established by the present Federal Law depending on their mining and geological as well as economic and geographic conditions.";

- 5) New Item 4 of the following wording shall be added to the [Article](#):

"4. Specific excise tax rates shall be reviewed by means of amending the present Federal Law."

5. In [Article 5](#) Items 1 and 2 shall be set forth as follows:

"1. The excise tax sum on the goods subject to excise taxation (including on the goods imported to the territory of the Russian Federation) for which excise tax rates have been set as percentage, shall be determined by the tax payer according to the formula

$$C = H \frac{A}{100\% - A},$$

where:

C - the sum of excise tax;

H - taxation object (ex-works price with no account of the excise taxes or the value for customs purposes times customs duty and customs fees);

A - excise tax rate, per cent;

For the sums of cash received by organizations for the goods manufactured and sold by them, these goods being subject to excise taxation, in the form of financial assistance, replenishment of special purpose funds as well as the option cost and in the events when the market prices are used for calculating excise taxes, the sum of the excise taxes shall be determined according to the formula:

$$C = H \cdot A,$$

where:

C - the sum of excise tax;

H - the market price with account taken of the excise taxes or the sum of received cash or the cost of the option;

A - excise tax rate, per cent;

Should goods subject to excise taxation be used as raw materials including the customer's raw materials (excluding mineral raw materials subject to excise taxation) on which excise tax has been already paid on the territory of the Russian Federation, the excise tax sum subject to be paid on the finished goods subject to excise taxation shall be reduced by the sum of the excise paid on the raw materials used for the manufacturing thereof. The excise tax sum subject to be paid on wines and grape and fruit beverages shall be reduced by the sum of the excise tax paid on the territory of the

Russian Federation on ethyl alcohol manufactured from foodstuff raw materials used for the manufacturing of wine materials and further used for the manufacturing of these wines and beverages. In such a case a negative difference between the sums of the excise taxes paid on the territory of the Russian Federation on the goods subject to excise taxation used as raw materials including the customer's raw materials for the manufacturing of other goods subject to excise taxation and the sums of the excise taxes on the finished goods sold, such goods being subject to excise taxation, shall not be subject to be accepted to offset the future payments to the budget or to be reimbursed from the budget.

The sum of the excise taxes paid on the goods (excluding the kinds of mineral raw materials subject to excise taxation) used further as raw materials for the manufacturing of the goods exempt from taxation by the given kind of tax per [Item 4, Article 3](#) of the present Federal Law as well as on ethyl alcohol manufactured from all kinds of raw materials excluding foodstuff raw materials further used as raw materials for the manufacturing of the goods not subject to excise taxation, shall not be referred to the cost of these goods but shall rather be taken to offset the future payments or shall be reimbursed at the expense of the general tax revenue within 10 days from the date of the receipt of the calculation for the respective accounting period. In such a case the sum of the excise taxes on these goods shall be subject to offset (reimbursement) the cost of which has been actually referred (written-off) to the cost in the accounting period.

For the goods subject to excise taxation (excluding ethyl alcohol manufactured from all kinds of raw materials excluding foodstuff raw materials) not sold outside and used by the organizations for the manufacturing of the goods not subject to excise taxation the excise tax sums shall be charged at respective rates as of the moment of these goods being transferred into the manufacture of the goods not subject to excise taxation by means of referring (writing-off) the excise tax sum to the cost of the products not subject to excise taxation.

2. Organizations manufacturing and selling ethyl alcohol from all kinds of raw materials, alcohol-containing solutions, vodka and liquor articles, beer, motor vehicle petrol including ones manufactured from the customer's raw materials shall pay excise taxes to the budget proceeding from actual turnovers within the following dates:

on the 15th day of the current month - for the first decade;

on the 25th day of the current month - for the second decade;

on the 5th day of the month following the accounting month - for the other days of the accounting month.

All other payers shall pay excise taxes monthly proceeding from the actual product sales turnovers for the past calendar month at the latest on the 20th of the month following the accounting month."

6. [Appendices 1](#) and [2](#) to the Federal Law on the Excise Taxes shall be deleted.

Article 2. The Government of the Russian Federation shall elaborate and approve, within three months from the date of the coming into force of the present Federal Law, a technique for differentiating the excise tax rates on crude oil including gas condensate by the various deposits depending on their mining and geological as well as economic and geographic conditions. Upon the approval of the said technique the differentiated excise tax rates for crude oil including gas condensate shall be calculated again accordingly.

On the approval of the Methodology for Differentiating the Excise Rates on Oil, Including Gas Condensate see [Decision](#) of the Government of the Russian Federation No. 165 of February 2, 1998

Article 3. The present Federal Law shall come into force as of the date of the [official publication](#) thereof.

It shall be proposed to the President of the Russian Federation and instruction shall be issued to the Government of the Russian Federation so that they bring their legal acts to conformity with the present Federal Law.

President of the Russian Federation
Moscow, the Kremlin

B. Yeltsin

* Average weighted excise rate on realized oil, included gas condensate.