

Excise Duties and Tax Warehouses Act

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*Note: An update of the English text of this Act is being prepared

following the amendments in SG No. 19/8.03.2011

(*) effective 1.07.2007 - amended, SG No. 80/3.10.2006, effective 3.10.2006

(**) effective 1.01.2008 - amended, SG No. 53/30.06.2007, effective 30.06.2007

Text in Bulgarian: Закон за акцизите и данъчните складове

Chapter One GENERAL PROVISIONS

Section I Scope of Application

Article 1. (Effective 1.07.2006 - SG No. 91/2005) This Act shall govern excise duty taxation as well as control on production, use, storage, movement and securing of goods subject to excise tax.

Section II Object of Excise Taxation and Persons Subject to Excise

Duty

Article 2. (Effective 1.07.2006 - SG No. 91/2005) Subject to excise tax shall be:

1. alcohol and alcoholic beverages;
2. tobacco products;
3. (supplemented, SG No. 105/2006) energy products and electricity;
4. (repealed, SG No. 109/2007)
5. (repealed, SG No. 44/2009, effective 1.01.2010).

Article 3. (Effective 1.07.2006 - SG No. 91/2005) (1) (Previous Article 3, SG No. 95/2009, effective 1.12.2009) Persons subject to excise duty shall be:

1. (amended, SG No. 105/2006) licensed warehouse keepers and persons registered under this Act;

2. (amended, SG No. 105/2006) persons for whom a liability has arisen under the customs legislation in respect of excisable goods;

3. (amended, SG No. 95/2009, effective 1.12.2009) persons who in violation of this Act have produced or have participated in the production of excisable goods, hold or have participated in the holding of excisable goods, dispose with or have disposed with excisable goods for which no excise duty has been paid or the excise duty has been partially paid;

4. (supplemented, SG No. 105/2006) excise-exempt end users and temporarily registered recipients;

5. (new, SG No. 105/2006) tax representatives of VAT-registered persons in another Member State who supply excisable goods under the terms of distant selling within the Value Added Tax Act;

6. (new, SG No. 105/2006, amended, SG No. 95/2009, effective 1.12.2009) the persons who receive on the territory of the country excisable goods released for consumption in another Member State, except for the cases where the persons under item 5 have fulfilled their obligations under this Act.

7. (new, SG No. 109/2007, repealed, SG No. 44/2009, effective 1.01.2010).

(2) (New, SG No. 95/2009, effective 1.12.2009) Where several persons are liable for payment of one excise duty debt, they shall be jointly and severally liable for such debt.

Section III

Terms

Article 4. (Effective 1.07.2006 - SG No. 91/2005) For the purposes of this Act:

1. "Excisable goods" shall be the goods specified in Article 2.

2. "Licensed warehouse keeper" shall be a trader within the meaning of the Commerce Act , who has been granted a license to produce, store, receive or dispatch excisable goods under excise duty suspension arrangement.

3. "Tax warehouse" shall be the place where excisable goods under excise duty suspension arrangement are produced, stored, received or dispatched by a licensed warehouse keeper in accordance with the provisions of this Act.

4. " Excise duty suspension arrangement" shall be a set of rules applicable to production, storage and movement of goods under excise duty suspension arrangement.

5. (Amended, SG No. 105/2006) "CN code" shall be tariff codes according to the Combined Nomenclature as per Appendix I of Council Regulation No. 2658/87 (EEC) on the Tariff and Statistical Nomenclature and the Common Customs Tariff. For alcohol and alcoholic beverages the CN codes are according to the Combined Nomenclature applied at 31 December 1992, and for energy products and electricity according to the Combined Nomenclature applied at 1 January 2002.

6. "Selling price" shall be the price written on the excise label at which tobacco products are sold to end users, including production and distribution costs of the producer (importer), customs charges due, payments, fees, excise duty and value added tax.

7. (Supplemented, SG No. 94/2010, effective 1.01.2011) "Excise label" shall be a government security proving payment of excise duty due for excisable goods released for consumption, which shall be purchased from the Ministry of Finance and may not be subject to further transaction.

8. (Supplemented, SG No. 63/2006, amended, SG No. 81/2006, supplemented, SG No. 95/2009, effective 1.12.2009) "Specialised small distillery" shall be a distillation unit with total volume of the containers of up 1,000 litres inclusive, where ethyl alcohol (rakiya) is produced from grapes and fruits - own production of natural persons, for their personal and family consumption up to 30 litres of ethyl alcohol (rakiya) per annum per family.

9. "Small producer of wine" shall be a unit where no more than 1,000 hectolitres are produced per annum.

10. (Amended, SG No. 63/2006) "Dual use energy product" shall be a product which is used both as heating fuel and for purposes other than as motor fuel and heating fuel; the use of energy products for chemical reduction and in electrolytic and metallurgical processes shall be regarded as dual use.

11. "Marking" shall be an action where a marker is added to gas oil and kerosene, which satisfies the requirements set down in the implementing regulation to this Act.

12. "Denaturation" shall be an action where poisonous substances or substances of unpleasant taste and flavour (mixtures) are added to ethyl alcohol, thereby making it dangerous for health or unfit for drinking.

13. "Technical specification" shall be a document of the producer containing a description of the product regarding the production technology and its intended use, technical requirements, rated values of particular indicators and methods of their testing, packaging and designation, storage and transportation.

14. (Amended, SG No. 105/2006) "Excise-exempt end user" shall be a sole trader or legal entity entitled to receive energy products which are used for purposes exempt from excise duty based on a certificate of excise exemption.

15. (Amended, SG No. 94/2010, effective 1.01.2011) "Private pleasure flying and sailing" shall be the use of a vessel or aircraft by its owner or by a natural person or legal entity using it either rented or otherwise for purposes other than commercial ones and in particular other than transportation of passengers or goods or provision of services against consideration or for the needs of government authorities.

16. (Amended, SG No. 105/2006, repealed, SG No. 44/2009, effective 1.01.2010).

17. "Repeated" violation shall be a violation committed within one year from entry into force of a penalty enactment by virtue of which the person had been penalized for the same type of violation.

18. (Amended, SG No. 63/2006) "Grave" violation shall be a violation for which a penalty enactment has been enforced with imposed property sanction exceeding BGN 15,000.

19. "Actual alcoholic strength by volume (alcoholic content)" shall be the volumes of pure ethyl alcohol contained at temperature of 20 °C in 100 volumes of product at the same temperature.

20. (Amended, SG No. 105/2006) "% vol" and "% mas" are designations of the alcoholic strength by volume and mass.

21. "Pure alcohol" is ethyl alcohol with actual alcoholic strength by volume 100 % vol (absolute alcohol).

22. "Biodiesel" is methyl ester derived from vegetable oils or animal fats, having the quality of diesel fuel used as motor fuel for diesel engines, derived from biodegradable fractions of products, waste and residues (including vegetable or animal substances) from agriculture, forestry, as well as biodegradable fractions from industrial or household waste.

23 (New, SG No. 81/2006) "Bioethanol" is ethanol, derived from biomass and/or from the biodegradable part of the waste, intended for use as biofuel.

24. (New, SG No. 105/2006) "Territory of the country" is the geographic territory of the Republic of Bulgaria, the continental shelf and the exclusive economic zone.

25. (New, SG No. 105/2006) "Territory of a Member State" is the territory of every Member State wherein the Treaty establishing the European Community applies, specified for every Member State in Article 299 of said Treaty where:

a) excluded from said territory shall be:

aa) for Federal Republic of Germany: Isle of Heligoland and the Busingen territory;

bb) for Kingdom of Spain: Ceuta, Melilla and Canary Islands;

cc) for Republic of Italy: Livigno, Campione d'Italia and the Italian waters of Lugano Lake;

dd) (repealed, SG No. 108/2007);

ee) (amended, SG No. 95/2009, effective 1.04.2010) for United Kingdom of Great Britain and Northern Ireland: Anglo-Normand Isles;

ff) for Republic of France: French Overseas Departments;

gg) (new, SG No. 95/2009, effective 1.04.2010) for the Republic of Finland: Aland Islands;

b) movement of excisable goods to or from:

aa) Principality of Monaco - will be treated as movement to or from the Republic of France;

bb) Isle of Man - will be treated as movement to or from the United Kingdom of Great Britain and Northern Ireland;

cc) Jungholz and Mittelberg (Kleines Walsertal) - will be treated as movement to or from the Federal Republic of Germany;

dd) San Marino - will be treated as movement to or from the Republic of Italy.

ee) (new, SG No. 95/2009, effective 1.04.2010) the United Kingdom Sovereign Base Areas of Akrotiri and Dhekelia are treated as movements originating in or intended for Cyprus;

26. (New, SG No. 105/2006) "Community" and "Community territory" is the territory of the Member States.

27. (New, SG No. 105/2006) "Third country" or "third territory" is any territory other than the territory of Member States.

28. (New, SG No. 105/2006, amended, SG No. 95/2009, effective 1.12.2009) "Registered consignee" is a person who is entitled to receive under certain conditions excisable goods from another Member State under excise duty suspension arrangement. The registered consignee may not store or send excisable goods under excise duty suspension arrangement.

29. (New, SG No. 105/2006, amended and supplemented, SG No. 95/2009, effective 1.12.2009) "Temporarily registered consignee" is a person who is entitled to receive a one-off determined quantity of excisable goods within a two-month period from another Member State under excise duty suspension arrangement. A temporarily registered consignee may not store or send excisable goods under excise duty suspension arrangement.

29a. (New, SG No. 95/2009, effective 1.04.2010) "Registered consignor" is a person - importer of excisable goods, who is entitled to dispatch under certain conditions excisable goods admitted for free circulation simultaneously with their placement under excise duty suspension arrangement, intended for another Member State. The registered consignor may not store or receive excisable goods under excise duty suspension arrangement.

30. (New, SG No. 105/2006) "Importer" is the person owing payment of import customs charges as well as the person who has received goods on the territory of the country from third territories which are part of the Community customs territory.

31. (New, SG No. 105/2006) "Standard tanks" (normal tank) shall mean:

a) the tanks permanently fixed by the manufacturer to all motor vehicles and whose permanent fitting enables fuel to be used directly, both for the purpose of propulsion and, where appropriate, for the operation, during transport, of refrigeration systems and other systems; gas tanks fitted to motor vehicles designed for the direct use of gas as fuel and tanks fitted to the other systems with which the vehicle may be equipped shall also be considered to be standard tanks;

b) the tanks permanently fixed by the manufacturer to all containers and whose permanent fitting enables fuel to be used directly for the operation, during transport, of refrigeration systems and the other systems with which special containers are equipped.

32. (New, SG No. 105/2006) "Special container" shall mean any container fitted with specially designed apparatus for refrigeration systems, oxygenation systems, thermal insulation systems or other systems.

33. (New, SG No. 105/2006) "Mineralogical processes" shall mean the processes classified in the NACE (General Industrial Classification of

Economic Activities within the European Community) nomenclature under code DI 26 "manufacture of other non-metallic mineral products" in Council Regulation (EEC) No. 3037/90 on the statistical classification of economic activities in the European Community.

34. (New, SG No. 105/2006) "Cost of a product" shall be the value of the product within the

meaning of the accountancy legislation. This cost shall be calculated per unit on average.

35. (New, SG No. 105/2006) "Cost of electricity" shall mean the actual purchase value of electricity or the cost of production of electricity if it is generated in the business.

36. (New, SG No. 105/2006) "Export" shall mean movement of excisable goods from the territory of the country to the territory of a third country or third territory.

37. (New, SG No. 109/2007) "Energy product for heating" shall mean a product involved in a process, related to release of heat, to be used directly or via a transmission medium in its principal function.

38. (New, SG No. 106/2008, effective 1.01.2009) "Independent small brewery" shall mean a tax warehouse which is legally and financially independent from any other brewery, does not use in any form premises or production facilities of another brewery, does not conduct its activity under a licensing agreement for production of beer or other malt products and its annual production does not exceed 200,000 hectolitres of beer. A legally and financially independent brewery shall be a company:

a) in the capital of which no other company producing or trading in beer participates or which does not participate in the capital of another company producing or trading in beer, or

b) in the management or control bodies of which no persons participate who also participate in the management or control bodies of another company producing or trading in beer, or

c) in the management or supervision bodies of which no persons participate who also participate in the management or supervision bodies of another company producing or trading in beer or in a third company, related to such a company for production of or trade in beer or with their relatives

Where two or more small breweries conduct joint activity and their total annual production does not exceed 200,000 hectolitres of beer, these breweries shall be regarded as a single small brewery.

Any producer of beer in connection with which it has been established that he/she has declared false information under this Act for the current or the previous year shall not be regarded as an independent small brewery.

39. (New, SG No. 95/2009, effective 1.12.2009) "Market price" is the amount net of value added tax and excise duty, which would have been paid under the same conditions for identical or similar goods in a transaction between persons who are not connected.

40. (New, SG No. 95/2009, effective 1.12.2009) "Computerised system" is a system for computerisation of the movement and control of excisable goods pursuant to Article 1 of Decision No. 1152/2003/EC of the European Parliament and the Council of 16 June 2003 on computerising the movement and surveillance of excisable goods.

41. (New, SG No. 95/2009, effective 1.12.2009) "Supply of excisable goods" is a single movement of a specific quantity of excisable goods under excise duty suspension arrangement.

42. (New, SG No. 95/2009, effective 1.12.2009) "Sender" is a licensed warehouse keeper-sender or a registered consignor who dispatches excisable goods under excise duty suspension arrangement.

43. (New, SG No. 95/2009, effective 1.12.2009) "Recipient" is a licensed warehouse keeper, a registered consignee, a temporarily registered consignee or the persons under Article 21, Paragraph 1, items 1 and 3, who are indicated as the recipient in the electronic administrative document upon movement of excisable goods under excise duty suspension arrangement.

44. (New, SG No. 95/2009, effective 1.12.2009) "Registered electronic administrative document" is an electronic administrative document with a unique administrative reference code being assigned by the customs authorities.

45. (New, SG No. 55/2010, effective 20.07.2010, amended, SG No. 94/2010, effective 1.01.2011) "Place of direct supply" shall be the place of receipt of energy products by a licensed warehouse keeper, other than the location of the tax warehouse.

46. (New, SG No. 94/2010, effective 1.01.2011) "Irregularity" shall be the occurrence of specific circumstances upon movement of excisable goods under excise duty suspension arrangement or released for consumption on the territory of another Member State, except for the cases of deficiencies and irreversible loss resulting from force majeure and losses caused from natural waste as a result whereof the total quantity of excisable goods or part thereof do not arrive at the place of delivery in accordance with the rules for movement of excisable goods.

Chapter Two EXCISABLE GOODS

Section I Alcohol and Alcoholic Beverages

Article 5. (Effective 1.07.2006 - SG No. 91/2005) "Beer" shall be any product falling within CN code 2203 or any product which is a mixture of beer and soft drinks falling within CN code 2206, in both cases with actual alcoholic strength by volume exceeding 0.5 % vol.

Article 6. (Effective as of 1.07.2006 - SG No. 91/2005) (1) "Still wines" shall be products falling within CN codes 2204 and 2205, but outside the scope of paragraph 2, which have:

1. actual alcoholic strength by volume exceeding 1.2 % vol, but not exceeding 15 % vol, provided that the alcohol contained in the finished product is entirely of fermented origin, or

2. actual alcoholic strength by volume exceeding 15 % vol but not exceeding 18 % vol, provided that they have been produced without any enrichment and provided that the alcohol

contained in the finished product is entirely of fermented origin.

(2) (Amended, SG No. 105/2006) "Sparkling wines" shall be all products falling within CN codes 2204 10, 2204 21 10, 2204 29 10 and 2205, which are:

1. in bottles with 'mushroom stoppers' held in place by ties or fastenings, or they have an excess pressure due to carbon dioxide in solution of three bar or more, and

2. actual alcoholic strength by volume exceeding 1.2 % vol, but not exceeding 15 % vol, provided that the alcohol contained in the finished product is entirely of fermented origin.

Article 7. (Effective 1.07.2006 - SG No. 91/2005) "Other fermented beverages" other than beer and wine shall be:

1. still fermented beverages falling within CN codes 2204 and 2205, but outside the scope of Article 6, as well as the products falling within CN code 2206, but outside the scope of item 2, which have:

a) actual alcoholic strength by volume exceeding 1.2 % vol but not exceeding 10 % vol, or

b) actual alcoholic strength by volume exceeding 10 % vol, but not exceeding 15 % vol, provided that the alcohol contained in the finished product is entirely of fermented origin;

2. (amended, SG No. 105/2006) sparkling fermented beverages falling within CN code 2206 00 91, as well as products falling within CN codes 2204 10, 2204 21 10, 2204 29 10 and 2205, but outside the scope of Article 6, which are:

a) in bottles with 'mushroom stoppers' held in place by ties or fastenings, or they have an excess pressure due to carbon dioxide in solution of three bar or more, and

b) with actual alcoholic strength by volume exceeding 1.2 % vol, but not exceeding 13 % vol, or with actual alcoholic strength by volume exceeding 13% but not exceeding 15% vol, provided that the alcohol contained in the finished product is entirely of fermented origin.

Article 8. (Effective 1.07.2006 - SG No. 91/2005) "Intermediate products" shall be all products with actual alcoholic strength by volume exceeding 1.2 % vol, but not exceeding 22 % vol, falling within CN codes 2204, 2205 and 2206, but outside the scope of Articles 5, 6 and 7.

Article 9. (Effective as of 1.07.2006 - SG No. 91/2005) "Ethyl alcohol (alcohol)" shall be any product:

1. (amended, SG No. 95/2009, effective 1.12.2009) falling within CN codes 2207 and 2208, with actual alcoholic strength by volume exceeding 1.2 % vol, even when such product is part of another product falling within another chapter of the Combined Nomenclature;

2. falling within CN codes 2204, 2205 and 2206, with actual alcoholic strength by volume exceeding 22 % vol.

3. (new, SG No. 63/2006) obtained from distillation and potable, containing other products, whether in solution or not.

Section II

Tobacco Products

Article 10. (Effective 1.07.2006 - SG No. 91/2005) ((1) (Amended, SG No. 94/2010, effective 1.01.2011) "Cigars and cigarillos" shall be rolls of tobacco which are exclusively intended and fit to be smoked, given their properties and normal consumer expectations, and which:

1. have an outer wrapper of natural tobacco, or

2. have a threshed blend filler and an outer wrapper, of the normal colour of a cigar, of reconstituted tobacco, covering the product in full, including, where appropriate, the filter but not, in the case of tipped cigars, the tip, where the unit weight, not including filter or mouthpiece, is not less than 2.3 g and not more than 10 g, and the circumference over at least one third of the length is not less than 34 mm.

(2) (Amended, SG No. 94/2010, effective 1.01.2011) "Cigars and cigarillos" are furthermore deemed to be products made partially of substances other than tobacco but meeting the requirements of Paragraph 1.

(3) (New, SG No. 105/2006) Items which do not contain tobacco and are used exclusively for medical purposes shall not be considered to be "cigars and cigarillos".

Article 11. (Effective 1.07.2006 - SG No. 91/2005) (1) "Cigarettes" shall be:

1. rolls of tobacco capable of being smoked which do not meet the requirements of for cigars and cigarillos under Article 10;

2. rolls of tobacco which, by simple non-industrial handling, are inserted into cigarette-paper tubes;

3. rolls of tobacco which, by simple non-industrial handling, are wrapped in cigarette paper.

(2) "Cigarettes" shall furthermore be considered to be products made partially or entirely of substances other than tobacco but meeting the requirements of Paragraph 1.

(3) (Amended, SG No. 94/2010, effective 1.01.2011) The smoking products referred to in Paragraphs 1 and 2 shall, for excise duty purposes, be considered as two cigarettes where, excluding filter or mouth piece, it is longer than 8 cm but not longer than 11 cm, as three cigarettes where, excluding filter or mouthpiece, it is longer than 11 cm but not longer than 14 cm, and so on.

(4) Products which do not contain tobacco and are used exclusively for medical purposes shall not be considered to be "cigarettes".

Article 12. (Effective 1.07.2006 - SG No. 91/2005) (1) "Smoking tobacco (for pipe and cigarettes)" shall be:

1. tobacco which has been cut or otherwise split, twisted or pressed into blocks and is capable of being smoked without further industrial processing;

2. (amended, SG No. 94/2010, effective 1.01.2011) tobacco refuse put up for retail sale, capable of being smoked and which does not fall under Article 10 and Article 11; Ytobacco refuseΦ shall furthermore be remnants of tobacco leaves and by-products obtained from tobacco processing or the manufacture of tobacco products;

3. (amended, SG No. 94/2010, effective 1.01.2011) fine-cut tobacco for the rolling of cigarettes meeting the requirements of items 1 and 2 in which more than 25 % by weight of the tobacco particles have a cut width of less than 1.5 mm.

(2) "Smoking tobacco" shall furthermore be items made entirely or partially of substances other than tobacco but meeting the requirements of the definition of smoking tobacco under Article 1.

(3) Items which do not contain tobacco and are used exclusively for medical purposes shall not be considered "smoking tobacco".

Section III

Energy Products and Electricity

(Title supplemented, SG No. 105/2006)

Article 13. (Effective 1.07.2006 - SG No. 91/2005, amended, SG No. 105/2006) (1) "Energy products" shall be products falling within:

1. CN codes 1507 through 1518, provided that they are intended for use as fuel for heating purposes or motor fuel;

2. CN codes 2701, 2702 and from 2704 through 2715;

3. CN codes 2901 and 2902;

4. CN code 2905 11 00, which are not of synthetic origin, if intended for use as fuel for heating purposes or motor fuel;

5. CN code 3403;

6. CN code 3811;

7. CN code 3817;

8. CN code 3824 90 99, including biodiesel, if intended for use as fuel for heating purposes or motor fuel.

(2) "Electricity" is a product falling within CN code 2716.

Article 14. (Effective 1.07.2006 - SG No. 91/2005 - SG No. 91/2005, amended, SG No. 63/2006, No. 105/2006) (1) The provisions of Chapter Four shall apply in respect of the following energy products:

1. falling within CN codes 1507 through 1518, if intended for use as fuel for heating purposes or motor fuel;

2. falling within CN codes 2707 10, 2707 20; 2707 30 and 2707 50;

3. falling within CN codes 2710 11 through 2710 19 69; for energy products with CN codes 2710 11 21, 2710 11 25 and 2710 19 29 the provisions of the law regarding movement of excisable goods under excise duty suspension arrangement and supervision on them shall apply only where these are in draft condition;

4. falling within CN codes 2711, excluding CN codes 2711 11, 2711 21 and 2711 29;

5. falling within CN codes 2901 10;

6. falling within CN codes 2902 20, 2902 30, 2902 41, 2902 42, 2902 43 and 2902 44;

7. falling within CN code 2905 11 00, which are not of synthetic origin, if intended for use as fuel for heating purposes or motor fuel;

8. falling within CN code 3824 90 99, if intended for use as fuel for heating purposes or motor fuel, including biodiesel.

(2) (Amended, SG No. 109/2007, SG No. 95/2009, effective 1.12.2009) The provisions of Chapter Four shall also apply on the territory of this country in respect of energy products for which an excise duty rate is specified.

(3) (New, SG No. 55/2010, effective 20.07.2010) For energy products falling within CN codes 2710 91 and 2710 99 the provisions of chapter four shall apply on the territory of the country only by the persons who use or dispose of them within the meaning of the Waste Management Act.

(4) (New, SG No. 109/2007, renumbered from Paragraph 3, SG No. 55/2010, effective 20.07.2010) Any energy product, falling within CN codes 2710 11 21, 2710 11 25 and 2710 19 29, shall be deemed in "draft condition" if it is unpackaged, transported in vessels, forming integral part of the means of transportation, as well as in cases, if its unpackaged, transported in

vessels of a volume in excess of 210 lt

Section IV (Repealed, SG No. 109/2007) Coffee

Article 15. (Effective 1.07.2006 - SG No. 91/2005, SG No. 91/2005, repealed, SG No. 109/2007).

Article 16. (Effective 1.07.2006 - SG No. 91/2005, SG No. 91/2005, repealed, SG No. 109/2007).

Article 17. (Effective 1.07.2006 - SG No. 91/2005, SG No. 91/2005, repealed, SG No. 109/2007).

Section V (Repealed SG 44/2009, effective 1.01.2010) Automobiles

Article 18. (Effective 1.07.2006 - SG No. 91/2005, repealed SG 44/2009, effective 1.01.2010).

Chapter Three TAX LIABILITY

Section I Incurrence of Excise Duty Liability

Article 19. (Effective 1.07.2006 - SG No. 91/2005, amended, SG No. 105/2006) (1) The goods under Article 2 shall be subject to excise duty taxation, unless they are subject to excise duty suspension arrangement:

1. at their manufacturing on the territory of the country;
2. at their bringing into the territory of the country from the territory of another Member State;
3. at their importation on the territory of the country.

(2) Import of excisable goods shall mean their bringing into the territory of the country of non-Community excisable goods, as well as bringing into the territory of the country of Community excisable goods from third territories which are part of the customs territory of the

Community.

(3) Notwithstanding Paragraph 2, where the goods are placed under customs regime at their bringing into the territory of the country, their import shall be considered to have been accomplished when they are released for free circulation.

Article 20. (Effective 1.07.2006 - SG No. 91/2005) (1) The liability for excise duty payment shall arise from the date of release of excisable goods for consumption.

(2) Release for consumption shall be:

1. (supplemented, SG No. 95/2009, effective 1.12.2009) bringing out excisable goods from a tax warehouse, unless the goods move under excise duty suspension arrangement from the moment of bringing them out in compliance with the terms and procedures of this Act, as well as bringing out excisable goods from a specialized small distillery and a small producer of wine;

2. failure to meet the conditions for movement of excisable goods under excise duty suspension arrangement;

3. consumption of excisable goods in a warehouse, unless they have been input as raw materials for the production of excisable goods;

4. production of excisable goods not subject to excise duty suspension arrangement;

5. importation, including in violation of customs legislation, unless excisable goods are placed under excise duty suspension arrangement;

6. (supplemented, SG No. 94/2010, effective 1.01.2011) bringing out from a tax warehouse of excisable goods affixed with an excise label, unless the goods are transported to another tax warehouse of the same licensed warehouse keeper in case of pending termination of the validity of the license for tax warehouse management from which the goods are brought out and subject to approval by the Director of the Customs Agency in accordance with a procedure laid down in the implementing regulation to this Act;

7. (repealed, SG No. 95/2009, effective 1.01.2010);

8. (supplemented, SG No. 105/2006) establishing shortage of goods for which excise duty is due, including shortage of coal, coke, electricity or natural gas established in respect of the persons under Article 57a, Paragraph 1, items 1 and 2;

9. termination of the validity of a license for tax warehouse management - for all goods which at the time of termination are subject to excise duty suspension arrangement.

10. (new, SG No. 105/2006) deregistration of the persons - for the stock of goods on which no excise duty has been charged;

11. (new, SG No. 105/2006) receipt of excisable goods from a registered consignee under

excise duty suspension arrangement;

12. (new, SG No. 105/2006) receipt of excisable goods from a temporarily registered consignee under excise duty suspension arrangement;

12a. (new, SG No. 95/2009, effective 1.04.2010) bringing back of excisable goods into the territory of the country, sent by a registered consignor;

12b. (New, SG No. 55/2010, effective 20.07.2010) receipt of energy products by a licensed warehouse keeper under the conditions of direct supply;

13. (new, SG No. 105/2006, supplemented, SG No. 109/2007) receipt of excisable goods released for consumption in another Member State, except where such goods are deposited in a tax warehouse on the territory of this country;

14. (new, SG No. 105/2006) receipt of excisable goods under conditions of distant selling within the meaning of the Value Added Tax Act;

15. (new, SG No. 105/2006) the sale of coal and coke to persons other than those registered under Article 57a, Paragraph 1, item 1, except for sale to natural persons other than sole traders;

16. (new, SG No. 105/2006) consumption of coke and coal by the persons under Article 57a Paragraph 1, item 1 for their own needs;

17. (new, SG No. 105/2006) the sale of electricity or natural gas to consumers of electricity and natural gas for household and business purposes within the meaning of the Energy Act;

18. (new, SG No. 105/2006) consumption of electricity or natural gas by the persons under Article 57a, Paragraph 1, item 1 for their own purposes, except for the cases of electricity used to produce electricity and electricity used to maintain the ability to produce electricity;

19. (new, SG No. 105/2006) consumption of energy products by excise- exempt end users other than those specified in the certificate.

20. (new, SG No. 109/2007, repealed, SG No. 44/2009, effective 1.01.2010).

21. (new, SG No. 95/2009, effective 1.12.2009) the production, holding or disposal of excisable goods for which in violation of this Act no excise duty has been paid or the excise duty has been partially paid;

22. (new, SG No. 95/2009, effective 1.12.2009) the receipt of excisable goods by the persons under Article 21, Paragraph 1, items 1 and 3.

(3) Where the moment of release for consumption cannot be established, such date shall be the date on which supervisory authorities establish the actions, facts and circumstances under Paragraph 2.

Section II

Exemption and Refunding

Article 21. (Effective 1.07.2006 - SG No. 91/2005) (1) Exempt from payment of excise duty shall be:

1. excisable goods designated for diplomatic missions and consulates and representations of international organizations and members of their staff;

2. (amended, SG No. 63/2006) excisable goods for which a duly ratified, promulgated and enacted international treaty provides for exemption from any tax, levy and other charges (payments, deductions) having the effect of indirect tax;

3. excisable goods designated for the armed forces of any other country which is a party to the North Atlantic Treaty Organisation, for use by such armed forces; for the needs of the civil staff accompanying them or for supply of relevant officer canteens or mess-rooms;

4. (amended, SG No. 105/2006, SG No. 106/2008, effective 1.01.2009) excisable goods imported by means of international postal and other parcels within the authorized duty-free import limits under the customs legislation;

5. (new, SG No. 105/2006, amended, SG No. 109/2007) tobacco products, alcohol and alcoholic beverages, purchased in another Member State by natural persons for personal purposes and transported by them in quantities laid down in the implementing regulation to this Act;

6. (new, SG No. 105/2006) excisable goods intended for the institutions of the European Community;

7. (new, SG No. 105/2006) import of or bringing from another Member State of electricity and natural gas;

8. (new, SG No. 105/2006) ethyl alcohol contained in products imported or brought into the territory of the country, which by their characteristics are not intended for consumption as food or drinks or which are not intended as additives in the production of food or drinks;

9. (new, SG No. 105/2006) import of or bringing from another Member State of coke or coal by persons under Article 57a Paragraph 1, item 1;

10. (new, SG No. 106/2008, effective 1.01.2009) export of coal or coke by the persons under Article 57a Paragraph 1, item 1;

11. (new, SG No. 106/2008, effective 1.01.2009) export of electricity, natural gas and power products different from those referred to in Article 14, paragraph 1;

12. (new, SG No. 106/2008, effective 1.01.2009) coal or coke, designated for another Member State - in the event that they are dispatched by the persons under Article 57a Paragraph

1, item 1;

13. (new, SG No. 106/2008, effective 1.01.2009) electricity, natural gas and power products different from those referred to in Article 14, paragraph 1, and designated for another Member State;

14. (new, SG No. 106/2008, effective 1.01.2009) excisable goods imported in the personal luggage of passengers provided that this import is exempt from value added tax.

(2) (New, SG No. 63/2006, supplemented, SG No. 109/2007) Where excise duty has been paid on the goods referred to in Items 1 and 3 of Paragraph (1), exemption shall be granted by a refund. The refund procedure shall be specified, as follows:

1. for those under Item 1 of Paragraph (1) - by ordinance of the Minister of Finance and the Minister of Foreign Affairs;

2. for those under Item 3 of Paragraph (1) - by ordinance of the Minister of Finance and the Minister of Defence.

(3) (Renumbered from Paragraph 2, SG No. 63/2006, amended, SG No. 109/2007) The procedure for implementation of Paragraph (1) shall be determined by the implementing regulation to this Act.

(4) (Renumbered from Paragraph 3, SG No. 63/2006, amended, SG No. 105/2006) No excise duty shall be due or the excise duty paid shall be refunded for motor vehicles which have been deforced or stolen and import customs charges on them are refunded or released under the customs legislation.

(5) (New, SG No. 44/2009) No excise duty shall be due in case of destruction of excisable goods confiscated and abandoned in favour of the state.

(6) (New, SG No. 95/2009, effective 1.12.2009) No excise duty shall be due upon destruction under customs authority control of excisable goods produced in the cases of Article 60a.

Article 22. (Effective 1.07.2006 - SG No. 91/2005 - SG No. 91/2005) (1) (Amended, SG No. 63/2006) Completely denatured ethyl alcohol shall be exempted from levy of excise duty.

(2) (New, SG No. 63/2006) The excise duty paid on ethyl alcohol, which is both expressly denatured and used for the manufacture of products not for human consumption, shall be refunded.

(3) (Renumbered from Paragraph 2, SG No. 63/2006) Refunded shall be the excise duty paid on alcohol and alcoholic beverages where used for production of:

1. vinegar falling within CN code 2209;

2. (supplemented, SG No. 105/2006, amended, SG No. 31/2007) medicines within the meaning of the Medicinal Products in Human Medicine Act and veterinary medical products within the Veterinary Practices Act;

3. (amended, SG No. 105/2006) flavours with alcoholic strength not exceeding 1.2 % vol used as additives to foodstuffs and soft drinks;

4. (amended, SG No. 109/2007) foodstuffs (with filling or otherwise prepared), where the alcohol and alcoholic beverages were input directly or as ingredients in semi-finished products, provided that the alcoholic strength does not exceed 8.5 litres of pure alcohol per 100 kg of the chocolates, and 5 litres of pure alcohol per 100 kg of the other foodstuffs.

(4) (Renumbered from Paragraph 3, SG No. 63/2006) Refunded shall be the excise duty paid on alcohol and alcoholic beverages where used:

1. for medical treatment purposes in medical establishments and pharmacies;
2. as samples for analysis, for necessary production tests, or for scientific purposes;
3. for scientific research;
4. in a manufacturing process provided that the finished product does not contain alcohol.

(5) (New, SG No. 105/2006) Refunded shall be the excise duty paid on flavours with alcoholic strength exceeding 1.2% vol used as additives in the production of foodstuffs and soft drinks with alcoholic strength not exceeding 1.2 % vol.

(6) (Renumbered from Paragraph 4, amended, SG No. 63/2006, renumbered from Paragraph 5, amended, SG No. 105/2006) The excise duty paid under Paragraphs 2 to 5 shall be refunded after the sale of the manufactured products referred to in Paragraphs 2, 3 and 5 or, respectively, after the use thereof under Paragraph 4.

Article 23. (Effective 1.07.2006 - SG No. 91/2005, amended, SG No. 105/2006) (1) The excise duty paid by the persons under Article 76a, Paragraph 4 shall be refunded where the following conditions obtain simultaneously:

1. the persons have fulfilled their obligations under Article 76b;
2. the persons have the third copy of the simplified accompanying document, certified by the recipient in the other Member State;
3. (repealed, SG No. 109/2007).

(2) Refund under Paragraph 1 shall be carried out by filing a written request for excise duty refund to the competent customs authority under Article 76b, Paragraph 1, item 1.

(3) Attached to the request under Paragraph 2 shall be documents set out in the

implementing regulation to this Act.

(4) The head of the competent customs authority shall, within 30 days from receipt of the request and the required documents, issue a motivated decision granting or refusing to grant the request, in whole or in part.

(5) The decision under Paragraph 4 may be appealed under the procedure of the Tax and Social-Insurance Procedure Code.

Article 24. (Effective 1.07.2006 - SG No. 91/2005) (1) Exempt from excise duty shall be the energy products:

1. (amended, SG No. 94/2010, effective 1.01.2011) for filling aircraft and vessels with fuel (including for fishing), unless used for private pleasure flying and sailing, in accordance with the terms and procedure laid down in the implementing regulation to this Act;

2. (amended, SG, No. 105/2006, supplemented, SG No. 106/2008, effective, 1.01.2009, amended, SG No. 44/2009) in standard tanks of motor vehicles and in containers for special use - upon the entry of the vehicles in the territory of the country;

3. (new, SG No. 105/2006) with CN codes 2710 11 21, 2710 11 25 and 2710 19 29 - in consumer packages of up to 3 litres within the meaning of the Consumer Protection and Rules of Trade Act;

4. (new, SG No. 105/2006, amended, SG No. 95/2009, effective 1.12.2009) with CN codes 2705, 2707 40, 2707 60, from 2707 99 30 to 2708 20, 2712, 2713, 2714, 2715 from 2902 50 to 2902 90, 3403, 3811 21, 3811 29 where used for purposes other than as motor fuel or heating fuel.

(2) Exempt from excise duty shall be energy products:

1. (amended, SG No. 63/2006) with dual use for purposes;

2. used for injection into blast-furnaces for the purposes of chemical reduction as additive to carbonates used as basic fuel;

3. (amended, SG, No. 105/2006) used in production of electricity;

4. (new, SG No. 63/2006) used for purposes other than as motor fuel and heating fuel.

5. (new, SG No. 105/2006) used in mineralogical processes;

6. (new, SG No. 105/2006) used in a tax warehouse for production of energy products provided that the energy products used are produced in the same tax warehouse.

(3) (Supplemented, SG No. 106/2008, effective, 1.01.2009, SG No. 95/2009, effective 1.12.2009, amended SG No. 55/2010, effective 20.07.2010, SG No. 94/2010, effective

1.01.2011) Exemption under Paragraph 2, items 1 - 5 shall apply only to excise-exempt end users.

(4) The procedure for exemption and issuance of certificates to end users shall be determined by implementing regulation to this Act.

(5) The Customs Agency shall keep a register of the certificates issued under Paragraph 4.

(6) The form and content of the register under Paragraph 5 shall be determined by the implementing regulation to this Act.

(7) (New, SG No. 95/2009, effective 1.12.2009) The effect of the certificate under Paragraph 4 shall be terminated by a decision of the head of the competent customs authority, which shall be subject to preliminary execution, unless the court orders otherwise. Termination shall take place in accordance with the terms and procedure laid down in the implementing regulation to this Act.

(8) (New, SG No. 95/2009, effective 1.12.2009) The decision under Paragraph 7 may be appealed under the Administrative Procedure Code.

Article 24a. (New, SG, No. 105/2006) (1) Excise duty paid on electricity shall be refunded:

1. to persons using electricity for chemical reduction or in electrolytic, metallurgical or mineralogical processes;

2. to persons using electricity in the manufacture of products, provided that the cost of the electricity accounts for more than 50 per cent of the cost of the product;

3. to licensed railway carriers and railway infrastructure managers - for traction and non-traction electricity used by them in the conduct of their business.

(2) The refund under Paragraph 1 shall be made on the basis of a written request, to be submitted by 30 April in the year following the use of electricity under Paragraph 1.

(3) The request under Paragraph 2 shall be filed to the head of the customs authority by domicile of the persons under Paragraph 1.

(4) Enclosed to the request shall be documents set out in the implementing regulation to this Act.

(5) (Supplemented, SG No. 95/2009, effective 1.12.2009) The head of the competent customs authority shall, within 30 days from receipt of the request and the required documents, issue a motivated decision granting or refusing to grant the request, in whole or in part. Upon established incompleteness or irregularities in the submitted documents the head of the competent customs authority shall set a 14-day term for their removal and until expiry of such term the term for issue of a decision under sentence one shall cease running.

(6) The decision under Paragraph 5 may be appealed under the procedure of the Tax and Social-Insurance Procedure Code.

(7) The excise duty shall be refunded within 14 days from the date of issue of the decision under Paragraph 5.

Article 25. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006, amended and supplemented, SG No. 95/2009, effective 1.01.2010) Until release for consumption of excisable goods licensed warehouse keepers and registered persons shall be exempt from excise duty upon:

1. (amended, SG No. 109/2007, SG No. 55/2010, effective 20.07.2010) destruction of excisable goods under the control of customs authorities, including where said goods are affixed with excise label, as well as upon retirement or destruction of excise labels under the terms of Article 27, Paragraphs 7 and 8;

2. shortages and irrecoverable loss of excisable goods as a result of force majeure, including where said goods are affixed with excise label;

3. losses from natural wastage resulting from changes in the physical and chemical properties during storage and transportation of excisable goods, within normal limits, corresponding to established allowances for maximum natural wastage according to the regulation under Paragraph 2;

4. (supplemented, SG No. 109/2007) technological rejects of excisable goods within the admissible norms laid down in the technological documentation for the relevant production or activity.

(2) The norms for maximum natural wastage of excisable goods shall be determined by an ordinance of the Minister of Finance.

(3) (New, SG No. 94/2010, effective 1.01.2011) The terms and procedure for destruction of excisable goods under Paragraph 1, item 1 shall be laid down in the implementing regulation to this Act.

Article 25a. (New, SG 24/2009, effective 31.03.2009, repealed, SG No. 55/2010, effective 20.07.2010)

Article 25b. (New, SG No. 94/2010) (1) The destruction of unfit for the production of tobacco products raw materials (unprocessed tobacco), stored in a tax warehouse, is allowed.

(2) Destruction under Paragraph 1 shall be performed under the supervision of the customs authorities under the terms and procedure laid down in the implementing regulation to this Act.

Article 26. (Effective 1.07.2006 - SG No. 91/2005) (1) (Renumbered from Article 26, amended, SG No. 105/2006) In the cases of export of excisable goods the excise duty paid to the

republican budget shall be refunded.

(2) (New, SG No. 105/2006) Except for the cases of Article 24, Paragraph 1, item 1, supply of energy products for feeding of vessels and aircraft shall be considered export and the excise duty secured/paid on the goods shall be released/refunded according to a procedure and within time limits set out in the implementing regulation to this Act. This shall not apply to vessels and aircraft used for sports, pleasure or private purposes.

(3) (New, SG No. 55/2010, effective 20.07.2010, repealed, SG No. 94/2010, effective 1.01.2011).

Article 27. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 94/2010, effective 1.01.2011) Undue but paid excise duty or excise duty subject to refunding shall be refunded or offset for repayment of due and payable obligations of the person, collected by the Customs Agency on the basis of a written request or at the initiative of the customs authorities.

(2) (Amended, SG No. 94/2010, effective 1.01.2011) The request under Paragraph 1 shall be filed to the head of the customs authority by domicile of the person or by location of the tax warehouse where the person is a licensed warehouse keeper, or to the competent customs authority that has issued the registration certificate, Enclosed to the request shall be the documents laid down in the implementing regulation to this Act.

(3) (Amended and supplemented, SG No. 94/2010, effective 1.01.2011) The authority under Paragraph 2, within 30 days from receipt of the request, removal of irregularities respectively, shall make a motivated decision on granting or refusing to grant the request - in whole or in part - and shall either refund or offset the amount subject to refund. The time limit for making a decision in the cases of Article 26 shall be 14 days. Where no decision has been issued, this shall be deemed as a silent refusal of the request in whole.

(4) (Amended, SG No. 105/2006, SG No. 95/2009, effective 1.12.2009, SG No. 55/2010, effective 20.07.2010) The decision or refusal under Paragraph 3 may be appealed before the director of the Customs Agency, who shall issue a decision on the claim within 45 days of receipt thereof. If no decision is issued within the said time limit, this shall be deemed as confirmation in whole of the decision in the appealed Article. The decision or absence of a decision of the director of the Customs Agency may be appealed under the Tax Insurance Procedure Code.

(5) The excise duty shall be refunded within 14 days from entry into force of the statement of refunding.

(6) (Amended, SG No. 105/2006) Excise labels ordered and received by the persons under Article 64, Paragraphs 1, 2 and 3 may be returned to the competent customs authority, provided that said excise labels have not been affixed on bottled beverages or tobacco products, and a written statement of ascertainment shall be executed, indicating the type, issue or serial number, total number, consecutive numbering as well as other specific features typical of respective excise labels.

(7) (New, SG No. 105/2006, SG No. 55/2010, effective 20.07.2010) Excise labels that have

become defective in the process of production of tobacco products and bottled alcoholic beverages shall be retired by a bilaterally signed protocol between the persons under Article 64 and the competent customs authority and shall be handed over to the latter under the procedure and in the manner set out in the implementing regulation to this Act.

(8) (New, SG No. 105/2006, amended, SG No. 55/2010, effective 20.07.2010) Where excisable goods under excise duty suspension arrangement cannot be released for consumption due to non-conformity with normative requirements or technical or quality standards of the manufacturer, including consumer packagings, the excise labels affixed on the packages shall be retired under the procedure and in the manner set out in the implementing regulation to this Act.

(9) (Renumbered from Paragraph 7, amended, SG No. 105/2006, repealed, SG No. 55/2010, effective 20.07.2010).

(10) (New, SG No. 105/2006, repealed, SG No. 55/2010, effective 20.07.2010).

(11) (New, SG No. 95/2009, effective 1.12.2009, repealed, SG No. 55/2010, effective 20.07.2010).

(12) (New, SG No. 55/2010, effective 20.07.2010) Retired excise labels under Paragraphs 7 and 8 shall be destroyed by the customs authorities under the procedure and in the manner set out in the implementing regulation to this Act.

Section III

Tax Base

Article 28. (Effective 1.07.2006 - SG No. 91/2005) The tax base for excise duty purposes shall be as follows:

1. for beer - the number of hectolitres for Plato degrees;
2. for wine - the number of hectolitres per finished product;
3. for other fermented beverages - the number of hectolitres per finished product;
4. for intermediate products - the number of hectolitres per finished product;
5. for ethyl alcohol - the number of hectolitres of pure alcohol measured at a temperature of 20 °C;
6. for petrol, gas oil and kerosene - the number of litres recalculated to a comparative temperature of 15°C;
7. (amended, SG No. 95/2009, effective 1.12.2009) for fuel oils, liquefied petroleum gas (LPG), lubricating oils falling within CN codes 2710 19 71 to 2710 19 93 and other lubricating oils falling within CN code 2710 19 99 - the quantity measured in tons;

8. for natural gas - calorific capacity measured in gigajoules;

9. (repealed, SG No. 109/2007);

10. for cigars and cigarillos - the quantity of units per product;

11. (supplemented, SG No. 81/2006) for biodiesel and bioethanol - the quantity of litres recalculated to a comparative temperature of 15 °C;

12. (new, SG No. 105/2006, amended, SG No 109/2007) for coke and coal - the highest calorific capacity measured in gigajoules;

13. (new, SG No. 105/2006) for electricity - the quantity measured in megawatt hours.

Article 29. (Effective 1.07.2006 - SG No. 91/2005) (1) Excise duty on tobacco shall be calculated as a sum of a specific excise duty and a proportional excise duty. The tax base for calculating the specific excise duty on cigarettes shall be the quantity of units per product and of the proportional excise duty, the selling price.

(2) (Amended, SG No. 95/2009, effective 1.01.2010) The tax base for charging excise duty on smoking tobacco (for pipe and cigarettes) shall be the quantity of smoking tobacco measured in kilograms.

(3) (Amended, SG No. 95/2009, effective 1.01.2010) The selling price under Paragraph 1 shall be:

1. (amended, SG No. 105/2006) the price registered according to the prevailing established procedure under Article 20, Paragraph 2, items 1 - 5, 8 and 9;

2. (amended, SG No. 95/2009, effective 1.01.2010) the price written on the excise label - in the cases under Article 20, Paragraph 2, item 6;

3. (amended, SG No. 105/2006) the price registered according to the established procedure at the time of placing the goods under excise duty suspension arrangement respectively, except for the cases under Item 4;

4. (amended, SG No. 105/2006) the price registered according to the established procedure at the time of placing the goods under excise duty suspension arrangement or temporary storage respectively;

5. (amended, SG No. 105/2006, SG No. 95/2009, effective 1.01.2010) the price fixed in the implementing regulation to this Act - in the cases where no selling price for the respective cigarette brand under Paragraph 1 has been registered according to the established procedure;

6. (amended, SG No. 105/2006) the price registered or laid down in the regulation at the time of supervisory authorities establishing violations under Chapter Nine.

Article 30. (Effective 1.07.2006 - SG No. 91/2005, repealed, SG No. 44/2009, effective 1.01.2010).

Section IV Excise Rate

Article 31. (Effective 1.07.2006 - SG No. 91/2005) Excise rates on alcohol and alcoholic beverages shall be:

1. (supplemented, SG No. 106/2008, effective, 1.01.2009) for beer - BGN 1.50 per 1 hectolitre of Plato degree, except for the cases envisaged in item 7;
2. for wine - BGN 0 per 1 hectolitre;
3. for other fermented beverages - BGN 0 per 1 hectolitre of finished product;
4. for intermediate products - BGN 90 per 1 hectolitre of finished product;
5. for ethyl alcohol - BGN 1,100 per 1 hectolitre of pure alcohol;
6. (amended, SG No. 105/2006) for ethyl alcohol (rakiya) produced in a specialized small distillery - BGN 550 per 1 hectolitre of pure alcohol.
7. (new, SG No. 106/2008, effective 1.01.2009) for beer produced by independent small breweries - BGN 0.75 per 1 hectolitre of Plato degree,

Article 32. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006) Excise rates on motor fuels shall be as follows:

1. for leaded petrol falling within CN codes 2710 11 31, 2710 11 51, and 2710 11 59 - BGN 830 per 1,000 litres;
2. (Amended, SG No. 109/2007, amended SG No. 94/2010, effective 1.01.2011) for unleaded petrol falling within CN codes 2710 11 31, 2710 11 41, 2710 11 45, and 2710 11 49 - BGN 710 per 1,000 litres;
3. (Amended, SG No. 109/2007, amended SG No. 94/2010, effective 1.01.2011) for gas oil falling within CN codes 2710 19 41 through 2710 19 49 - BGN 615 per 1,000 litres;
4. (Amended, SG No. 109/2007, SG No. 106/2008, effective 1.01.2009, SG No. 95/2009, effective 1.01.2010) for kerosene falling within CN codes 2710 19 21, and 2710 19 25 - BGN 615 per 1,000 litres;
5. for liquefied petroleum gas (LPG) falling within CN codes 2711 12 11 through 2711 19 00, including energy products falling within CN codes 2901, 2711 29, from 2902 11 through

2902 44 - BGN 340 per 1,000 kilograms;

6. for natural gas falling within CN codes 2711 11 00, and 2711 21 00 - BGN 0 per 1 gigajoule;

7. (supplemented, SG No. 109/2007, amended, SG No. 95/2009, effective 1.12.2009, repealed, SG No. 55/2010, effective 20.07.2010).

8. (New, SG No. 109/2007, effective upon issuance of positive decision by the European Commission, amended SG No. 94/2010, effective 1.01.2011) for lead free petrol falling within CN codes 2710 11 31, 2710 11 41, 2710 11 45 and 2710 11 49, where the content of bioethanol falling within CN code 2207 20 00 and conforming to the requirements of Article 26 of the Renewable and Alternative Energy Sources and Biofuels Act is from 4 to 5 percent volume inclusive - BGN 688 per 1,000 litres.

9. (New, SG No. 109/2007, effective upon issuance of positive decision by the European Commission, amended SG No. 94/2010, effective 1.01.2011) for gas oil falling within CN codes from 2710 19 41 to 2710 19 49, where the content of biodiesel falling within CN code 3824 90 99 and conforming to the requirements of Article 26 of the Renewable and Alternative Energy Sources and Biofuels Act is from 4 to 5 percent volume inclusive - BGN 596 per 1,000 litres;

10. (new, SG No. 95/2009, effective 1.12.2009) for heavy ship fuels falling within CN codes from 2710 19 61 to 2710 19 69 - BGN 600 per 1,000 kg.

(2) (Amended, SG No. 63/2006, No. 81/2006, No. 105/2006, repealed, SG No. 95/2009, effective 1.01.2010).

(3) (New, SG No. 63/2006, repealed, SG No. 95/2009, effective 1.01.2010).

(4) (New, SG No. 63/2006, amended, SG No. 36/2008, repealed, SG No. 95/2009, effective 1.01.2010).

(5) (New, SG No. 63/2006, amended, SG No 109/2007, repealed, SG No. 95/2009, effective 1.01.2010).

(6) (New, SG No. 63/2006, repealed, SG No. 95/2009, effective 1.01.2010).

(7) (New, SG No. 105/2006, amended, SG No 109/2007, SG No. 95/2009, effective 1.01.2010) The excise rate on energy products falling within CN codes 2710 11, other than those under Paragraph 1, as well as for energy products falling within CN codes 2707 10, 2707 20, 2707 30, 2707 50, 2709 shall be BGN 685 per 1,000 litres.

(8) (New, SG No. 105/2006, amended, SG No 109/2007, SG No. 95/2009, effective 1.01.2010) The excise rate for energy products falling within CN codes 2710 19, other than those under Paragraph 1, shall be BGN 600 per 1,000 litres.

(9) (New, SG No. 105/2006, amended, SG No 109/2007) The excise rate on energy

products intended for use as additives or extenders to motor fuels shall be the rate under Items 2 - 5 of Paragraph 1 depending on the type of the fuel to which they refer. Where the type of fuel for which they are intended cannot be determined, the rate for them shall be BGN 685 per 1,000 litres.

Article 33. (1) (Amended, SG No. 63/2006, No. 105/2006) Excise rates on energy products for heating shall be as follows:

1. (effective 1.01.2009, SG No 109/2007, repealed, SG No 106/2008, effective 1.01.2009, new, SG No. 95/2009, effective 1.01.2010) for gas oil falling within CN codes from 2710 19 41 to 2710 19 49 - BGN 50 per 1,000 litres;

2. (amended and supplemented, SG No. 95/2009, effective 1.01.2010) for fuel oils falling within CN codes 2710 19 61 through 2710 19 69, for other heavy oils other than lubricants, falling within CN codes 2710 19 99 and for energy products falling within CN codes 2706, 2707 91, 2707 99 11, 2707 99 19, 2710 91, and 2710 99 - BGN 50 per 1,000 kg;

3. (effective 1.01.2009 (**)) - SG No. 108/2006, No. 109/2007) for kerosene falling within CN codes 2710 19 21 0 and 2710 19 25 - BGN 50 per 1,000 litres;

4. for liquefied petroleum gas (LPG) falling within CN codes 2711 12 11 through 2711 19 00 - BGN 0 per 1,000 kg;

5. for natural gas falling within CN codes 2711 11 00 and 2711 21 00 - BGN 0 per gigajoule;

6. (repealed, SG No. 55/2010, effective 20.07.2010);

7. (amended, SG No. 109/2007, SG No. 106/2008, effective 1.01.2009) for coal and coke falling within CN codes 2701, 2702 and 2704 - BGN 0.60 per gigajoule.

(2) The rate under Paragraph 1, item 4 shall apply to liquefied petroleum gas (LPG) in containers used for heating and household purposes and meeting the requirements laid down in the implementing regulation to this Act.

(3) (New, SG No. 95/2009, effective 1.01.2010) For the purposes of applying the rates under Paragraph 1 the excisable goods released for consumption shall be accompanied by a document according to standard form, laid down in the implementing regulation to this Act.

(4) (New, SG No. 95/2009, effective 1.01.2010) The rates under Paragraph 1 shall apply provided the person who has released the excisable goods for consumption has obtained the document under Paragraph 3, certified by the person who will use the goods for the intended purpose, except for liquefied petroleum gas (LPG) in bottles for heating, brought out from a tax warehouse to a bottle refill station.

(5) (New, SG No. 95/2009, effective 1.01.2010) The person who has released the excisable goods for consumption shall be charged for the difference between the relevant rate under Article

32, Paragraph 1 and the rate under Paragraph 1, except for the cases where the person has received the document under Paragraph 4 until the date of filing the excise declaration for the tax period.

(6) (New, SG No. 95/2009, effective 1.01.2010) Where the document under Paragraph 4 is received after the term under Paragraph 5 the person shall correct the amount of the due excise duty in accordance with the terms and procedure laid down in the implementing regulation to this Act.

Article 33a. (New, SG No. 95/2009, effective 1.12.2009) (1) (Amended, SG No. 55/2010, effective 20.07.2010) The excise rate for lubricating oils falling within CN codes from 2710 19 71 to 2710 19 93 and other lubricating oils falling within CN code 2710 19 99 shall be BGN 0 per 1,000 kg.

(2) In the cases where persons bring into the territory of the country the goods under Paragraph 1, the provisions of Article 76c, Paragraph 4, items 1, 2, 3 and 5 and Paragraph 5 shall apply.

(3) The rate under Paragraph 1 shall apply only where the goods are in consumer packings of up to 210 litres intended for sale on the territory of the country and/or will be used directly in activities other than production within the meaning of Article 59.

(4) (New, SG No. 55/2010, effective 20.07.2010) The excise rate under Paragraph 1 for lubricating oils containing gas oil as per technical specification, shall apply only if the gas oil is marked.

(5) (New, SG No. 55/2010, effective 20.07.2010) For the purpose of application of Paragraph 4, the excisable goods released for consumption shall be accompanied by a standard form document set out in the implementing regulation to this Act.

Article 34. (1) (Effective 1.07.2006, SG No. 91/2005, amended, SG No. 63/2006, SG No. 106/2008, effective 1.01.2009, supplemented, SG No. 95/2009, effective 1.12.2009, previous text of Article 34 - SG No. 55/2010, effective 20.07.2010) The rates on gas oil and kerosene under Article 33 shall apply only to marked fuel.

(2) (New, SG No. 55/2010, effective 20.07.2010) The excise rate on fuel oils under Article 33, Paragraph 1, item 2, containing gas oil as per technical specification, shall apply only if the gas oil is marked.

Article 34a. (New, SG No. 105/2006) (1) (Amended, SG No. 109/2007, SG No. 106/2008, effective 1.01.2009, SG No. 95/2009, effective 1.01.2010) The excise rate for electricity falling within CN code 2716, except for the cases of Paragraph 2, shall be BGN 2.00 per megawatt hour.

(2) The excise rate for electricity falling within CN code 2716 for consumers of electricity for household purposes within the meaning of the Energy Act shall be BGN 0 per megawatt hour.

Article 35. (Effective 1.07.2006 - SG No. 91/2005) (1) The energy products under Article 13 intended for use, offered for sale or used as heating fuel or motor fuel and for which no excise rate is fixed in Article 32, Paragraph 1 and Article 33, Paragraph 1 shall be charged at the rate set for the equivalent heating fuel or motor fuel.

(2) (Supplemented, SG No. 105/2006) Apart from the energy products under Article 13 and bioethanol, all other products intended for use, offered for sale or used as motor fuel, as additive or as extender of motor fuel shall be charged at the rate set for the equivalent motor fuel in Article 32, Paragraph 1.

(3) In addition to the energy products under Article 13 all other hydrocarbons, except peat, which are intended for use, offered for sale or used as heating fuel, shall be charged at the rate set for the equivalent heating fuel under Article 33, Paragraph 1.

Article 36. (Effective 1.07.2006 - SG No. 91/2005, SG No. 91/2005, repealed, SG No 109/2007).

Article 37. (Effective 1.07.2006 - SG No. 91/2005) The excise rate on cigars and cigarillos shall be BGN 270 per 1,000 pieces.

Article 38. (Effective 1.07.2006, amended, SG No. 95/2009, effective 1.01.2010, amended and supplemented, SG No. 94/2010, effective 1.01.2011) The excise rate on smoking tobacco (for pipe and cigarettes) shall be BGN 130 per kilogram, and from 1 January 2012 shall be BGN 152 per kilogram.

Article 39. (Effective 1.07.2006 - SG No. 91/2005, amended, SG No. 105/2006, 109/2007, 106/2008, effective 1.01.2009, 95/2009, effective 1.01.2010) (1) The excise rate on cigarettes shall be:

1. of the specific excise duty - BGN 101 per 1,000 pieces;
2. of the proportional excise duty - 23 per cent of the selling price.

(2) The excise duty under Paragraph 1 shall not be less than BGN 148 per 1,000 pieces.

Article 39a. (New, SG No. 55/2010, effective 20.07.2010) Upon a change of the excise rate under Article 39, the new excise rate shall enter into force not earlier than two months after the date of promulgation of the Act in the State Gazette.

Article 40. (Effective 1.07.2006 - SG No. 91/2005, repealed, SG No. 44/2009, effective 1.01.2010).

Section V

Calculation and Payment of Excise Duty

Article 41. (Effective 1.07.2006 - SG No. 91/2005) The amount of the excise duty due

shall be calculated by multiplying the tax base by the excise rate.

Article 42. (Effective 1.07.2006 - SG No. 91/2005) In the cases under Article 20, Paragraph 2, item 5 the excise duty shall be determined and accounted for in accordance with the procedure laid down for the customs liability.

Article 43. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006) Outside the cases under Article 42 the excise duty shall be charged by:

1. (amended, SG No. 109/2007, SG No. 95/2009, effective 1.04.2010) the licensed warehouse keeper, the persons under Article 3, points 4 and 6 and the registered persons under Article 57, Article 57b, Paragraph 3, and Article 57c and Article 58c on the date it becomes due - by issuing a tax document under Article 84, Paragraph 1;

2. the registered person under Article 57a, Paragraph 1, items 1, 2 and 3 - by issuing a tax document under Article 84, Paragraph 1 under the terms of Article 84, Paragraph 3 for the goods on which the excise duty becomes due as per Article 20, Paragraph 2, items 15, 16, 17 and 18;

3. the registered person under Article 57a, Paragraph 1, items 1 and 2 - on the date of establishing the shortage under Article 20, Paragraph 2, item 8 by issuing a tax document under Article 84, Paragraph 1.

4. (new, SG No. 95/2009, effective 1.12.2009) the persons under Article 60a, Paragraph 2 - on the date on which testing or examination ends.

(2) The persons under Paragraph 1 shall declare the excise duty charged for the tax period by filing an excise declaration.

(3) The tax period shall cover one month and shall coincide with the calendar month.

(4) The first tax period shall cover the time from the date of submitting the license or the certificate of registration under this Act until the last day of the calendar month in which licensing or registration is made.

(5) The last tax period shall cover the time from the beginning of the calendar month in which the license was terminated until the date of termination thereof.

Article 44. (Effective 1.07.2006 - SG No. 91/2005) (1) The excise duty due shall be paid to the republican budget as follows:

1. (amended, SG No. 105/2006) in the cases under Article 20, Paragraph 2, item 5 - to the account or in cash at the tills of the competent customs authority by the importer within the time limits for payment of the customs liability laid down in the Customs Act where the debtor is a natural person other than a sole trader;

2. (amended, SG No. 105/2006) in the cases under Article 20, Paragraph 2, item 5 - to the account of the competent customs authority by the importer within the time limits for payment of

the customs liability laid down in the Customs Act;

3. (new, SG No. 105/2006) in the cases under Article 20, Paragraph 2, items 12 and 13 - to the account of the competent customs authority by permanent address, domicile respectively, by the person who is the recipient of the goods, within 14 days from their receipt;

4. (new, SG No. 105/2006) in the cases under Article 20, Paragraph 2, item 19 - to the account of the competent customs authority by the excise- exempt end user within 14 days from use of the energy products for purposes other than those specified in the certificate;

5. (new, SG No. 105/2006, repealed SG No 44/2009, effective 1.01.2010);

6. (renumbered from item 3, SG No. 105/2006) in all other cases - to the account of the competent customs authority by the licensed warehouse keeper or the registered person within the time limit for filing the excise declaration.

7. (new, SG No. 95/2009, effective 1.12.2009) in the cases under Article 60a - within 14 days from issue of the excise tax document to the account of the competent customs authority by location of the unit, except where excisable goods are destroyed under the control of customs authorities.

(2) The excise duty may furthermore be paid by a person other than the person under Paragraph 1 with the written consent of the debtor.

(3) The excise duty shall be deemed to have been paid to the republican budget as from the date on which the amount is received on the account or at the tills of the competent customs authority under Paragraph 1.

(4) Where the excise duty has not been paid to the republican budget within the time limits set forth under this Article, the person obligated to pay it shall be the person under Paragraph 1.

(5) The customs authorities shall authorize release of the goods after payment or securing of the excise duty due according to the procedure laid down for the customs liability.

(6) (New, SG No. 109/2007, amended, SG No. 94/2010, effective 1.01.2011) In the cases under Article 64, Paragraph 2 the competent customs authority under Paragraph 1, item 2 shall be the customs authority, where the persons have applied for excise labels. This customs authority shall release the security provided by the importer subject to confirmation of payment of the excise duty to the republican budget by the customs authority where the import clearance is performed.

Article 45. (Effective 1.07.2006, amended, SG No. 109/2007, repealed, SG No. 55/2010, effective 20.07.2010).

Chapter Four

EXCISE DUTY SUSPENSION ARRANGEMENT

Section I

General Provisions

Article 46. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006) Under excise duty suspension arrangement within the meaning of this Act excise taxation of goods shall be suspended temporarily on their production, bringing or importation into the territory of the country.

(2) Excise duty suspension arrangement shall be applied by a licensed warehouse keeper for:

1. production of excisable goods in a tax warehouse;
2. storage of excisable goods in a tax warehouse;
3. movement of excisable goods.

(3) Excise duty suspension arrangement shall not apply to the other tax liabilities of the person subject to taxation.

Section II

Licensing

Article 47. (1) (Renumbered from Article 47, SG No. 105/2006) A licensed warehouse keeper may be a person who:

1. (amended, SG No. 105/2006) is a trader within the meaning of the Commerce Act or the legislation of another Member State or a country which is a signatory to the European Economic Area Agreement as well as a legal person set up on the grounds of a normative act - where the person is a producer of excisable goods, or is an equity commercial company with registered and fully paid-in capital of not less than BGN 500,000 - in the cases where the person is not a producer of excisable goods;

2. is not undergoing bankruptcy proceedings or liquidation;

3. is represented by persons who:

a) have not been convicted of a crime of general nature;

b) have not been members of a managing or controlling body or unlimited liability partners in a company dissolved by insolvency, if unsatisfied creditors have remained;

4. has no due and payable customs liabilities, tax liabilities and compulsory social security liabilities;

5. (amended, SG No. 63/2006, supplemented, SG No. 95/2009, effective 1.12.2009) has not committed a grave or repeated violation under this Act, except for the cases where the administrative penal proceedings have ended with the conclusion of an agreement;

6. has been granted a license or permit or have been registered to conduct the activity where this is provided for by another law;

7. (supplemented, SG No. 95/2009, effective 1.12.2009) has own or rented premises for carrying out the activities under Article 46, Paragraph 2, which meet the security and control requirements laid down in the implementing regulation to this Act, where excisable goods will be received and unloaded;

8. uses automated reporting systems, allowing real-time control on raw materials, excisable goods produced or stored and ensuring that the person is capable of meeting the requirements of the arrangement.

9. (new, SG No. 95/2009, effective 1.12.2009) provides to customs authorities autonomously and at his expense Internet access to the full functionality for inspection of the automated reporting systems under item 8;

10. (new, SG No. 95/2009, effective 1.12.2009) uses measuring instruments and controlling, conforming to the requirements of this Act, the Measurements Act and the implementing regulations thereof.

(2) (New, SG No. 105/2006) Traders within the meaning of the legislation of another Member State or a country which is a signatory to the European Economic Area Agreement shall carry out activity as a licensed warehouse keeper through a branch in the Republic of Bulgaria.

Article 48. (1) To obtain a license for management of a tax warehouse a written application shall be filed to the Director of the Customs Agency, which shall contain:

1. description of the operations to be performed in the tax warehouse;

2. (supplemented, SG No. 95/2009, effective 1.12.2009) the type of excisable goods with CN codes to be produced or stored;

3. annual projected volume of excisable goods produced and/or stored under excise duty suspension arrangement according to the business plan under Paragraph 2, item 13;

4. annual projected volume of movement of excisable goods under excise duty suspension arrangement;

5. (supplemented, SG No. 105/2006) description of the systems under Article 47, Paragraph 1, item 8;

6. exact location, description and intended use of the tax warehouse premises;

7. type of security to be provided;

8. (supplemented, SG No. 95/2009, effective 1.12.2009) names of employees authorized to sign accompanying administrative documents/electronic administrative documents.

9. (new, SG No. 55/2010, effective 20.07.2010) exact location of the place of direct supply.

(2) The following documents shall be attached to the application under Paragraph 1:

1. (amended, SG, No. 34/2006, supplemented, SG No. 95/2009, effective 1.12.2009, amended, SG No. 94/2010, effective 1.01.2011) a current status certificate - in original or a notary certified copy in the cases where the person is not re-registered under the Commercial Register Act;

2. (supplemented, SG No. 105/2006) a conviction certificate of the circumstances under Article 47, Paragraph 1, item 3, littera "a", and where the persons are non-residents - a declaration;

3. (supplemented, SG No. 105/2006) a declaration of the circumstances under Article 47, Paragraph 1, item 3, littera "b";

4. a certificate of presence or absence of tax liabilities on compulsory social security payments;

5. (supplemented, SG No. 105/2006) a declaration of the circumstances under Article 47, Paragraph 1, item 5;

6. a license, permit or registration for conducting business where this is required by law;

7. a deed of ownership or rent contract for the tax warehouse premises;

8. (supplemented, SG No. 109/2007) a current sketch of the real estate;

9. (supplemented, SG No. 95/2009, effective 1.12.2009) a layout of the tax warehouse premises with indicated location and intended purpose of the premises, facilities and containers with their volume, as well as location of measuring instruments;

10. annual financial statements for the previous years audited by a registered auditor or a specialised audit enterprise within the meaning of the Independent Financial Audit Act where the person has operated more than two years and interim financial statements prepared at the end of the month preceding the month of filing the application;

11. technical documentation for the automated reporting systems;

12. a technological scheme of the production process, input norms, maximum values of technological losses, technical specification;

13. a business plan including information about:

a) the type of excisable goods to be produced or stored in the tax warehouse;

b) the monthly average quantity of excisable goods to be stored - by type of goods and excise rates;

c) the maximum projected quantity of excisable goods that will move simultaneously under excise duty suspension arrangement - by type of goods and excise rates;

d) the production capacity for excisable goods and the maximum warehouse capacity for storage of excisable goods - by type of goods and excise rates;

(e) (repealed, SG No. 94/2010, effective 1.01.2011);

(f) (new, SG No. 94/2010, effective 1.01.2011) the monthly average projected amount of the excisable goods released for consumption - by type of goods and excise rates;

(g) (new, SG No. 94/2010, effective 1.01.2011) the monthly average projected amount of the excisable goods during movement under excise duty suspension arrangement - by type of goods and excise rates;

14. specimen of the persons under paragraph 1, item 8;

15. (new, SG No. 105/2006) a certified copy of a document verifying the uniform identification code of the person.

16. (new, SG No. 106/2008, effective, 1.01.2009) a declaration that the person is not subject to legal proceedings for insolvency or liquidation.

17. (new, SG No. 95/2009, effective 1.12.2009) annual indicative quantities of basic raw materials used in the production of excisable goods and input norms for obtaining an end-product;

18. (new, SG No. 95/2009, effective 1.12.2009) analysis of the financial condition confirmed by a registered auditor or a specialised audit enterprise within the meaning of the Independent Financial Audit Act where the person has carried out activity for more than one year.

19. (new, SG No. 55/2010, effective 20.07.2010) contract or another document with the person - recipient of energy products, in the cases of direct supply;

20. (new, SG No. 55/2010, effective 20.07.2010) layout of the place of direct supply with designated location of the devices for measuring the energy products received.

(3) One application may be filed to apply for licenses for management of more than one tax

warehouse.

(4) (New, SG No. 55/2010, effective 20.07.2010) The licensed warehouse keeper may request to receive energy products in a place or places of direct supply other than the location of the tax warehouse, under a procedure set out in the implementing regulation to this Act.

(5) (New, SG No. 55/2010, effective 20.07.2010, supplemented, SG No. 94/2010, effective 1.01.2011) The persons under Paragraph 4 shall be obliged to use measuring and controlling devices meeting the requirements of Article 103a, in the place of direct supply.

Article 49. (1) (New, SG No. 105/2006) Where the conditions for granting a license for management of tax warehouse are fulfilled and the documents submitted meet the requirements, the authority under Article 48, Paragraph 1 shall issue a decision on the application within one month from filing thereof.

(2) (Renumbered from Paragraph 1, SG No. 105/2006) Where the documents submitted under Article 48, Paragraph 2 do not meet the requirements or the information provided is insufficient, the authority under Article 48, Paragraph 1 shall notify the applicant within 14 days from receipt of the application and shall set a time limit to remove irregularities or provide additional information within 14 days from receipt of the notification.

(3) (Renumbered from Paragraph 2, amended SG No. 105/2006) Within the time limit under Paragraph 1 the applicant shall remove any irregularities or submit additional required information and upon failure to fulfil this obligation the authority under Article 48, Paragraph 2 shall refuse granting the requested license.

(4) (Renumbered from Paragraph 3, amended SG No. 105/2006) After removal of the irregularities or provision of the required additional information the authority under Article 48, Paragraph 1 shall consider the application and the documents attached thereto and shall issue a decision on the application.

Article 50. (1) (Amended, SG No. 105/2006) Within the time limits under Article 49 the Director of the Customs Agency shall issue a license for management of a tax warehouse for production and/or storage of excisable goods or a motivated refusal.

(2) A separate license shall be issued for every individual tax warehouse.

(3) The license issued or the refusal for issuing a license may be appealed under the Administrative Procedure Code . The absence of a decision within the time limit set shall be deemed to be a refusal for issuing a license.

Article 51. (1) The license shall contain:

1. the name of the issuing body;
2. the identification number of the licensed warehouse keeper;

3. the identification number of the tax warehouse;
4. factual and legal grounds for its issuance;
5. (amended, SG, No. 34/2006, SG No. 63/2006) the company name, seat and registered address, the single identification code of the licensed warehouse keeper;
6. the address of the tax warehouse;
7. (supplemented, SG No. 95/2009, effective 1.12.2009) description of the activities to be performed in the tax warehouse and the type of excisable goods with CN codes;
8. the type and amount of security;
9. the full name and the personal identification number of the persons representing the licensed warehouse keeper as well as other persons authorized to sign accompanying administrative documents;
10. the date of issue and signature of the person issuing the license.
11. (new, SG No. 55/2010, effective 22.07.2010) the exact address of the place of direct supply.

(2) (Amended, SG No. 105/2006) The license for management of a tax warehouse shall be delivered upon presentation of the security.

(3) The right to apply excise duty suspension arrangement shall arise from the date of the license delivery.

Article 52. (1) (Renumbered from Article 52, SG No. 105/2006) The licensed warehouse keeper shall be obliged:

1. not to allow the full amount of the excise duty that has arisen or could arise upon application of the excise duty suspension arrangement to exceed the amount of the security provided;
2. notify customs authorities of any changes in the circumstances under which the license for management of the tax warehouse has been issued within 14 days of their occurrence by submitting the necessary documents;
3. ensure free access of customs authorities to all premises and the entire territory of the tax warehouse and shall ensure premises for conduct of the inspections;
4. observe all specific requirements for the production, storage and movement of excisable goods;
5. keep separate documentary records by type of activity and by type of excisable goods.

(2) (New, SG No. 105/2006) In the event of a change of the circumstances subject to recording in the license granted, the Director of the Customs Agency shall issue a decision, which shall form an integral part of the license granted and delivered.

Article 53. (1) The validity of the license for management of a tax warehouse shall be terminated:

1. (supplemented, SG No. 95/2009, effective 1.12.2009, amended, SG No. 94/2010, effective 1.01.2011) on transfer of the company of the sole trader or deregistration thereof or on dissolution of the legal entity, except for transformation through a change of the legal status;

2. at a written request of the licensed warehouse keeper;

3. on revocation of the license.

(2) The license for management of a tax warehouse shall be revoked where:

1. the licensed warehouse keeper no longer meets the requirements under Article 47, or

2. if within the time limits set no new security has been provided, required in the cases where a new amount of the security has been fixed or where the security is no longer valid.

(3) (Amended, SG No. 95/2009, effective 1.12.2009) The license shall be terminated by a decision of the Director of the Customs Agency, which shall be subject to preliminary execution, unless the court orders otherwise.

(4) (New, SG No. 95/2009, effective 1.12.2009) The decision under Paragraph 3 may be appealed under the Administrative Procedure Code.

Article 54. (1) A register of the licensed warehouse keepers and tax warehouses shall be kept by the Customs Agency.

(2) The register shall contain:

1. the identification number of the licensed warehouse keeper;

2. the identification number of the tax warehouse;

3. (amended, SG, No. 34/2006, SG No. 63/2006) the company name, seat and registered address, the single identification code of the licensed warehouse keeper;

4. the address of the tax warehouse;

5. the type of excisable goods that may be produced and/or stored in the tax warehouse;

6. the date of issue of the license;

7. the date of termination of the validity of the license.

(3) Subject to entry in the register shall be any subsequent changes in the circumstances under Paragraph 2.

(4) The format of the register under Paragraph 1 shall be laid down in the implementing regulation to this Act.

Article 55. Any licensed warehouse keeper shall be entitled to receive information from the registers under Article 24, Paragraph 5 and Article 54 according to a procedure laid down in the implementing regulation to this Act.

Article 55a. (New, SG No. 95/2009, effective 1.12.2009) The procedure and the documents for registration of tax warehouses as independent small breweries shall be determined by the implementing regulation to this Act.

Section III

Registration of Specialised Small Distilleries and Small Producers of Wine

Article 56. (1) Subject to compulsory registration under this Act shall be:

1. specialized small distilleries;
2. small producers of wine.

(2) The Customs Agency shall keep a register of the registered units under Paragraph 1, which shall contain the following information:

1. identification number of the unit;
2. (amended, SG, No. 34/2006, SG No. 63/2006) name, seat and registered address, the single identification code of the person;
3. address of the unit;
4. (supplemented, SG No. 95/2009, effective 1.12.2009) the type of excisable goods with CN codes that may be produced;
5. date of registration;
6. date of termination of the registration.

(3) The format of the register under Paragraph 2 shall be laid down in the implementing

regulation to this Act.

Article 57. (1) (Amended, SG No. 105/2006) The owners or tenants of a unit under Article 56, Paragraph 1 may be only persons under Article 40c of the Wine and Spirit Drinks Act.

(2) The persons under Paragraph 1 may file an application for registration of the unit to the head of the customs authority by location of the unit before commencing activity.

(3) The following shall be attached to the application under paragraph 2:

1. (amended, SG, No. 34/2006, supplemented, SG No. 95/2009, effective 1.12.2009) current status certificate - in original or a notary certified copy in the cases where the person is not re-registered under the Commercial Register Act;

2. (amended, SG, No. 81/2006) technical information on the opened and closed production units or warehouses, specifying the area and their location, full description of the technological equipment, including containers and their volume;

3. the original or a notary certified copy of a document certifying the unit's commissioning, issued in accordance with the Spatial Development Act;

4. (repealed, SG No. 105/2006);

5. (amended, SG, No. 34/2006, SG No. 63/2006) a copy of BULSTAT Register identification card, certified by the person;

6. a license, permit or registration, where this is required by law;

7. a declaration that the unit meets the requirements of Article 4, items 8 and 9;

8. a list of the full names and personal identification numbers of the persons that manage the production process (in charge of the units) and comply with the requirements of the Wine and Spirit Drinks Act and the by-laws for its implementation.

(4) Based on the application and documents attached thereto under paragraph 3, the head of the customs authority, within 14 days from submission of the documents, removal of irregularities respectively, shall issue a certificate of registration or shall refuse to issue said certificate with a motivated decision. Absence of a decision within the time limit set shall be deemed to be a refusal for issuing the act.

(5) The registered person shall notify in writing the head of the customs authority of any change in the data contained in the application within 14 days from occurrence thereof.

Section IIIa **(New, SG No. 105/2006)**

Compulsory Registration

Article 57a. (New, SG No. 105/2006) Subject to compulsory registration shall be the persons:

1. who produce, import or bring into the territory of the country coke or coal, as well as the persons who initiate transactions in coke or coal;

2. licensed under the Energy Act, who sell electricity or natural gas to consumers of electricity or natural gas for household or industrial purposes within the meaning of the Energy Act;

3. licensed under the Energy Act to produce electricity, for transfer or distribution of electricity or natural gas, for trade in electricity, for public supply of electricity or natural gas or supply of end suppliers of electricity or natural gas which use own electricity or natural gas for their own needs;

4. (amended, SG No. 95/2009, effective 1.12.2009) tax representatives of registered persons for VAT purposes in another Member State, who bring into the territory of the country excisable goods for supply under the terms of distant selling within the meaning of the Value Added Tax Act.

(2) The Customs Agency shall keep a register of the registered persons under Paragraph 1, which shall contain the following information:

1. (supplemented, SG No. 95/2009, effective 1.12.2009) name, registered address and registered office, uniform identification code of the person or the full name and personal identification number (personal number of alien);

2. types of excisable goods subject to excise duty taxation by the person;

3. date of registration and number of the certificate of registration;

4. date of deregistration and number of the decision on deregistration;

5. the competent customs authority.

(3) (New, SG No. 95/2009, effective 1.12.2009) The information under Paragraph 2, item 1 about the personal identification number (personal number of alien) shall be provided under the terms and procedure of the Personal Data Protection Act.

Article 57b. (New, SG No. 105/2006) (1) The persons under Article 57a, Paragraph 1, items 1 - 3 shall file an application for registration to the head of the customs authority by registered address and registered office before start up of activity.

(2) The persons under Article 57a, Paragraph 1, item 4 shall file an application for

registration to the head of the customs authority by permanent address, registered address and registered office of the tax representative respectively.

(3) A tax representative of a non-resident person registered for VAT purposes in another Member State may be only a capable natural person with permanent address in the country or permanently residing therein or a resident legal person which is not undergoing liquidation or is not declared in bankruptcy and has no payable and unpaid tax liabilities and liabilities for insurance contributions collected by the National Revenue Agency.

(4) The tax representative shall represent the non-resident person in all its/his tax legal relations which have arisen hereunder and shall be responsible jointly and severally and unlimitedly for the obligations of the registered non-resident person under this Act.

(5) The application under Paragraphs 1 and 2 shall contain:

1. (supplemented, SG No. 95/2009, effective 1.12.2009) current status certificate - the original or a notary certified copy in the cases where the person is not re-registered under the Commercial Register Act, if the person is subject to such registration;

2. a copy of a document certified by the person, certifying its/his uniform identification code;

3. a license, permit or registration, where this is required by law;

4. (supplemented, SG No. 95/2009, effective 1.12.2009) type of excisable goods with CN codes;

5. average monthly quantity of excisable goods supplied under the terms of distant selling;

6. the type of the security provided - for the persons under Paragraph 3.

(6) On the grounds of the application and the documents enclosed thereto under Paragraph 5 the head of the customs authority shall, within 14 days from receipt of the documents, removal of inconsistencies therein respectively, issue a certificate of registration or shall refuse to issue it by a motivated decision. Failing to issue said certificate shall be considered an express refusal of registration.

(7) Refusal of registration may be appealed under the Administrative Procedure Code.

(8) The certificate of registration under Paragraph 6 shall be delivered to the tax representative upon submission of the security under Article 83a.

(9) The registered person shall:

1. notify in writing the head of the competent customs authority of any change of the data in the application within 14 days of their occurrence;

2. keep documentation and accounting in accordance with the requirements set out in the implementing regulation to this Act.

Section IIIb **(New, SG No. 105/2006)** **Registered Consignees**

Article 57c. (New, SG No. 105/2006) (1) (Amended, SG No. 95/2009, effective 1.12.2009) A registered trader may be a person who:

1. is an equity commercial company under the Commerce Act, with registered and fully paid in capital of not less than BGN 500,000;

2. is not undergoing insolvency or liquidation proceedings;

3. is represented by persons who:

a) have not been convicted of a crime of general nature;

b) have not been members of a managing or controlling body or unlimited liability partners in a company dissolved by insolvency, if unsatisfied creditors have remained;

4. who has no liquid and due and payable customs obligations, tax obligations and obligations for compulsory social security payments;

5. (supplemented, SG No. 94/2010, effective 1.01.2011) has not committed a grave or repeated violation of this Act, except for the cases where the administrative penal proceeding has ended with the conclusion of an agreement;

6. has his own or rented premises where excisable goods will be received and unloaded;

7. uses an automated reporting system which allows on-line control of received excisable goods;

8. provides to customs authorities autonomously and at his expense Internet access to the full functionality for inspection of the automated reporting systems under item 7;

9. (supplemented, SG No. 94/2010, effective 1.01.2011) uses measuring and controlling instruments meeting the requirements of this Act, the Measurements Act and the implementing regulations thereof.

(2) (Amended, SG No. 95/2009, effective 1.12.2009) The person under Paragraph 1 shall file an application for registration to the head of the customs authority by location of the unit where excisable goods will be received and unloaded before start up of activity, which shall contain:

1. (supplemented, SG No. 95/2009, effective 1.12.2009, amended, SG No. 94/2010, effective 1.01.2011) a current status certificate - the original or a notary certified copy in the cases where the person is not re-registered under the Commercial Register Act;

2. a copy of a document certified by the person, certifying its uniform identification code;

3. a license, permit or registration, where this is required by law;

4. (amended, SG No. 95/2009, effective 1.12.2009) location and layout of the unit where the goods are received as well as a document of ownership or a rent contract for such unit;

5. (supplemented, SG No. 95/2009, effective 1.12.2009) type of excisable goods received with CN codes;

6. average monthly quantity of excisable goods supplied under excise duty suspension arrangement;

7. (supplemented, SG No. 95/2009, effective 1.12.2009) a list with the full name and the personal identification number of the persons who are authorised to sign electronic administrative documents/accompanying administrative documents and specimens of their signatures;

8. the type of the security provided;

9. (new, SG No. 95/2009, effective 1.12.2009) a conviction certificate of the circumstances under Paragraph 1, item 3, littera "a", and where the persons are non-residents - a declaration;

10. (new, SG No. 95/2009, effective 1.12.2009) a declaration of the circumstances under Paragraph 1, item 3, littera "b";

11. (new, SG No. 95/2009, effective 1.12.2009) a certificate of presence or absence of tax liabilities on compulsory social security payments;

12. (new, SG No. 95/2009, effective 1.12.2009) a declaration of the circumstances under Paragraph 1, item 5;

13. (new, SG No. 95/2009, effective 1.12.2009) a declaration that the person is not undergoing insolvency or liquidation proceedings;

14. (new, SG No. 95/2009, effective 1.12.2009) a layout of the premises with indicated location and intended purpose of the facilities and containers with their volume, as well as location of measuring instruments;

15. (new, SG No. 95/2009, effective 1.12.2009) a technical documentation for the automated reporting systems used at the unit.

(3) Where the conditions for registration are fulfilled and the documents submitted meet the

requirements, the authority under Paragraph 2 shall issue a decision on the application within one month from its receipt.

(4) Where the documents submitted under Paragraph 2 do not meet the requirements or the information provided is insufficient, the authority under Paragraph 2 shall, within 14 days from receipt of the application, notify the applicant and set a 14-day time limit for removal of inconsistencies or provision of additional information effective as from receipt of the notification.

(5) Within the time limit set under Paragraph 4, the applicant shall remove inconsistencies or provide the required additional information and should it fail to do so the authority under Paragraph 2 shall refuse to grant registration.

(6) Within one month from removal of inconsistencies or provision of the required additional information the authority under Paragraph 2 shall examine the application and the documents attached thereto and shall issue a decision.

Article 57d. (New, SG No. 105/2006) (1) In the time limits under Article 57c the head of the competent customs authority shall issue a certificate of registration to the registered consignee or shall refuse to issue it by a motivated decision. Failing to issue said certificate shall be considered a refusal of registration.

(2) Refusal of registration may be appealed under the Administrative Procedure Code.

(3) The certificate of registration shall be delivered to the person upon submission of the security under Article 83a.

(4) The right of the registered consignee to receive goods under excise duty suspension arrangement shall arise on the date of delivery of the certificate of registration.

Article 57e. (New, SG No. 105/2006) The registered consignee shall:

1. keep separate document reporting by type of excisable goods and store separately from other goods the goods received under excise duty suspension arrangement;

2. notify in writing the head of the customs authority of any change in the data in the application for registration within 14 days from its occurrence;

3. (amended, SG No. 109/2007) ensure free access of customs authorities to all premises and the entire territory of the facility and ensure them premises for conducting the checks;

4. not allow the full amount of the excise duty which has arisen or could arise upon application of the excise duty suspension arrangement exceed the amount of the security provided.

Article 58. (Amended, SG No. 105/2006) (1) (Previous Article 58, SG No. 95/2009, effective 1.12.2009) The authority under Article 57, Paragraph 2, Article 57b, Paragraphs 1 and 2, and Article 57c, Paragraph 2 shall terminate the registration:

1. at a request of the registered person, where the grounds for compulsory registration do not exist;

2. on dissolution or liquidation of the registered person;

3. at its initiative, where:

a) the registered person does not meet the requirements of this Act, or

b) the registered consignee or tax representative fails to provide a new security within the time limits set, required where a new amount of the security is stipulated or where the security is no longer valid.

(2) (New, SG No. 95/2009, effective 1.12.2009) Registration is terminated by a decision of the head of the competent customs authority, which shall be subject to preliminary execution, unless the court orders otherwise.

(3) (New, SG No. 95/2009, effective 1.12.2009) Upon a change of the circumstances subject to registration in the certificate issued, the authority under Paragraph 1 shall issue a decision which shall be an integral part of the certificate issued.

(4) (New, SG No. 95/2009, effective 1.12.2009) The decisions under Paragraphs 2 and 3 may be appealed under the Administrative Procedure Code.

Section IIIc **(New, SG No. 105/2006)** **Temporarily Registered Consignees**

Article 58a. (New, SG No. 105/2006) (1) (Amended, SG No. 95/2009, effective 1.12.2009) A right to receive one-off a specific quantity of excisable goods under excise duty suspension arrangement from a licensed warehouse keeper in another Member State shall have a person who:

1. is a trader within the meaning of the Commerce Act, who is registered under the Value Added Act and who has obtained a permit under the procedure of this Section for every single supply of excisable goods and who:

a) is not undergoing insolvency or liquidation proceedings;

b) is represented by persons who:

aa) have not been convicted of a crime of general nature;

bb) have not been members of a managing or controlling body or unlimited liability

partners in a company dissolved by insolvency, if unsatisfied creditors have remained;

2. has no due and payable customs liabilities, tax liabilities and compulsory social security liabilities;

3. (supplemented, SG No. 94/2010, effective 1.01.2011) has not committed a grave or repeated violation under this Act, except for the cases where the administrative penal proceeding has ended with the conclusion of an agreement;

4. has his own or rented premises where excisable goods will be received and unloaded;

5. uses an automated reporting system which allows on-line control of received excisable goods;

6. (supplemented, SG No. 94/2010, effective 1.01.2011) uses measuring and controlling instruments meeting the requirements of this Act, the Measurements Act and the implementing regulations thereof.

(2) (Amended, SG No. 95/2009, effective 1.12.2009) To obtain a permit the person under Paragraph 1 shall file an application to the head of the customs authority by location of the unit where excisable goods will be received and unloaded not later than 30 days before the date of receipt of the goods, which shall contain:

1. (supplemented, SG No. 95/2009, effective 1.12.2009, amended, SG No. 94/2010, effective 1.01.2011) a current status certificate - the original or a notary certified copy in the cases where the person is not re-registered under the Commercial Register Act;

2. a copy of a document certified by the person, certifying its uniform identification code;

3. a license, permit or registration, where this is required by law;

4. location and layout of the premises where the goods are received as well as a document of ownership or a rent contract for such premises;

5. (supplemented, SG No. 95/2009, effective 1.12.2009) type and quantity of excisable goods received with CN codes;

6. contract for supply of the excisable goods;

7. a company name/name and identification number of the licensed warehouse keeper - sender;

8. (supplemented, SG No. 95/2009, effective 1.12.2009) a list with the full name and the personal identification number of the persons who are authorised to sign the electronic administrative document/accompanying administrative document and specimens of their signatures;

9. (new, SG No. 95/2009, effective 1.12.2009) a conviction certificate of the circumstances under Paragraph 1, item 3, littera "b", sub-littera "aa" and where the persons are non-residents - a declaration;

10. (new, SG No. 95/2009, effective 1.12.2009) a declaration of the circumstances under Paragraph 1, item 1, littera "b", sub-littera "bb";

11. (new, SG No. 95/2009, effective 1.12.2009) a certificate of presence or absence of tax liabilities on compulsory social security payments;

12. (new, SG No. 95/2009, effective 1.12.2009) a declaration of the circumstances under Paragraph 1, item 3;

13. (new, SG No. 95/2009, effective 1.12.2009) a declaration that the person is not subject to legal proceedings for insolvency or liquidation;

14. (new, SG No. 95/2009, effective 1.12.2009) a layout of the premises with indicated location of the facilities and containers with their volume, as well as location of measuring instruments;

15. (new, SG No. 95/2009, effective 1.12.2009) a technical documentation for the automated reporting systems used at the unit.

(3) Where the conditions for registration are fulfilled and the documents submitted meet the requirements, the authority under Paragraph 2 shall determine the amount of the excise duty due and shall notify the person thereof within 7 days from their receipt.

(4) Where the documents submitted under Paragraph 2 do not meet the requirements or the information provided is insufficient, the authority under Paragraph 2 shall refuse to grant a permit within 7 days from receipt of the application. Failing to issue a decision shall be considered a refusal to issue a permit.

(5) The refusal under Paragraph 4 may be appealed under the terms of the Administrative Procedure Code.

Article 58b. (New, SG No. 105/2006) (1) Within 7 days from provision of the collateral or payment of the excise duty due the head of the competent customs authority shall issue a permit to the temporarily registered consignee= authorising the temporarily registered consignee to receive the specific quantity of excisable goods under excise duty suspension arrangement.

(2) The right of the temporarily registered consignee to receive excisable goods under excise duty suspension arrangement shall arise after the date of delivery of the permit.

Section III d

(New, SG No. 95/2009, effective 1.04.2010)

Registered Consignor

Article 58c. (New, SG No. 95/2009, effective 1.04.2010) (1) A registered consignor may be a person who:

1. is a trader within the meaning of the Commerce Act or under the laws of another Member State or a country which is a signatory to the European Economic Area Agreement and is an equity commercial company with registered and fully paid in capital of not less than BGN 500,000;

2. is not subject to insolvency or liquidation proceedings;

3. is represented by persons who:

a) have not been convicted of a crime of general nature;

b) have not been members of a managing or controlling body or unlimited liability partners in a company dissolved by insolvency, if unsatisfied creditors have remained;

4. has no liquid and due and payable customs obligations, tax obligations and obligations for compulsory social security payments;

5. (supplemented, SG No. 94/2010, effective 1.01.2011) has not committed a grave or repeated violation of this Act, except for the cases where the administrative penal proceeding has ended with the conclusion of an agreement.

(2) Traders within the meaning of the laws of another Member State or a country which is a signatory to the European Economic Area Agreement shall carry out activity as a registered consignor through a branch in the Republic of Bulgaria.

Article 58d. (New, SG No. 95/2009, effective 1.04.2010) (1) A written request shall be filed to the head of the customs authority by seat and registered office for issue of a certificate of registered consignor, which shall specify:

1. the type of excisable goods with CN codes which are to be sent;

2. average monthly quantity of the sent excisable goods under excise duty suspension arrangement;

3. the customs offices in which excisable goods will be admitted for free circulation;

4. the type of the security to be provided;

5. a list with the full names and personal identification numbers of the persons authorised to sign electronic administrative documents/accompanying administrative documents and specimens of signatures thereof.

(2) The following documents shall be attached to the request under Paragraph 1:

1. (amended, SG No. 94/2010, effective 1.01.2011) a current status certificate - the original or a notary certified copy in the cases where the person is not re-registered under the Commercial Register Act;

2. a conviction certificate of the circumstances under Article 58c, Paragraph 1, item 3, littera "a", and where the persons are non-residents - a declaration;

3. a declaration of the circumstances under Article 58c, Paragraph 1, item 3, littera "b";

4. a certificate of presence or absence of tax liabilities and liabilities on compulsory social security payments;

5. a declaration of the circumstances under Article 58c, Paragraph 1, item 5;

6. a certified copy of a document certifying the uniform identification code of the person;

7. a declaration that the person is not undergoing insolvency or liquidation proceedings.

Article 58e. (New, SG No. 95/2009, effective 1.04.2010) (1) Where the conditions for registration are fulfilled and the submitted documents meet the requirements, the authority under Article 58d, Paragraph 1 shall issue a decision on the request within one month from the date of receipt thereof.

(2) Where the submitted documents under Paragraph 1 do not meet the requirements or the presented information is incomplete, the authority under Article 58d, Paragraph 1 shall, within 14 days from receipt of the request, notify the applicant and shall fix a term for removal of the irregularities or for provision of additional information, which term shall start running from the day of receipt of the notification.

(3) Within the term fixed under Paragraph 2 the applicant shall remove irregularities or provide the required additional information and on failure to fulfil this obligation the authority under Article 58d, Paragraph 1 shall refuse registration.

(4) Within one month from removal of irregularities or provision of the required additional information the authority under Article 58d, Paragraph 1 shall examine the request and the documents attached thereto and shall issue a decision thereon.

Article 58f. (New, SG No. 95/2009, effective 1.04.2010) (1) Within the time limits under Article 58e the head of the competent customs authority shall issue a certificate of registered consignor or shall refuse registration with a motivated decision. Absence of a decision within the time limit set shall be deemed as a refusal of registration.

(2) The refusal of registration may be appealed under the Administrative Procedure Code.

(3) The certificate of registration shall be delivered to the person upon provision of the security under Article 81b.

(4) The right of the registered consignor to send excisable goods under excise duty suspension arrangement shall arise from the date of delivery of the certificate of registration.

Article 58g. (New, SG No. 95/2009, effective 1.04.2010) The registered consignor shall:

1. keep separate documentary reporting for the excisable goods under excise duty suspension arrangement;

2. notify in writing the head of the customs authority of any change of the data in the request for registration within 14 days from occurrence thereof;

3. not allow the total amount of the excise duty, which has arisen or which could arise when applying the excise duty suspension arrangement, exceed the amount of the provided security.

Article 58h. (New, SG No. 95/2009, effective 1.04.2010) (1) The authority under Article 58d, Paragraph 1 shall terminate the registration:

1. at the request of the registered person;

2. upon dissolution or liquidation of the registered person;

3. at its initiative where:

a) the registered person does not meet the requirements of this Act; or

b) the registered consignor fails to provide within the time limits set a new security required in the cases where a new amount of the security is determined or where the security is no longer valid.

(2) The registration shall be terminated by a decision of the head of the competent customs authority, which shall be subject to preliminary execution, unless the court orders otherwise.

(3) The decision under Paragraph 2 may be appealed under the Administrative Procedure Act.

Section IV

Production of Excisable goods

Article 59. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 63/2006, amended, SG No. 95/2009, effective 1.12.2009) Production of alcohol, alcoholic beverages and tobacco products shall be any processing and reprocessing of any type of raw materials, as a result of which excisable goods are produced or packaged.

(2) (New, SG No. 95/2009, effective 1.12.2009) Processing of energy products shall be:

1. extraction of oil and natural gas;
2. reprocessing or refining of oil or bitumen minerals, natural gas and other carbon nitrogens in gaseous form aimed at production of energy products;
3. other processing or reprocessing which requires available technological installation for production of energy products for which a specific excise rate is determined;
4. filling of liquefied petroleum gas (LPG) in bottles intended for use as fuel for heating;
5. packaging and re-packaging of energy products.

(3) (Amended, SG No. 109/2007, repealed, SG No. 44/2009, effective 1.01.2010).

(4) (New, SG No. 55/2010, effective 20.07.2010) An activity shall not be considered production of energy products wherein energy products are used outside a manufacturing enterprise or a tax warehouse together with other products or other materials, provided that:

1. the excise duty on the components has been already paid, and
2. the amount paid is not less than the amount that would be due on the end product obtained from the components.

(5) (Amended, SG No. 105/2006, renumbered from Paragraph 2, SG No. 95/2009, effective 1.12.2009, renumbered from Paragraph 4, SG No. 55/2010, effective 20.07.2010) Production of excisable goods shall furthermore be considered the production of goods which contain ethyl alcohol exceeding 1.2% vol (1% mas), intended by their characteristics for consumption as food and drinks or as additives in the production of food or drinks;

Article 60. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006, supplemented, SG No 109/2007, amended, SG No. 95/2009, effective 1.12.2009, supplemented, SG No. 94/2010, effective 1.01.2011) Production under Article 59, except for extraction of natural gas, shall be carried out only in a tax warehouse for manufacture and storage.

(2) Alcoholic beverages falling within CN code 2208 (rakiya) may be produced in registered specialized small distilleries as well.

(3) Wine may be produced in registered units of small producers of wine as well.

(4) (Amended, SG No. 105/2006) Paragraphs 1 and 3 shall not apply to the production of wine and other fermented beverages from fruits and grapes - own production - intended only for personal consumption of the natural person or his family.

(5) (Repealed, SG No. 63/2006).

(6) (Repealed, SG No. 63/2006).

(7) (New, SG No. 109/2007, repealed, SG No. 95/2009, effective 1.12.2009).

Article 60a. (New, SG No. 95/2009, effective 1.12.2009) (1) Excisable goods may be produced outside a tax warehouse only in the cases where such production is related to testing or examination of machines, facilities or installations.

(2) For the purposes of Paragraph 1 the persons who will carry out testing or examination shall send in advance a notification to the competent customs authority by location of the unit to ensure the presence of a customs officer.

(3) Testing or examination under Paragraph 1 shall be carried out in the presence of a customs officer and in accordance with the terms and procedure laid down in the implementing regulation to this Act.

(4) Due excise duty shall be paid on excisable goods produced during the testing or examination or they shall be destroyed under the control of customs authorities.

Article 61. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 95/2009, effective 1.12.2009) Producers of goods under Article 2 shall use in production measuring and controlling instruments meeting the requirements of this Act, the Measurements Act and the implementing regulations thereof.

(2) (Repealed, SG No. 95/2009, effective 1.12.2009).

Article 62. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 109/2007) For every batch produced the producers of petrol, gas oil, kerosene, biodiesel and bioethanol shall:

1. (supplemented, SG No. 95/2009, effective 1.12.2009) determine the volume in litres by means of measuring instruments and controlling, conforming to the requirements of this Act, the Measurements Act and the implementing regulations thereof;

2. issue analysis certificate, containing the indicator of density (in kg/m³) at 15°C.

(2) (Supplemented, SG No. 95/2009, effective 1.12.2009) In case of importation or bringing of goods under Paragraph 1 the analysis certificate under Paragraph 1, item 2 shall be submitted for each batch.

(3) The volume shall be recalculated to a comparative temperature of 15 °C by measuring the weight in kilograms and recalculating it in litres based on the density at a temperature of 15 °C.

(4) The density at 15 °C shall be determined in accordance with the methods BDS EN ISO 3675 or BDS EN ISO 12185 and the tables under BDS ISO 91-1.

(5) The values of the initial extract content expressed in Plato degrees of bottled and draft

beer shall be certified by an analysis certificate.

Article 63. (Effective 1.07.2006 - SG No. 91/2005, SG No. 91/2005, repealed, SG No. 109/2007).

Article 64. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 44/2009, effective 1.01.2010) Producers of tobacco products and bottled alcoholic beverages falling within CN code 2208 with alcoholic content equal to and exceeding 15 % vol, intended for sale on the domestic market, shall affix excise labels on the consumer packag?. The excise label shall be affixed in the tax warehouse of the producer.

(2) The persons importing goods under paragraph 1 into the territory of the country shall ensure affixing of excise labels on the consumer package in the following manner:

1. with the producer - outside the country's territory, or

2. in a tax warehouse, or

3. (amended, SG No. 109/2007) in a bonded or customs warehouse within the meaning of the customs legislation.

(3) (New, SG No. 105/2006) The persons bringing into the territory of the country goods under Paragraph 1 from another Member State shall ensure that excise labels are affixed on the consumer package under the terms of Paragraph 2.

(4) (Renumbered from Paragraph 3, SG No. 105/2006, supplemented, SG No. 95/2009, effective 1.01.2010) The excise label shall be affixed on the consumer package in a manner displaying the information indicated thereon and ensuring that it is impossible to use the good without destroying the excise label by tearing it off.

(5) (Renumbered from Paragraph 4, SG No. 105/2006, amended, SG No. 109/2007) The excise label shall contain the series, number, other durable signs and symbols. The selling price shall also be indicated on the excise label of tobacco products. The excise labels of consumer packages of manually rolled cigars shall also indicate the number of pieces in the package, as well as their unit prices.

(6) (Renumbered from Paragraph 5, SG No. 105/2006, supplemented, SG No. 55/2010, effective 20.07.2010) The samples of excise labels shall be approved by an order of the Minister of Finance, to be promulgated in the State Gazette, not later than three months before the date of introducing the new sample of excise label.

(7) (Renumbered from Paragraph 6, SG No. 105/2006) The excise labels shall be ordered, printed, purchased, distributed and placed according to a procedure and manner determined by the Minister of Finance.

(8) (Renumbered from Paragraph 7, amended, SG No. 105/2006, SG No. 95/2009, effective 1.01.2010) The licensed warehouse keepers and the persons under Paragraphs 2 and 3 shall order

the necessary number of excise labels to the competent customs authority. Within 30 days the competent customs authority shall deliver the excise labels to the applicants in the following numbers:

1. to licensed warehouse keepers and registered traders - the number of excise labels shall not exceed the average monthly quantity of excisable goods released for consumption increased by 15 per cent, and in the cases where the person has not carried out activity, the number of excise labels shall not exceed the average monthly indicative quantity of excisable goods released for consumption and with affixed excise labels;

2. to non-registered traders - the number of excise labels shall not exceed the quantity of excisable goods specified in the licence under Article 58b;

3. to importers - the number of excise labels shall not exceed the number agreed with the non-resident person.

(9) (New, SG No. 95/2009, effective 1.01.2010) Higher number of excise labels than those determined in Paragraph 8 shall be ordered upon a decision of the head of the competent customs authority, which shall be issued within 7 days from filing a motivated request for the need of receiving excise labels above the limit set. The decision of the head of the competent customs authority or the silent refusal may be appealed under the Administrative Procedure Code.

(10) (New, SG No. 94/2010, effective 1.01.2011) Three months before the date of introduction of a new standard form of excise label the persons under Paragraph 8 may order a specific quantity of excise labels under the effective standard form, which shall not exceed the monthly average quantity of the excisable goods released for consumption and affixed with excise labels. In these cases the provisions of Paragraphs 8 and 9 shall not apply. The monthly average quantity shall be calculated by dividing the sum total of the quantities released for consumption by the person in every month of the year by 12.

(11) (New, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph 10, SG No. 94/2010, effective 1.01.2011) In the cases where the goods under Paragraph 1 will be affixed with excise labels in a tax warehouse on the territory of the country the excise labels shall be ordered only by the licensed warehouse keeper to the competent customs authority by location of the tax warehouse where the goods will be affixed with excise labels.

(12) (New, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph 11, SG No. 94/2010, effective 1.01.2011) The persons ordering excise labels shall submit to the competent customs authority a report on the excise labels received for every quarter under the terms and procedure laid down in the implementing regulation to this Act.

(13) (New, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph 12, amended, SG No. 94/2010, effective 1.01.2011) The reports on excise labels under Paragraph 12 shall be submitted within the time limit set for filing the excise declaration after expiry of the quarter following the reporting period and in case of missing excise labels an obligation for payment of excise duty shall arise.

(14) (Renumbered from Paragraph 8, SG No. 105/2006, renumbered from Paragraph 9, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph 13, SG No. 94/2010, effective 1.01.2011) Excise labels for tobacco products shall be ordered at the latest registered price according to the established procedure.

(15) (New, SG No. 109/2007, supplemented, SG No. 44/2009, effective 1.01.2010, renumbered from Paragraph 10, SG No. 95/2009, effective 1.01.2010, renumbered from Paragraph 14, SG No. 94/2010, effective 1.01.2011) The provisions of this article shall not apply in the cases under Article 21, Paragraph 1, items 1 - 6 and 14.

(16) (New, SG No. 94/2010, effective 1.01.2011) In the cases of introduction of a new standard form of excise label the licensed warehouse keepers and the persons under Paragraphs 2 and 3 may order excise labels under the new standard form not earlier than three months before the date of introduction thereof.

Section V

Storage of Excisable Goods

Article 65. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 109/2007) Warehousing of excisable goods under excise duty suspension arrangement involves placing and storage of excisable goods in a tax warehouse for storage or in a tax warehouse for manufacture and storage.

(2) In a tax warehouse may be stored excisable goods, which:

1. have been produced in the same tax warehouse;
2. (amended, SG No. 63/2006) have been released for free circulation with simultaneous placing under an excise duty suspension arrangement;
3. (supplemented, SG No. 105/2006) have been transported under excise duty suspension arrangement from another tax warehouse to the territory of the country or from a tax warehouse on the territory of another Member State.
4. (new, SG No. 109/2007) introduced into this country's territory under the procedure of Article 76c.

(3) Storage is permitted only for excisable goods owned by:

1. a licensed warehouse keeper, or
2. a person - depositor, registered under the Value Added Tax Act.

(4) (New, SG No. 95/2009, effective 1.12.2009) No activities constituting manufacture of excisable goods within the meaning of Article 59 may be carried out in a tax warehouse for storage.

(5) (New, SG No. 95/2009, effective 1.12.2009) The following customary operations may be carried out in a tax warehouse:

1. which do not lead to a change of the CN code or a change of the excise rate, such as maintenance of the commercial appearance, improving quality or bringing in conformity with the requirements for norms and standards, filtering, ventilation, labelling, re-labelling, re-numbering of packagings, affixing of excise labels, adding additives for commercial and technical purposes, improving quality etc.;

2. such as denaturation of ethyl alcohol, marking of gas oil and kerosene, mixing of liquefied petroleum gases, mixing of bio fuels with fuels of oil origin, emptying/draining containers and removing deposits or waste from energy products containers.

(6) (New, SG No. 95/2009, effective 1.12.2009) The operations under Paragraph 5, item 2 shall be carried out after a prior written notification to the competent customs authority by location of the warehouse under the terms and procedure laid down in the implementing regulation to this Act.

Article 66. (Effective 1.07.2006 - SG No. 91/2005 (1) (Amended, SG No. 95/2009, effective 1.12.2009) The licensed warehouse keeper shall store the goods, separating them by type and depositor.

(2) (Repealed, SG No. 106/2008, effective 1.01.2009, new, SG No. 44/2009, effective 1.01.2010) In the cases under Paragraph 1, when no physical separation of goods is possible due to their specific nature, separation of goods is done only in the material reporting.

(3) (New, SG No. 63/2006, amended, SG No. 95/2009, effective 1.12.2009, supplemented, SG No. 94/2010, effective 1.01.2011) Authorized warehouse keepers shall be obligated to use measuring and controlling instruments complying with the requirements of this Act, the Measurements Act and the statutory instruments on the application thereof.

(4) (New, SG No. 63/2006, repealed, SG No. 95/2009, effective 1.12.2009).

(5) (New, SG No. 95/2009, effective 1.12.2009) The licensed warehouse keeper may store excisable goods with paid excise duty in extraordinary circumstances subject to a permit from the competent customs authority under the terms and procedure laid down in the implementing regulation to this Act.

(6) (New, SG No. 94/2010, effective 1.01.2011) Within three months before the introduction of the new standard form of excise label the licensed warehouse keeper may also store in the tax warehouse excisable goods affixed with the new standard form of excise label, differentiating them both in his inventory reporting and physically from the excisable goods affixed with the effective standard form of excise label.

(7) (New, SG No. 94/2010, effective 1.01.2011) Within three months from the introduction of the new standard form of excise label the licensed warehouse keeper may also store in the tax

warehouse excisable goods affixed with the repealed standard form of excise label, differentiating them both in his inventory reporting and physically from the excisable goods affixed with the effective standard form of excise label.

Section VI

Movement of Excisable Goods

Article 67. (Effective 1.07.2006 - SG No. 91/2005, amended, SG No. 63/2006, No. 105/2006) Movement of excisable goods under excise duty suspension arrangement shall be:

1. transportation of excisable goods from a tax warehouse on the territory of the country to another tax warehouse on the territory of the country, to another tax warehouse on the territory of another Member State, to a registered or temporarily registered consignee in another Member State or to the persons under Article 21, Paragraph 1, items 1 and 3;

2. transportation of excisable goods from a tax warehouse on the territory of the country to an customs office of exit or to third territories - in cases of export;

3. (supplemented, Sg No. 55/2010, effective 20.07.2010) transportation of excisable goods, released for free circulation with simultaneous placing under an excise duty suspension arrangement, to a tax warehouse on the territory of the country or to a place of direct supply indicated by the licensed warehouse keeper;

4. (supplemented, SG No. 55/2010, effective 20.07.2010) transportation of excisable goods from a tax warehouse on the territory of another Member State to a tax warehouse or to a place of direct supply indicated by the licensed warehouse keeper on the territory of the country, to a registered or temporarily registered consignee on the territory of the country or to the persons under Article 21, Paragraph 1, items 1, 3 and 6.

5. (new SG No. 44/2009, effective 1.01.2010, supplemented, SG No. 94/2010, effective 1.01.2011) transportation of excisable goods confiscated and abandoned in favour of the state under the terms of the ordinance under Article 124, Paragraph 4.

Article 68. (Effective 1.07.2006 - SG No. 91/2005) (1) During movement of excisable goods under excise duty suspension arrangement the goods shall be accompanied by an accompanying administrative document.

(2) (Amend, SG No. 105/2006) The accompanying administrative document shall be issued in 5 copies as follows:

1. by the licensed warehouse keeper sender - upon transfer of the goods from the tax warehouse on the territory of the country to:

a) another tax warehouse on the territory of the country, or

b) another tax warehouse on the territory of another Member State, or

- c) a registered consignee in another Member State, or
- d) a temporarily registered consignee in another Member State, or
- e) the persons under Article 21, Paragraph 1, items 1 and 3;

2. by the licensed warehouse keeper sender - upon transfer of the goods from the tax warehouse on the territory of the country for the purposes of export to a customs office of exit or to third territories;

3. (supplemented, SG No. 55/2010, effective 20.07.2010) by the licensed warehouse keeper in whose tax warehouse or place of direct supply the goods owned by the holder of the free circulation admission regime will be received - upon placing the goods under free circulation admission customs arrangement.

(3) (New, SG No. 105/2006) Upon transfer of excisable goods under excise duty suspension arrangement to a temporarily registered consignee in another Member State the goods shall be also accompanied by a document issued by the competent administration of the Member State of the recipient, certifying that the excise duty on the goods in the Member State of receipt is paid or secured.

(4) (New, SG, No. 105/2006) The mandatory requisites of the document under Paragraph 3 shall be determined by the implementing regulation to this Act.

(5) (New, SG No. 105/2006, amended, SG No. 109/2007) Upon transfer of excisable goods under excise duty suspension arrangement to the persons under Article 21, Paragraph 1, items 1 and 3 the goods shall also be accompanied by a certificate of exemption from excise duty according to a standard form set out in the implementing regulation to this Act.

(6) (New, SG No. 105/2006) Where the transfer of the excisable goods is related to leaving the territory of the country before bringing them out from a tax warehouse, the licensed warehouse keeper shall submit for certification to the competent customs authority the copies of the accompanying administrative document issued.

Article 69. (Effective 1.07.2006 - SG No. 91/2005) (1) In the cases under Article 68, Paragraph 2, item 1 the first copy of the accompanying administrative document shall be kept by the sender, the second, third and fourth copies shall accompany the goods and the fifth copy shall be sent to the competent customs authority by location of the sender's warehouse.

(2) (Amended, SG No. 105/2006) The second, third and fourth copies of the accompanying administrative document shall be certified upon receipt of the goods by the licensed warehouse keeper - recipient, by the registered or temporarily registered consignee in another Member State or by the persons under Article 21, Paragraph 1, items 1 and 3.

(3) (Amended, SG No. 105/2006) The second copy shall be kept by the person under Paragraph 2, the third copy shall be returned to the sender, and the fourth copy shall be sent to the

competent customs authority by location of the tax warehouse, the competent customs authority by registered address of the recipient respectively.

(4) (New, SG No. 105/2006) Where the recipient of the goods is established in another Member State, the third copy of the accompanying administrative document under Paragraph 3 shall be certified by the competent administration of said Member State.

Article 70. (Effective 1.07.2006 - SG No. 91/2005) (1) In the cases under Article 68, Paragraph 2, item 2 the first copy of the accompanying administrative document shall be kept by the sender, the second, third and fourth copies shall accompany the goods and the fifth copy shall be returned to the competent customs authority by location of the warehouse.

(2) (Amended, SG No. 105/2006) The second, third and fourth copies of the accompanying administrative document shall be certified by the customs office of exit, which shall keep the fourth copy.

(3) (Amended, SG No. 105/2006) The second copy shall be kept by the person specified in cell 7 of the accompanying administrative document, and the third copy shall be returned to the sender and kept by it.

Article 71. (Effective 1.07.2006 - SG No. 91/2005) (1) In the cases under Article 68, Paragraph 2, item 3 the first copy of the accompanying administrative document shall be kept by the person - holder of the free circulation admission arrangement, and the second, third and fourth copies shall accompany the goods. The fifth copy shall be kept by the customs authority that has administered the arrangement.

(2) (Supplemented, SG No. 55/2010, effective 20.07.2010) The second, third and fourth copies of the accompanying administrative document shall be certified by the licensed warehouse keeper upon receipt of the goods in the warehouse or the place of direct supply.

(3) (Amended, SG No. 105/2006) The second copies shall be kept by the person under Paragraph 2. The third copy shall be sent to the customs authority that has administered the arrangement and the fourth copy shall be sent to the competent customs authority by location of the warehouse.

Article 71a. (New, SG No. 105/2006) (1) In the cases of movement of excisable goods under excise duty suspension arrangement under Article 67, item 4 the second, third and fourth copies issued by the licensed warehouse keeper in another Member State shall accompany the goods.

(2) The second, third and fourth copies of the accompanying administrative document shall be certified by the recipient of the goods under Article 67, item 4.

(3) The second copy shall be kept by the recipient, and the fourth copy shall be sent to the competent customs authority by location of the tax warehouse, the competent customs authority by registered address of the registered trader, temporarily registered consignee or the person under Article 21, Paragraph 1, items 1 and 3 respectively.

(4) The third copy shall be returned to the sender, certified also by the competent customs authority of the recipient.

Article 72. (Effective 1.07.2006 - SG No. 91/2005) (1) Amendments and supplements to the accompanying administrative document shall be prohibited. An incorrectly drawn up accompanying administrative document shall be cancelled and a new one shall be drawn up.

(2) The sample, format and requisites of the accompanying administrative document shall be determined by the implementing regulation to this Act.

(3) The accompanying administrative document shall be recorded in the register "Warehouse Stocks Log" in the tax period for which it is issued, received, respectively.

(4) The accompanying administrative document shall be kept by the issuer and the receiver and shall be made available to supervisory authorities for a term of 5 years.

Article 73. (Effective 1.07.2006 - SG No. 91/2005) The copies of the accompanying administrative document shall be submitted to the competent customs authority of the sender, the receiver respectively, within 15 days from dispatch of the goods, receipt of the goods respectively.

Section VIa

(New, SG No. 95/2009, effective 1.04.2010)

Movement of Excisable Goods with Electronic Administrative Document

Article 73a. (New, SG No. 95/2009, effective 1.04.2010) (1) Movement of excisable goods under excise duty suspension arrangement involves transportation of excisable goods:

1. (amended, SG No. 94/2010, effective 1.01.2011) from a tax warehouse on the territory of the country to another tax warehouse or a place of direct delivery specified by the licensed warehouse keeper on the territory of the country or to the persons under Article 21, Paragraph 1, items 1 and 3 on the territory of the country;

2. from a tax warehouse on the territory of the country to another tax warehouse on the territory of another Member State, to a registered consignee or a temporarily registered consignee or to the persons under Article 21, Paragraph 1, items 1 and 3 in another Member State;

3. from a tax warehouse on the territory of the country to a customs office of exit or to third territories - in the cases of export;

4. (supplemented, SG No. 55/2010, effective 20.07.2010) admitted for free circulation with simultaneous placement under excise duty suspension arrangement to a tax warehouse or to a place of direct supply indicated by the licensed warehouse keeper on the territory of the country;

5. (supplemented, SG No. 55/2010, effective 20.07.2010) from a tax warehouse or from a registered consignor on the territory of another Member State to a tax warehouse or to a place of direct supply indicated by the licensed warehouse keeper on the territory of the country, to a registered consignee or a temporarily registered consignee on the territory of the country or to the persons under Article 21, Paragraph 1, items 1 and 3;

6. admitted for free circulation with simultaneous placement under excise duty suspension arrangement from a registered consignor to a tax warehouse on the territory of another Member State, to a registered consignee or a temporarily registered consignee or to the persons under Article 21, Paragraph 1, items 1 and 3 in another Member State.

(2) Movement of excisable goods under excise duty suspension arrangement shall start in the cases of Paragraph 1, items 1, 2 and 3 - from the moment of departure of the excisable goods from the tax warehouse, and in the cases of Paragraph 1, items 4 and 6 - from the moment of their admission for free circulation and their simultaneous placement under excise duty suspension arrangement.

(3) Movement of excisable goods under excise duty suspension arrangement shall end in the cases of Paragraph 1, items 1, 2, 4 and 5 where the recipient receives the excisable goods, and in the cases of Paragraph 1, item 3, where the excisable goods leave the territory of the Community.

Article 73b. (New, SG No. 95/2009, effective 1.04.2010) (1) Movement of excisable goods under excise duty suspension arrangement shall take place with a registered electronic administrative document.

(2) In the cases under Paragraph 1 the sender shall provide an electronic administrative document to the customs authorities via the computerised system under Article 4, item 40.

(3) An electronic administrative document shall be submitted by:

1. the licensed warehouse keeper-sender no earlier than 7 days before bringing the goods out of the tax warehouse on the territory of the country to:

a) (supplemented, SG No. 94/2010, effective 1.01.2011) another tax warehouse or a place of direct delivery on the territory of the country, or

b) another tax warehouse on the territory of another Member State, or;

c) a registered consignee in another Member State, or

d) a temporarily registered consignee in another Member State, or

e) the persons under Article 21, Paragraph 1, items 1 and 3;

2. the licensed warehouse keeper-sender no earlier than 7 days before bringing the goods

out of the tax warehouse on the territory of the country for the purpose of export to a customs office of exit or to third territories;

3. (supplemented, SG No. 55/2010, effective 20.07.2010) the licensed warehouse keeper in whose tax warehouse or place of direct supply the goods will be received, which are owned by the holder of the excise duty suspension arrangement, or by the registered consignor upon placement of the goods under admission for free circulation arrangement with their simultaneous placement under excise duty suspension arrangement. The customs authorities shall allow taking of the goods after their placement under excise duty suspension arrangement.

(4) The mandatory requisites of the document under Paragraph 3 shall be determined by Commission Regulation (EC) No. 684/2009 of 24 July 2009 implementing Council Directive 2008/118/EC as regards computerised procedures for movement of excise goods under suspension of excise duty (OJ, L 197/24 of 29 July 2009), hereinafter referred to as "Regulation (EC) No. 684/2009".

(5) Customs authorities shall carry out verification of the data in the electronic administrative document for conformity with the requirements of the Regulation under Paragraph 4 as well as for validity of the duly provided and accepted security. Upon conformity the customs authorities shall assign a unique administrative reference code to the document and shall notify the sender thereof without delay.

(6) Upon non-conformity of the data with the requirements under Paragraph 5 the customs authorities shall notify the sender thereof by a message via the computerised system.

(7) The sender shall provide to the person transporting the excisable goods a paper copy of the registered electronic document containing the entire information of the electronic administrative document, specifying clearly the unique administrative reference code.

(8) The document under Paragraph 7 shall accompany the excisable goods under movement of excise duty suspension arrangement and shall be presented to the competent authorities at their request during the movement under such arrangement.

(9) Upon movement of excisable goods under excise duty suspension arrangement to the persons under Article 21, Paragraph 1, items 1 and 3 the goods shall be accompanied also by a certificate of exemption from excise duty.

Article 73c. (New, SG No. 95/2009, effective 1.04.2010) (1) Where excisable goods are intended for a tax warehouse on the territory of another Member State, for a registered consignee or a temporarily registered consignee in another Member State, or for the persons under Article 21, Paragraph 1, items 1 and 3 on the territory of another Member State, the customs authorities shall send the electronic administrative document without delay to the competent authorities of the Member State of destination.

(2) (Supplemented, SG No. 94/2010, effective 1.01.2011) Where excisable goods are intended for a tax warehouse or a place of direct delivery on the territory of the country, the customs authorities shall send the electronic administrative document without delay to the

licensed warehouse keeper-recipient.

(3) Where excisable goods are sent from a tax warehouse on the territory of another Member State, the customs authorities shall send the electronic administrative document received from the competent authorities of another Member State to the licensed warehouse keeper-recipient, the registered consignee or the temporarily registered consignee on the territory of the country.

(4) The procedure for notification of the persons under Article 21, Paragraph 1, items 1 and 3 shall be determined in the implementing regulation to this Act.

(5) Where excisable goods are intended for export, the customs authorities shall send the electronic administrative document to the competent authorities of the Member State in which the declaration of export is filed under Article 161, paragraph 5 of Council Regulation (EEC) No. 2913/92 establishing the Community Customs Code, where such Member State is different from the Republic of Bulgaria.

Article 73d. (New, SG No. 95/2009, effective 1.04.2010) (1) The sender may cancel the electronic administrative document before commencement of movement pursuant to Article 73a, Paragraph 2.

(2) During movement under excise duty suspension arrangement the sender may change the place of delivery by a message via the computerised system and specify a new place of delivery which shall be one of the places of delivery under Article 73a, except for the persons under Article 21, Paragraph 1, items 1 and 3.

Article 73e. (New, SG No. 95/2009, effective 1.04.2010) (1) Receipt of excisable goods on the territory of the country shall be confirmed by the recipient by sending a message of receipt via the computerised system.

(2) The message of receipt shall be sent without delay and no later than 5 working days after completion of the movement. In emergency situations and at request of the recipient the competent customs authority may extend the time limit for sending the message of receipt.

(3) The terms and procedure for sending the message of receipt by the persons under Article 21, Paragraph 1, items 1 and 3 shall be laid down in the implementing regulation to this Act.

Article 73f. (New, SG No. 95/2009, effective 1.04.2010) The customs authorities shall verify the data in the message of receipt for compliance with the requirements of Regulation (EC) No. 684/2009.

Article 73g. (New, SG No. 95/2009, effective 1.04.2010) (1) Where the data is in compliance with Regulation (EC) No. 684/2009, in the cases under Article 73a, Paragraph 1, items 1 and 4 the customs authorities shall forward the message of receipt to the sender, and in the cases under Article 73a, Paragraph 1, item 5, to the competent authorities of the Member State of dispatch.

(2) Where the data is not in compliance with Regulation (EC) No. 684/2009, the customs authorities shall notify the recipient with a message via the computerised system.

(3) Where the customs authorities receive a message of receipt or a message of export from another Member State, they shall forward the message to the sender.

Article 73h. (New, SG No. 95/2009, effective 1.04.2010) (1) In the cases under Article 73a, Paragraph 1, item 3 the competent customs authority shall complete a message of export based on the validation of the customs office of exit referred to in Article 793, Paragraph 2 of Council Regulation (EC) No. 2454/93 of 2 July 1993 laying down provisions for the implementation of the Council Regulation (EEC) No. 2913/92 establishing the Community Customs Code, or of the institution certifying that the excisable goods have left the territory of the Community.

(2) The customs authorities shall verify the data contained in the validation under Paragraph 1 and shall send the message of export to the sender or to the competent authorities of the Member State of dispatch.

Article 73i. (New, SG No. 95/2009, effective 1.04.2010) (1) The electronic administrative document shall be recorded in the "Warehouse Stocks Log" register in the tax period for which it is issued or received respectively.

Section VIb

(New, SG No. 95/2009, effective 1.04.2010)

Procedure for Movement of Excisable Goods Where the Computerised System is Unavailable

Article 73j. (New, SG No. 95/2009, effective 1.04.2010) (1) In case of extraordinary circumstances where the computerised system is unavailable, movement of excisable goods under excise duty suspension arrangement may begin upon a permit by the competent customs authority through validation of a paper document containing the data of the electronic administrative document.

(2) When the availability of the computerised system is restored the sender shall submit an electronic administrative document pursuant to Article 73b, Paragraph 2.

(3) After validation of the data the electronic administrative document shall replace the document under Paragraph 1.

(4) Until the data in the electronic administrative document is not validated, movement shall be deemed as movement under excise duty suspension arrangement, accompanied by the paper document under Paragraph 1.

Article 73k. (New, SG No. 95/2009, effective 1.04.2010) (1) The document under Article 73j, Paragraph 1 shall be issued in three copies by the sender and shall be certified by the

competent customs authority.

(2) The first copy shall be kept by the sender, the second copy shall be kept by the competent customs authority and the third copy shall accompany the goods.

Article 73l. (New, SG No. 95/2009, effective 1.04.2010) (1) During the movement under excise duty suspension arrangement the sender may change the place of delivery and specify a new place of delivery upon a permit of the competent customs authority granted through certification of a paper document in two copies, containing the data of the message of change of the place of delivery.

(2) When the availability of the computerised system is restored the sender shall send to the competent customs authority an electronic administrative document and a message of a change of the place of delivery.

(3) After validation of the data the electronic administrative document shall replace the documents under Article 73j, Paragraph 1 and Article 73l, Paragraph 1.

(4) Until the data in the electronic administrative document is not validated, movement shall be deemed as movement under excise duty suspension arrangement, accompanied by the paper document.

Article 73m. (New, SG No. 95/2009, effective 1.04.2010) (1) In the cases of Article 73a, Paragraph 1, items 1, 4 and 5 where the message of receipt cannot be sent within the time limit under Article 73e, Paragraph 2, the recipient shall file to the competent customs authority a paper document containing the same data as the message of receipt, certifying thereby that movement has been completed.

(2) When the availability of the computerised system is restored or after completion of the procedures under Articles 73j, 73k and 73l the recipient shall send a message of receipt under the terms of Article 73e.

Article 73n. (New, SG No. 95/2009, effective 1.04.2010) The message of receipt under Article 73e or the message of export under Article 73h shall certify that movement of excisable goods has completed pursuant to Article 73a, Paragraph 3.

Article 73o. (New, SG No. 95/2009, effective 1.04.2010) (1) Regulation (EC) No. 684/2009 shall determine:

1. the structure and content of the messages exchanged for the purposes of Articles 73b - 73h between relevant persons and competent authorities in relation to movement of excisable goods under excise duty suspension arrangement;

2. the rules and procedures for exchange of messages under item 1;

3. the structure of the paper documents specified in Articles 73j, 73l and 73m.

(2) The cases in which the computerised system is deemed as unavailable shall be determined by the implementing regulation to this Act.

Article 73p. (New, SG No. 95/2009, effective 1.04.2010) (1) Where the message of receipt cannot be sent via the computerised system the customs authorities shall send a copy of the document under Article 73m, Paragraph 1 to the competent authorities of the Member State of dispatch under the terms and procedure laid down in the implementing regulation to this Act.

(2) Where the message of export cannot be sent via the computerised system the customs authorities shall send a paper document containing the requisites of the message of export to the competent authorities of the Member State of dispatch under the terms and procedure laid down in the implementing regulation to this Act.

Article 73q. (New, SG No. 95/2009, effective 1.04.2010) In the cases where the computerised system is unavailable the paper documents shall be recorded in the "Warehouse Stocks Log" register in the tax period for which they are issued or received respectively.

Section VIc

(New, SG No. 95/2009, effective 1.04.2010)

Other Provisions for Movement of Excisable Goods under Excise Duty Suspension Arrangement

Article 74. (Effective 1.07.2006, SG No. 91/2005, amended, No. 105/2006, SG No. 109/2007, repealed, new, SG No. 95/2009, effective 1.04.2010, supplemented, SG No. 55/2010, effective 20.07.2010) The licensed warehouse keeper - sender or the licensed warehouse keeper in whose warehouse or place of direct supply the goods owned by the holder of the free circulation admission arrangement will be received or the registered consignor shall owe excise duty on the goods sent or imported as specified in the accompanying administrative document or the electronic administrative document, except in the following cases:

1. upon movement of the goods under Article 67, item 1 - where up to 45 days following the bringing out of the goods from the warehouse the warehouse keeper has received the third copy of the accompanying administrative document certified by the recipient;

2. upon movement of the goods under Article 67, item 2 - where up to 45 days following the bringing out of the goods from the warehouse the warehouse keeper has received the third copy of the accompanying administrative document, certified by the customs authority of departure;

3. upon movement of the goods under Article 67, item 3 - where up to 45 days following the release of the goods for free circulation, the customs authority that has administered the regime has received the third copy;

4. upon movement of the goods under Article 73a, Paragraph 1, items 1, 2 and 4 - where up to 45 days following the bringing out of the goods from the warehouse the licensed warehouse

keeper has received the message of receipt;

5. upon movement of the goods under Article 73a, Paragraph 1, item 3 - where up to 45 days following the bringing out of the goods from the warehouse the licensed warehouse keeper has received the message of export;

6. upon movement of the goods under Article 73a, Paragraph 1, item 6 - where up to 45 days following the dispatch of the goods to another Member State the registered consignor has received the message of receipt.

Article 74a. (New, SG No. 94/2010, effective 1.01.2011) (1) In case an irregularity occurs upon movement of excisable goods under excise duty suspension arrangement resulting in their being released for consumption, within the meaning of Article 20, Paragraph 2, items 2, 8, 11, 12 and 12a the obligation for payment of excise duty arises in the Member State where the irregularity has occurred.

(2) In the cases where the place of occurrence of the irregularity cannot be determined, it shall be deemed that the irregularity has occurred in the Member State of establishment and at the time of establishment thereof.

(3) In the cases under Paragraphs 1 and 2 the customs authorities shall notify the competent authorities of the Member State - sender of the excisable goods released for consumption.

(4) In the cases where the excisable goods do not arrive at the place of receipt and no irregularity has been established during their movement resulting in their release for consumption, it shall be deemed that the irregularity has occurred in the Member State -sender from the moment of the start of the movement, unless evidence is submitted within 4 months to the competent authorities of the Member State - sender, proving the receipt of the excisable goods or the place of occurrence of the irregularity.

(5) In the cases under Paragraphs 2 and 4, if within three years from the date of the start of the movement of the excisable goods no evidence is submitted to the customs authorities that the place of occurrence of the irregularity is in another Member State, the provision of Paragraph 1 shall apply.

(6) In the cases under Paragraph 5 the customs authorities, after notification of the competent authorities of the Member State where the irregularity has occurred, shall exempt from excise duty the persons under Article 3, Paragraph 1, item 1 or shall refund the unduly paid excise duty under the terms of Article 27.

Article 75. (Effective 1.07.2006, SG No. 91/2005, amended, No. 105/2006, repealed, new, SG No. 95/2009, effective 1.04.2010) The recipients under Article 67, item 4, and Article 73a, Paragraph 1, item 5, except for the persons under Article 21, Paragraph 1, items 1 and 3, shall owe excise duty due on the received goods as specified in the accompanying administrative document/the message of receipt.

Article 75a. (New, SG No. 95/2009, effective 1.04.2010) (1) In case of extraordinary

circumstances where the third copy of the accompanying administrative document or the message of receipt or the message of export is missing, evidence that movement of excisable goods under excise duty suspension arrangement has been completed may be presented in the form of certification by the competent authorities of the Member State of receipt or the Member State in which the declaration of export is filed, certifying that the goods have left the territory of the Community.

(2) The manner and form of admitting the evidence under Paragraph 1 shall be laid down in the implementing regulation to this Act.

Article 76. (Effective 1.07.2006, SG No. 91/2005, amended, No. 105/2006, repealed, new, SG No. 95/2009, effective 1.04.2010, supplemented, SG No. 55/2010, effective 20.07.2010) Where the copies of the accompanying administrative document/the message of receipt are received after the time limits under Article 74, the licensed warehouse keeper - sender or the licensed warehouse keeper in whose warehouse or place of direct supply the goods owned by the holder of the free circulation admission arrangement will be received or the registered consignor shall adjust the amount of the excise duty due, which has arisen as a result of the application of Article 74 during the tax period in which he received the accompanying administrative document, in the manner and form as laid down in the implementing regulation to this Act.

Chapter Four "A" **(New, SG No. 105/2006)** **MOVEMENT OF EXCISABLE GOODS RELEASED FOR** **CONSUMPTION ON** **THE COMMUNITY TERRITORY**

Section I **Movement of Excisable Goods Released for Consumption on** **the Territory** **of the Country**

Article 76a. (New, SG No. 105/2006) (1) Upon movement of excisable goods under Article 2, items 1, 2 and 3 from the territory of the country to the territory of another Member State, which are released for consumption on the territory of the country, the goods shall be accompanied by a simplified accompanying document.

(2) Upon movement of fully denatured ethyl alcohol in accordance with European Commission Regulation No. 3199/93 from the territory of the country to the territory of another Member State the goods shall be accompanied by a simplified accompanying document.

(3) (Repealed, SG No. 109/2007).

(4) The simplified accompanying document under Paragraphs 1 and 2 shall be issued in three copies by the sender of the goods.

(5) The first copy shall be kept by the person under Paragraph 4, and the second and third copies shall accompany the goods.

(6) The person under Paragraph 4 shall have the right to refund the excise duty paid on the goods under Article 23.

(7) The standard form, the format and requisites of the simplified administrative document shall be determined by the implementing regulation to this Act.

(8) A simplified accompanying document may be issued when the goods are accompanied by a commercial document (invoice, document of delivery, transport document etc.) provided that said commercial document contains the requisites of the simplified accompanying document and said requisites correspond by content and number of the requisites in the simplified accompanying document.

(9) (Repealed, SG No. 109/2007).

Article 76b. (New, SG No. 105/2006) The person under Article 76a, Paragraph 4 shall be entitled to refund the excise duty paid on the goods where the following conditions obtain:

1. the person has notified in writing the competent customs authority by permanent address, registered address respectively, of its intention to send the excisable goods under Article 76a to another Member State before sending the excisable goods from the territory of the country;

2. the person has ensured free access of the customs authorities for possible examination;

3. the person has submitted to the competent customs authority a copy of a document certifying the payment or the securing of an excise duty in the Member State where the goods are sent.

(2) The written notification under Paragraph 1 shall contain:

1. name/company name, address, personal identification code of the person under Paragraph 1;

2. date of sending the excisable goods from the territory of the country;

3. description of the route from the territory of the country to the territory of the recipient Member State;

4. description of the types of excisable goods and their quantity;

5. name/company name and address of the recipient and the carrier;

6. place of receipt of excisable goods on the territory of another Member State;

7. the time limit in which the excisable goods are to be received on the territory of the other Member State.

Section II

(New, SG No. 105/2006)

Movement of Excisable Goods Released for Consumption on the Territory of Another Member State

Article 76c. (New, SG No. 105/2006) (1) Upon movement of excisable goods under Article 2, items 1, 2 and 3 from the territory of another Member State to the territory of the country, which have been released for consumption on the territory of the other Member State, the goods shall be accompanied by a simplified accompanying document issued by the sender in the other Member State.

(2) Upon movement of fully denatured ethyl alcohol in accordance with European Commission Regulation No. 3199/93 from the territory of another Member State to the territory of the country, which has been released for consumption on the territory of the other Member State, the goods shall be accompanied by a simplified accompanying document issued by the sender in the other Member State.

(3) Upon movement under Paragraph 1 the excisable goods shall be also accompanied by the document under Article 83h, Paragraph 1.

(4) The person under Article 3, item 6, which receives goods under items 1 and 2, shall:

1. before sending the excisable goods from the other Member State, notify in writing the competent customs authority by permanent address, registered address respectively, that the said person intends to receive excisable goods;

2. before sending the excisable goods from the other Member State, provide security or pay the amount of the excise duty due to the competent customs authority, except for the cases of exemption from excise duty under this Act;

3. receive the excisable goods within the time limits specified in the notification under item 1;

4. submit to the competent customs authority a copy of the third copy of the simplified accompanying document, certified by the recipient, not later than 7 days from receipt of the goods on the territory of the country, including the date of receipt;

5. inform immediately the competent customs authority if it does not receive the goods

within the time limits specified in the notification, as well as of the reasons for the delay or non-receipt.

(5) The written notification under Paragraph 4, item 1 shall contain:

1. name/company name, address, uniform identification code of the person under Paragraph 2;
2. date of sending the excisable goods from the other Member State;
3. description of the route from the sending Member State to the Republic of Bulgaria;
4. description of the types of goods and their quantity;
5. name/company name and address of the sender and the carrier;
6. place of receipt of the excisable goods on the territory of the country;
7. the time limit by which the excisable goods shall be received on the territory of the country.

(6) Within 7 days from receipt of the notification under Article 4, item 1, 7 days from removal of inconsistencies in it respectively, the head of the competent customs authority shall determine the excise duty due and notify the person of its amount.

(7) (New, SG No. 109/2007, amended, SG No. 95/2009, effective 1.12.2009) The provisions of Paragraphs 1, 2 and 3 shall not apply in the cases of introduction of excisable goods into the territory of this country, which are not excisable on the territory of the Member State of dispatch.

Article 76d. (New, SG. No. 105/2006, amended, SG No. 109/2007, repealed, SG No. 44/2009, effective 1.01.2010)

Article 76e. (New, SG No. 94/2010, effective 1.01.2011) (1) In the cases where upon movement of excisable goods released for consumption on the territory of another Member State an irregularity occurs in a Member State other than the Member State in which the goods have been released for consumption, the goods shall be subject to excise duty in the Member State where the irregularity has occurred.

(2) In the cases where the place of occurrence of the irregularity cannot be determined it shall be deemed that the irregularity has occurred and the goods are subject to excise duty payment in the Member State of establishment and at the time of establishment thereof.

(3) In the cases under Paragraphs 1 and 2 the customs authorities shall notify the competent authorities of the recipient Member State of the excisable goods released for consumption.

(4) In the cases where an irregularity has occurred/has been established upon movement of

excisable goods on the territory of another Member State, the person under Article 3, Paragraph 1, item 5 or item 6, or any other person that has participated in the irregularity shall be subject to payment of the excise duty due.

(5) In the cases where the excisable goods do not arrive at the place of receipt and no irregularity has been established upon movement thereof resulting in their release for consumption, it shall be deemed that the release for consumption has occurred in the Member State of receipt.

(6) In the cases of Paragraphs 2 and 5, if within three years from the date of release of the excisable goods for consumption the customs authorities have been provided with evidence that the place of occurrence of the irregularity is in another Member State, then the provision of Paragraph 1 shall apply.

(7) In the cases of Paragraph 6 the customs authorities, after notifying the customs authorities of the Member State where the irregularity has occurred, shall exempt the person under Article 3, Paragraph 1, item 5 or item 6 from the obligation for payment of excise duty or shall refund the unduly paid excise duty under Article 27.

Chapter Five SECURITY

Section I Security under Excise Duty Suspension Arrangement Payment Regime

Article 77. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 109/2007, amended, SG No. 94/2010, effective 1.01.2011) The licensed warehouse keeper shall provide security to the customs authorities to ensure payment of the excise duty that may arise for the goods under excise duty suspension arrangement.

(2) (Supplemented, SG No. 63/2006) The amount of the security shall be determined in such manner as to cover at any time the full amount of the excise duty which has arisen or may arise during implementation of the excise duty suspension arrangement, with the exception of the cases referred to in Article 78 (3) herein.

Article 78. (Effective 1.07.2006 - SG No. 91/2005) (1) The amount of the security under Article 77 shall be calculated as a sum of:

1. thirty per cent of the amount of excise duty on the monthly average quantity of stored goods - by type of goods;

2. ten per cent of the amount of excise duty on the monthly average quantity of stored goods:

a) (amended, SG No. 105/2006, amended, SG No. 109/2007, SG No. 44/2009, effective 1.01.2010) for quantities of stored distillate, or

b) for mandatory quantities under the Mandatory Stocks of Crude Oil and Petroleum Products Act stored in a licensed tax warehouse;

3. one hundred fifty per cent of the amount of excise duty due on the monthly average quantity of goods released for consumption;

4. twenty per cent of the amount of excise duty on the monthly average quantity of goods moving under excise duty suspension arrangement.

(2) The indicators "monthly average quantity of stored goods", "monthly average quantity of goods released for consumption", and "monthly average quantity of goods moving under excise duty suspension arrangement" shall be calculated according to a procedure laid down in the implementing regulation to this Act.

(3) (New, SG No. 63/2006, amended, SG No. 44/2009, effective 1.01.2010) The amount of the security for a tax warehouse of excisable goods may not exceed BGN 30 million.

(4) (Renumbered from Paragraph 3, SG No. 63/2006) At the request of the licensed warehouse keeper the amount of the security may be fixed at a higher amount than the one under Paragraph 1.

Article 79. (Effective 1.07.2006 - SG No. 91/2005) In the event of a change in the circumstances which materially affects the calculation of the amount of the security a new amount of the security may be determined.

Article 80. (Effective 1.07.2006) (1) (Amended, SG No. 105/2006, supplemented, SG No 109/2007, amended, SG No. 55/2010, effective 20.07.2010) The security under Article 77 may be created by cash deposit and/or bank guarantee under the customs legislation. The form of the bank guarantee shall be determined in the implementing regulation to this Act.

(2) The security shall be accepted in Bulgarian lev.

(3) No interest shall accrue on the security created by cash deposit.

Article 81. (Effective 1.07.2006 - SG No. 91/2005) (1) A change of the type or amount of security shall be made by a decision of the Director of the Customs Agency, which shall form an integral part of the license for the warehouse management.

(2) (Supplemented, SG No. 105/2006, SG No. 95/2009, effective 1.12.2009) The licensed warehouse keeper shall provide the new security within 30 days from delivery of the decision under Paragraph 1, but not later than 14 days before the expiry of the validity of the previous security.

(3) (Amended, SG No. 105/2006) The previous security shall be released by a decision of

the Director of the Customs Agency within 30 days, effective from the date of provision of the new security under Paragraph 2.

(4) (Amended, SG No. 105/2006) In cases of withdrawal of the license the security shall be released by a decision of the authority under Paragraph 1 after the liability for payment of excise duty has been discharged.

Article 81a. (New, SG No. 95/2009, effective 1.12.2009) The licensed warehouse keeper shall provide a new security not later than 14 days before expiry of the term of validity of the previous security.

Article 81b. (New, SG No. 95/2009, effective 1.04.2010) (1) The registered consignor shall provide a security to the customs authorities in order to secure payment of the excise duty that may arise for the goods sent under excise duty suspension arrangement.

(2) The amount of the security shall be determined so as to ensure that it covers at any time the full amount of the excise duty that may arise or has arisen upon application of the excise duty suspension arrangement.

(3) The amount of the security under Paragraph 1 shall be 100 per cent of the excise duty due on the average monthly quantity of sent excisable goods.

(4) At the request of the person the security may be determined in higher amount than the amount under Paragraph 3.

(5) Upon a change of the circumstances which are important for the determination of the amount of the security a new amount of the security may be determined.

(6) The security under Paragraph 1 may be established with a cash deposit or with a bank guarantee under the procedure of the customs legislation.

(7) Security shall be accepted in Bulgarian leva.

(8) No interest shall be due on the security established with a cash deposit.

(9) Determination of the amount of the security shall be made by a decision of the head of the competent customs authority by registration of the person.

(10) A change of the type or amount of the security may be made by a decision of the authority under Paragraph 9.

(11) The decisions under Paragraphs 9 and 10 shall be issued within the time limits under Article 58e, Paragraph 4.

(12) The decisions under Paragraphs 9 and 10 shall be an integral part of the issued certificate of registration.

(13) Within 30 days from delivery of the decision under Paragraph 9 the person shall provide the new security, but not later than the expiry of the term of validity of the previous security.

(14) The previous security shall be released by a decision of the head of the competent customs authority within 30 days from the date of provision of the new security under Paragraph 13.

(15) In the cases of termination of registration the security shall be released by a decision of the head of the competent customs authority after payment of the excise duty obligation.

Section II

Security Provided upon Customs Arrangements or upon Receipt of Excise Labels

(Title amended, SG No. 105/2006)

Article 82. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006) Where goods are placed under excise duty suspension arrangement or temporarily stored the full amount of the excise duty payable shall be secured by cash deposit or bank guarantee according to the procedure for securing customs charges laid down in the customs legislation.

(2) Transit of goods shall be furthermore secured in the amounts and according to the procedure for securing customs charges.

(3) (Amended, SG No. 105/2006) A person licensed to open and manage a bonded warehouse (warehouse keeper) within the meaning of the customs legislation shall be liable jointly and severally with the depositor of the goods for the excise duty due in the event of deviation of the goods from the customs regime during their storage in the warehouse.

Article 83. (Effective 1.07.2006 - SG No. 91/2005) (1) The persons that have ordered excise labels for foreign goods shall provide a security to the customs authorities to the full amount of the excise duty before receipt of excise labels.

(2) The provision of Paragraph 1 shall not apply to licensed warehouse keepers.

(3) The security under Paragraph 1 may be created as cash deposit or bank guarantee. The security shall be accepted in Bulgarian lev.

(4) Where the security under Paragraph 1 is created by bank guarantee, the latter shall have validity of not less than 90 days effective from the date of receipt of excise labels.

(5) No interest shall accrue on the security provided in the form of cash deposit.

(6) (Amended, SG No. 95/2009, effective 1.01.2010) After expiry of 90 days from the date of receipt of the excise labels under Paragraph 1 the customs authorities shall take actions for utilization of the security provided in the amount of the due excise duty.

(7) Within 30 days the security under Paragraph 1 shall be released upon payment of the full amount of the excise duty for the excise labels received.

(8) (New, SG No. 105/2006, repealed, SG No. 55/2010, effective 20.07.2010).

Section III **(New, SG No. 105/2006)** **Security Provided by Registered Traders or Tax** **Representatives**

Article 83a. (New, SG No. 105/2006) (1) (Amended, SG No. 95/2009, effective 1.12.2009) Tax representatives under Article 57b, Paragraph 3 and registered traders under Article 57c shall provide security to the customs authorities to secure the payment of the excise duty which may arise for the goods sent by the non-resident person under Article 57a, Paragraph 1, item 4, the goods received under excise duty suspension arrangement respectively, from a tax warehouse on the territory of another Member State.

(2) The amount of the security shall be determined in a way so as to cover at any time the full amount of the excise duty on the goods received, which has arisen or might arise.

Article 83b. (New, SG No. 105/2006) (1) The amount of the security under Article 83a shall be 150 per cent of the amount of the excise duty due for the average monthly quantity of received goods.

(2) The indicator "average monthly quantity" shall be calculated under a procedure laid down in the implementing regulation to this Act.

(3) At the person's request a higher amount of the security than the one referred to in Paragraph 1 may be determined.

Article 83c. (New, SG No. 105/2006) In the event of a change in the circumstances instrumental to determining the amount of the security a new amount of the security may be determined.

Article 83d. (New, SG No. 105/2006) (1) (Amended, SG No. 55/2010, effective 20.07.2010) The security under Article 83a may be created by cash deposit and/or bank guarantee in accordance with the customs legislation.

(2) The security shall be accepted in Bulgarian lev.

(3) No interest shall accrue on the security created by cash deposit.

Article 83e. (New, SG No. 105/2006) (1) The amount of the security shall be determined by a decision of the head of the competent customs authority by registration of the person.

(2) A change of the type or amount of the security shall be made by a decision of the authority under Paragraph 1.

(3) The decisions under Paragraphs 1 and 2 shall be issued within the time limits under Article 57b, Paragraph 6, Article 57c, Paragraphs 3 and 4 respectively, and shall be delivered to the persons.

(4) The decisions under Paragraphs 1 and 2 shall be an integral part of the issued certificate of registration.

(5) Within 30 days from delivery of the decision under Paragraph 2 the person shall provide the new security but not later than expiry of the validity of the previous security.

(6) The previous security shall be released by a decision of the head of the competent customs authority within 30 days, effective from the date of provision of the new security under Paragraph 5.

(7) In the cases of deregistration the security shall be released by a decision of the head of the competent customs authority after the liability for payment of excise duty has been discharged.

Section IV
(New, SG No. 105/2006)
Security Provided by Temporarily Registered Consignees or
by Persons Receiving Excisable Goods on the Territory of
the Country, Released for Consumption on the Territory
of Another Member State

Article 83f. (New, SG No. 105/2006) (1) Temporarily registered consignees under Article 58a and the persons under Article 76c, Paragraph 4 shall provide security to the customs authorities or shall pay the full amount of the excise duty due for the goods which are released for consumption on the territory of another Member State and which will be received on the territory of the country.

(2) The security under Paragraph 1 shall be created by cash deposit in accordance with customs legislation.

(3) The security shall be accepted in Bulgarian lev and no interest shall be due on it.

Article 83g. (New, SG No. 105/2006) (1) The amount of the security as well as the

amount of the excise duty that shall be paid shall be determined by a decision of the head of the competent customs authority within the time limits of Article 58a, Paragraph 3, Article 76c, Paragraph 6.

(2) The decisions under Paragraph 1 may be appealed under the Administrative Procedure Code.

Article 83h. (New, SG No. 105/2006) (1) After provision of the security or payment of the excise duty the head of the competent customs authority shall issue a document to the person, certifying that the excise duty on the goods to be received has been paid, secured or that the goods are exempt from payment of excise duty.

(2) The mandatory requisites of the document under Paragraph 1 shall be laid down in the implementing regulation to this Act.

Article 83i. (New, SG No. 105/2006) (1) The security shall be released by a decision of the head of the competent customs authority within 30 days, effective from the date on which the liability for payment of excise duty has been discharged.

(2) Where the amount of the excise duty for the goods received is lower than the amount of the excise duty paid under Article 83h, the unduly paid excise duty shall be refunded under the terms of Article 27.

Chapter Six

DOCUMENTATION AND REPORTING

Section I

Tax Documents

Article 84. (Effective 1.07.2006 - SG No. 91/2005) (1) Tax documents within the meaning of this Act shall be:

1. an excise tax document;
2. a note of an excise tax document.

(2) (Supplemented, SG No. 105/2006, amended, SG No 109/2007, SG No. 44/2009, effective 1.01.2010) An excise tax document shall be issued on the date on which the excise duty becomes due within the meaning of Article 20, Paragraph 2, except in the cases under Article 20, Paragraph 2, items 5, 15 - 18.

(3) (New, SG No. 105/2006) In the cases of release for consumption under Article 20, items 15 - 18 an excise tax document shall be issued for total sales effected, total quantity of coke, coal, electricity or natural gas used respectively, on the 10th day of the month following the month in which the sales/use is effected.

(4) (Renumbered from 3, SG No. 105/2006) Tax documents shall be issued in at least two copies.

(5) (Renumbered from 4, SG No. 105/2006) Tax documents issued shall be recorded in the accounting system and the register of the issuer for the tax period in which they have been issued.

(6) (Renumbered from 5, SG No. 105/2006) Tax documents may not be amended or supplemented. Incorrectly drawn up or corrected tax documents shall be cancelled. Said documents shall not be destroyed and all copies of them shall be kept by the person that has issued the document.

(7) (Renumbered from 6, amended, SG No. 105/2006) In the cases under Paragraph 6 new documents shall be issued.

(8) (Renumbered from 7, SG No. 105/2006) Tax documents issued under the procedure of this Act shall be stored for a period of 5 years after expiry of the tax period for which they refer.

(9) (Renumbered from 8, SG No. 105/2006) In the event of stolen, lost, damaged or destroyed tax documents, the person shall notify forthwith in writing the relevant competent customs authority of the circumstances.

(10) (Renumbered from 9, SG No. 105/2006) Issuance of tax documents may be manual and automated.

(11) (New, SG No. 95/2009, effective 1.12.2009) An excise tax document shall be issued upon bringing out from a tax warehouse of excisable goods for every vehicle.

Article 85. (Effective 1.07.2006 - SG No. 91/2005) (1) Tax documents shall be private written documents issued by a licensed warehouse keeper or a person registered under this Act for certifying incurrence of an obligation for payment and charge of excise duty.

(2) In addition to the requisites under Article 7 of the Accountancy Act the tax documents shall contain:

1. a ten-digit number of the document including only Arabic figures;
2. the stamp "original" on the first copy;
3. the type of the excisable goods, quantity, excise tax base and excise rate;
4. (amended, SG No. 95/2009, effective 1.12.2009) the amount of excise duty charged;
5. grounds for incurrence of the liability for excise duty charge;
6. (new, SG No. 95/2009, effective 1.12.2009) the carrier and the registration number of the vehicle;

7. (new, SG No. 95/2009, effective 1.12.2009) the precise address of the place of delivery.

(3) (New, SG No. 95/2009, effective 1.12.2009) In the cases where the excisable goods which are brought out from a tax warehouse are owned by a person-depositor, in addition to the data about the licensed warehouse keeper data about the person-depositor shall be completed.

Article 86. (Effective 1.07.2006 - SG No. 91/2005) (1) Modification of the amount of excise duty charged in an excise tax document issued shall be documented by a note to the document, specifying the grounds for modification. A note shall be given only to an excise tax document issued.

(2) The note shall be:

1. excise debit note - a tax document reflecting the increase of the excise duty charged in an excise tax document issued;

2. excise credit note - a tax document reflecting the decrease of the excise duty charged in an excise tax document issued.

(3) The requisites of the tax note shall be:

1. all mandatory requisites for the excise tax document;

2. additional indication "excise debit note" or "excise credit note";

3. grounds for modification as well as the number and date of the excise tax document for which the note is issued.

Section II

Other Documents

Article 87. (Effective 1.07.2006 - SG No. 91/2005) (1) The excise declaration is a document in which the licensed warehouse keeper or the registered person declares for every tax period specific information relating to his business, which is a ground for incurrence of rights and obligations.

(2) The declaration under Paragraph 1 shall be submitted for every tax warehouse, specialized small distillery or a small producer of wine to the competent customs authority by location of the warehouse or unit within 14 days from expiry of the tax period for which it refers.

(3) (New, SG No. 105/2006, amended, SG No. 95/2009, effective 1.12.2009) The declaration under Paragraph 1 for the registered persons under Articles 57a, Article 57c and 58c shall be filed to the competent customs authority which has issued the certificate of registration within 14 days from expiry of the tax period for which it refers.

(4) (Renumbered from Paragraph 3, SG No. 105/2006) Licensed warehouse keepers and registered persons shall file furthermore an excise declaration in the cases where no excise duty has been charged for the tax period.

(5) (Renumbered from Paragraph 4, SG No. 105/2006) In the presence of force majeure or at the request of the licensed warehouse keeper or registered person the competent customs authority may extend the term for filing the excise declaration until expiry of the next tax period.

(6) (New, SG No. 109/2007) In the cases under Article 20, Paragraph 2, items 12, 13 and 19, the excise declaration shall be filed within 14 days of receipt of excisable goods, respectively of consumption of energy products for purposes, other than those, indicated in the certificate.

(7) (New, SG No. 95/2009, effective 1.12.2009) In the cases of Article 60a, Paragraph 4 where due excise duty is paid, an excise declaration shall be filed within 14 days from issue of the excise tax document.

(8) (New, Sg No. 94/2010, effective 1.01.2011) An excise declaration may be also filed electronically under the terms and procedure laid down in the implementing regulation to this Act.

Article 88. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006) The licensed warehouse keeper shall keep a "Warehouse Stocks Log" register.

(2) In the register under Paragraph 1 shall be recorded excisable goods produced and/or stored, goods moving under excise duty suspension arrangement and goods released for consumption.

(3) Together with the excise declaration for the tax period the licensed warehouse keeper shall submit the information from the register under Paragraph 2 on a magnetic carrier according to parameters set out in the implementing regulation to this Act as well as a copy of the register under Paragraph 1, except in the cases provided for in the implementing regulation to this Act.

(4) (Amended, SG No. 63/2006, SG No. 94/2010, effective 1.01.2011) In the cases under Article 87, Paragraph 8 the licensed warehouse keeper may furthermore submit electronically the information from the register under Paragraph 2 for the relevant tax period.

(5) Data from the Warehouse Stocks Log shall be accounted for in accordance with the established procedure in the accounting system of the persons under Paragraph 1.

(6) New, SG No. 105/2006, supplemented, SG No. 95/2009, effective 1.12.2009) The persons registered under this Act and excise-exempt end users shall keep reporting for the excisable goods, as laid down in the implementing regulation to this Act.

Article 88a. (New, SG No. 106/2008, effective 1.01.2009) By 31 January each year independent small breweries shall submit to the competent customs authority by location of the tax warehouse information about the beer produced during the preceding year. The information shall be provided by Plato degrees and types of beer, following a template specified in the

implementing regulation to this Act.

Article 88b. (New, SG No. 95/2009, effective 1.01.2010) Natural persons who provide fermented material from grapes and fruits - own production for production of ethyl alcohol (rakiya), shall complete a statement-declaration according to standard form laid down in the implementing regulation to this Act, which shall be provided to them by the persons under Article 57, Paragraph 1.

Article 89. (1) (Effective 1.07.2006 - SG No. 91/2005, renumbered from Article 89, No. 105/2006) The certificate of excise exemption is a document issued by the competent customs authority, certifying that a particular person is an excise-exempt end user.

(2) (New, SG No. 105/2006) The certificate of registration is a document issued by the competent customs authority, certifying that a specific person is registered under this Act.

(3) (New, SG No. 105/2006) The permit for incidental receipt of excisable goods under excise duty suspension arrangement shall be a document issued by the competent customs authority, certifying that a temporarily registered consignee has the right to receive incidentally a specific type and quantity of excisable goods under excise duty suspension arrangement from a licensed warehouse keeper in another Member State.

Article 90. (Effective 1.07.2006 - SG No. 91/2005) The sample, format and requisites under this Chapter shall be set out in the implementing regulation to this Act.

Chapter Six "a"

(New, SG No. 94/2010, effective 1.01.2011)

ISSUANCE OF LICENSES FOR TRADE IN TOBACCO PRODUCTS

Article 90a. (New, SG No. 94/2010, effective 1.01.2011) (1) The sale, storage and offering of tobacco products may be performed only by the persons that have been granted a permit for trade in tobacco products by the head of the customs office by location of the commercial warehouse or retail unit.

(2) The right to trade in tobacco products shall have a person who:

1. is a trader within the meaning of the Commerce Act;
2. is registered under Article 96, Paragraph 1 or Article 100, Paragraph 1 of the Value Added Act;
3. is not undergoing bankruptcy or liquidation proceedings;
4. is represented by persons who:
 - a) have not been convicted of a crime of general nature;

b) have not been members of a managing or supervisory body or unlimited liability partners in a company dissolved by insolvency, if unsatisfied creditors have remained;

5. has no liquid and due and payable customs obligations, tax obligations and obligations for compulsory social security contributions;

6. has not committed a grave or repeated violation of this Act save for the cases where the administrative penalty proceeding has ended with the conclusion of an agreement;

7. has own or rented premises for carrying out the relevant activity;

8. has not traded in tobacco products without a permit for the past 24 months;

9. whose permit for trade in tobacco products has not been withdrawn for the past 36 months.

Article 90b. (New, SG No. 94/2010, effective 1.01.2011) (1) The sale, storage and offering of tobacco products may be performed in commercial warehouses and retail units - specialised stores for trade in tobacco products, stores for sale of food and non-food goods, stores for sale of wine and spirits, petrol stations, pavilions, restaurants, alcohol-serving establishments and bars.

(2) The commercial warehouses and retail units under Paragraph 1 shall meet the following conditions:

1. shall have the inscription in Bulgarian "Cigarettes" or "Tobacco products" put at a visible place for the consumers;

2. shall have separate premises or parts thereof allowing storage and sale of tobacco products independently or with admissible goods for joint storage and sale;

3. shall not be located on the territory of day nurseries, kindergartens, schools, boarding schools, medical and healthcare establishments and their adjacent areas;

4. shall not have separate self-service stands where tobacco and tobacco products are offered.

Article 90c. (New, SG No. 94/2010, effective 1.01.2011) (1) For issuance of a permit for trade in tobacco products a written application shall be filed to the head of the customs office by location of the commercial warehouse or retail unit or to the nearest customs office.

(2) Enclosed to the application under Paragraph 1 shall be documents laid down in the implementing regulation to this Act.

(3) One application may be used for requesting issuance of permits for more than one commercial warehouse or retail unit on the territory of one customs office.

Article 90d. (New, SG No. 94/2010, effective 1.01.2011) (1) After conducting on-site inspection at the applicant and where the conditions for issuance of a permit for sale of tobacco products are met and the submitted documents meet the requirements, the head of the customs office by location of the commercial warehouse or retail unit shall issue a decision on the application within one month from the date of receipt thereof.

(2) Where the submitted documents do not meet the requirements or the provided information is insufficient, the head of the customs office by location of the commercial warehouse or retail unit, within 14 days from receipt of the application, shall notify the applicant and shall set a term of 14 days for removal of the irregularities or for provision of additional information effective from receipt of the notification.

(3) Within the term set under Paragraph 2 the applicant shall remove the irregularities or submit the required additional information and on failure to meet this obligation the head of the customs office shall refuse to issue the requested permit.

(4) Within one month from removal of the irregularity or the provision of the requested additional information the head of the customs office shall examine the application and the documents enclosed thereto and shall issue a decision thereon.

Article 90e. (New, SG No. 94/2010, effective 1.01.2011) (1) Within the terms under Article 90d the head of the customs office shall issue a permit for trade in tobacco products or shall issue a motivated refusal thereof. Failure to issue a decision within the set term shall be deemed to be a refusal for issuing a permit.

(2) The refusal to issue a permit for trade in tobacco products is subject to appeal under the Administrative Procedure Code.

(3) A separate permit shall be issued for every commercial warehouse or retail unit.

Article 90f. (New, SG No. 94/2010, effective 1.01.2011) (1) The person who has been issued a permit for trade in tobacco products shall:

1. notify in writing the head of the customs office of any change of the data in the application for issuance of a permit for trade in tobacco products within 14 days from occurrence thereof;

2. provide unobstructed access of the customs authorities for exercising control.

Article 90g. (New, SG No. 94/2010, effective 1.01.2011) (1) The authority under Article 90d, Paragraph 1 shall terminate the granted permit:

1. at the request of the person;

2. upon dissolution or liquidation of the person;

3. at its initiative, where the person does not meet the requirements of this Act;

4. where the person has submitted untrue data which have served as a ground for issuing the permit, as well as for amending the issued permit;

5. where the person performs sale of tobacco products in a unit for which no permit is issued;

6. where the unit does not meet the requirements of this Act;

7. where the person keeps in commercial premises tobacco products without excise labels or fixed with untrue or forged excise labels or with excise labels with expired validity, offers and sells them in the unit.

(2) In the cases under Paragraph 1, items 3, 4, 6 and 7 the issued permit for the respective unit shall be terminated.

(3) In the cases under Paragraph 1, items 2 and 5 all permits issued to the person shall be terminated by a decision of the competent authorities.

(4) The permit shall be terminated by a decision of the head of the customs office by location of the unit, which shall be subject to preliminary execution, unless the court resolves otherwise.

(5) In the event of changes in the circumstances which are subject to registration in the issued permit, the authority under Paragraph 1 shall issue a decision, which shall be an integral part of the issued permit.

(6) The decisions under Paragraphs 2, 3 and 4 may be appealed under the Administrative Procedure Code.

Chapter Seven

RESTRICTIONS AND PROHIBITIONS

Article 91. (Effective 1.07.2006 - SG No. 91/2005) Production of excisable goods under Article 2, items 1, 2 and 3 outside a tax warehouse shall be prohibited, unless otherwise provided for by this Act.

Article 91a. (New, SG No. 109/2007, amended, SG No. 95/2009, effective 1.12.2009) (1) Production and storage in a tax warehouse of excisable goods under excise duty suspension arrangement not included within the scope of the tax warehouse operation license, shall be prohibited.

(2) Operations in a tax warehouse which are not included within the scope of the tax warehouse operation licence, except for customary operations related to maintenance of the commercial appearance of excisable goods, shall be prohibited.

Article 91b. (New, SG No. 95/2009, effective 1.12.2009) Unloading of excisable goods received under excise duty suspension arrangement by a licensed warehouse keeper shall be done in a tax warehouse and where such goods are received by a registered consignee or a temporarily registered consignee unloading shall be done only in the units indicated in the relevant certificate or permit.

Article 92. (Effective 1.07.2006 - SG No. 91/2005) (1) Retail sale of excisable goods from a tax warehouse shall be prohibited.

(2) (Amended, SG No. 105/2006) Paragraph 1 shall not apply to licensed warehouse keepers which feed in liquefied petroleum gas (LPG) in bottles other than bottles for gas equipment of automobiles, nor to licensed warehouse keepers which feed in liquefied petroleum gas (LPG) in gas equipment and heating systems and facilities in public, administrative, residential and office buildings fed in by containers of liquefied hydrocarbon gases with volume of up to 10m³.

(3) (New, SG No. 105/2006, repealed, SG No. 95/2009, effective 1.12.2009).

Article 93. (Effective 1.07.2006) (1) (Amended, SG No. 106/2008, effective 1.01.2009, supplemented, SG No. 95/2009, effective 1.12.2009, SG No. 55/2010, effective 20.07.2010, amended, SG no. 94/2010, effective 1.01.2011) Licensed warehouse keepers of energy products shall mark all types of gas oil falling within CN codes from 2710 19 41 to 2710 19 49 and kerosene falling within CN codes 2710 19 25 0, which shall be charged at a lower excise rate than the excise rate on motor fuel or shall be exempt from excise duty.

(2) (New, SG No. 55/2010, effective 20.07.2010) The provision of Paragraph 1 shall furthermore apply to all types of gas oil falling within CN codes from 2710 19 41 to 2710 19 49, where the latter are earmarked for production of other energy products charged at a lower excise rate than the rate on motor fuel or are exempt from excise duty.

(3) (New, SG No. 55/2010, effective 20.07.2010) The provision of Article 24, Paragraph 1, item 1, and Article 26, Paragraphs 1 and 2 shall apply to gas oil and energy products containing gas oil for filling vessels, except for vessels for private pleasure sailings, provided that the gas oil is marked.

(4) (Renumbered from Paragraph 2, SG No. 55/2010, effective 22.07.2010, SG No. 94/2010, effective 1.01.2011) Marking under Paragraphs 1, 2 and 3 on the territory of the country shall be carried out only in a tax warehouse in the presence of a customs authority under the terms and procedure laid down in the implementing regulation to this Act.

(5) (New, SG No. 55/2010, effective 22.07.2010) In the cases of Paragraphs 1, 2 and 3 in all commercial and primary accounting documents recorded shall be the inscription "marked fuel for heating", respectively "marked fuel for vessels", or "energy product containing marked gas oil" and the number of the analysis certificate and/or protocol of the marking for the respective batch.

(6) (New, SG No. 94/2010, effective 1.01.2011) Marked energy products shall be

transported on the territory of the country only with:

1. transport vehicles on which the persons have installed a global positioning system (GPS) at their own expense.

2. vessels of transportation equipped with measuring and controlling devices meeting the requirements of this Act, the Measurements Act and the by-laws for their implementation.

(7) (New, SG No. 94/2010, effective 1.01.2011) Installation and use of the technical devices under Paragraph 6 shall be made in accordance with the terms and procedures laid down in the implementing regulation to this Act.

Article 94. (Effective 1.07.2006) (1) (Amended, SG No. 106/2008, effective 1.01.2009, amended, SG No. 95/2009, effective 1.12.2009, supplemented, SG No. 55/2010, effective 22.07.2010) Fuel oils and marked gas oil and kerosene, regardless of the concentration or combination of marking substances, shall not be fed in:

1. the fuel tank of motor vehicles, private vessels and private aircrafts;

2. tanks of fuel filling stations, pumps for filling motor vehicles or private vessels and private aircrafts.

(2) (Repealed, SG No. 63/2006).

(3) (New, SG No. 55/2010, effective 22.07.2010) Added to energy products shall not be any marker or colour other than those set out in the *acquis communautaire* or in the national legislation.

Article 95. (Effective 1.07.2006 - SG No. 91/2005) (1) Feeding liquefied petroleum gas (LPG) in bottles other than liquefied petroleum gas bottles in motor vehicle petrol stations shall be prohibited.

(2) Sale and storage of liquefied petroleum gas (LPG) in bottles other than the liquefied petroleum gas bottles in motor vehicle petrol stations shall be allowed only where the bottles have been fed in the relevant bottle filling plants and/or in independent authorized outlets for feeding liquefied petroleum gas (LPG) bottles outside the territory of motor vehicle petrol stations. The bottles shall be secured by thermo-shrinkable caps which shall be destroyed before use and shall have the brand name of the producer.

Article 96. (Effective 1.07.2006 - SG No. 91/2005) Any actions resulting in reduction or destruction of the effect of the marker shall be prohibited.

Article 97. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 63/2006) Complete denaturing of ethyl alcohol on the customs territory of the country shall be carried out only in a tax warehouse.

(2) Denaturing under Paragraph 1 shall be carried out in the presence of customs authorities

under the terms and procedure set out in the implementing regulation to this Act.

(3) The type and quantity of the substances for denaturing shall be laid down in the implementing regulation to this Act.

Article 98. (Effective 1.07.2006 - SG No. 91/2005) Extraction in whole or in part of denaturing substances as well as any other actions resulting in reduction or destruction of the effect of denaturing substances shall be prohibited.

Article 99. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 109/2007, amended, SG No. 94/2010, effective 1.01.2011) The following shall be prohibited:

1. affixing, storage, transportation and sale of bottled alcoholic beverages falling within CN 2208 with excise labels indicating lower quantity of hectolitres of pure alcohol measured at a temperature of 20 °C than the actual volume of hectolitres of pure alcohol measured at a temperature of 20 °C in the respective bottle;

2. affixing, storage, transportation and sale of bottled alcoholic beverages falling within CN 2208 with excise labels indicating a lower or higher nominal quantity in litres than the capacity of the respective bottle;

3. storage, transportation and sale of bottled alcoholic beverages falling within CN 2208 without excise labels where such labels are compulsory, affixed with untrue or forged excise labels or excise labels with expired validity.

(2) (Amended, SG No. 94/2010, effective 1.01.2011) Sale of tobacco products shall be prohibited:

1. at a price other than the selling price written on the excise label;

2. without an excise label where such is compulsory, affixed with untrue or forged excise labels or excise labels with expired validity;

3. in draft condition in separate units or pieces and in open packages which are not affixed with excise labels, except for the cases of manually rolled cigars.

(3) Labelling of beer with labels indicating lower initial extract content measured in Plato degrees than the actual one shall be prohibited.

(4) (New, SG No. 94/2010, effective 1.01.2011) Excisable goods affixed with excise labels under the repealed standard form shall not be released for consumption after the date of introduction of the new standard form of excise label.

Article 100. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 44/2009, effective 1.01.2010) Bottled alcoholic beverages falling under CN code 2208 and with alcoholic strength by volume equal and exceeding 15% vol and tobacco products intended for the domestic market shall be sold only with excise label affixed.

(2) The procedure and manner of introducing excise labels shall be established by the Council of Ministers.

Article 100a. (New, SG No. 95/2009, effective 1.12.2009) (1) The sale, storage and offering of tobacco products by traders who are not registered under Article 96, Paragraph 1, or Article 100, Paragraph 1 of the Value Added Tax Act and who do not have a permit for sale of tobacco products shall be prohibited.

(2) (Repealed, SG No. 94/2010, effective 1.01.2011).

Article 101. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 44/2009, effective 1.01.2010) Sale of draft (unbottled) alcoholic beverages falling within CN code 2208 and with alcoholic strength by volume equal and exceeding 15% vol shall be prohibited.

(2) The provision of Paragraph 1 shall not apply to sale of alcoholic beverages among licensed warehouse keepers.

(3) (Supplemented, SG No. 44/2009, effective 1.01.2010) Sale of alcoholic beverages falling within CN code 2208 and with alcoholic strength by volume equal and exceeding 15% vol in plastic packages (bottles) shall be prohibited.

(4) (Supplemented, SG No. 109/2007) The provision of Paragraph 3 shall not apply to sale of alcoholic beverages in packages (bottles) of up to 0.5 litres inclusive.

Article 101a. (New, SG, No. 6/2009, effective 24.02.2009) Licensed warehouse keepers shall be forbidden to release for consumption fuel oil and heavy fuel containing over 1 percent of sulphur, without a primary accounting document presented to attest to the fee payment, as per the procedure of Article 31 of the Clean Ambient Air Act, transferred to the account of the Enterprise for Management of the Environmental Protection Activities.

Chapter Eight CONTROL

Article 102. (Effective 1.07.2006 - SG No. 91/2005) (1) Control on excisable goods, including goods under excise duty suspension arrangement, shall be exercised by customs authorities.

(2) (Amended, SG No. 95/2009, effective 1.12.2009) Control shall include inspections and audits of tax liable persons as well as inspections of all other persons dealing with excisable goods.

(3) Customs authorities may install technical devices to control movement and use of excisable goods.

(4) Customs authorities may take fuel samples from fuel tanks of motor vehicles.

(5) (New, SG No. 109/2007, effective 24.12.2007) Control over mandatory stocks of crude oil and petroleum products in tax warehouses shall be performed by the persons referred to in Article 30, paragraph 1 of the Mandatory Stocks of Crude Oil and Petroleum Products Act.

Article 103. (Effective 1.07.2006 - SG No. 91/2005) (1) (Previous Article 103, SG No. 95/2009, effective 1.12.2009) Control shall be exercised by means of physical inspection of the quantity and other data and indicators concerning excise taxation as well as the accounting and commercial documentation of the inspected persons.

(2) (New, SG No. 95/2009, effective 1.12.2009) Collection, provision and judgement of the evidence under Paragraph 1 shall be done under the Tax and Social Insurance Procedure Code.

Article 103a. (New, SG No. 95/2009, effective 1.12.2009) (1) For the purposes of control exercised by the customs authorities tax liable persons under this Act shall use measuring instruments and controlling, conforming to the requirements of this Act, the Measurements Act and the implementing regulations thereof.

(2) The Minister of Finance shall issue an ordinance laying down the specific requirements and the control exercised by the customs authorities on the measuring instruments.

(3) Data from the measuring instruments under Paragraph 1 shall be sent electronically via the automated reporting systems of the persons.

(4) Data under Paragraph 3 shall be sent to the Customs Head Office according to a procedure, manner and form determined by the Director of the Customs Agency.

(5) Excisable goods not reported by the measuring instruments may not be introduced or brought out from tax warehouses and units of registered persons.

Article 104. (Effective 1.07.2006 - SG No. 91/2005, amended, SG No. 105/2005) (1) (Supplemented, SG No. 95/2009, effective 1.12.2009, SG No. 55/2010, effective 22.07.2010) The conduct of inspections and the proceedings for establishing, securing and collecting excise duty liabilities shall be governed by the Tax and Social Insurance Procedure Code unless provided otherwise in this Act. Customs authorities shall have the powers of revenue authorities and in the cases of Article 121 and Article 153, Paragraph 5 of the Tax and Social Insurance Procedure Code, of public enforcement authority. Customs officers designated by an order of the Director of the Customs Agency shall have competence within the meaning of Article 7 of the Tax and Social Insurance Procedure Code on the territory of the country.

(2) For the purposes of Paragraph 1 customs authorities stipulated in the Customs Act shall have the competencies of territorial directorates of the National Revenue Agency, the Director of the Customs Agency shall have the powers of executive director of the National Revenue Agency and heads of customs offices shall have the powers of territorial directors.

(3) (Amended and supplemented, SG No. 55/2010, amended, SG No. 94/2010, effective 1.01.2011) The powers under Article 112, Paragraph 2 of the Tax and Social Insurance Code

shall be exercised by the head of the competent customs office or by the Director of the Customs Agency.

(4) (Amended, SG No. 95/2009, effective 1.12.2009) The powers of a decision-making body within the meaning of Article 152, Paragraph 2 of the Tax and Social Insurance Code shall be exercised by the Director of the Customs Agency.

Article 105. (Effective 1.07.2006 - SG No. 91/2005) Government and local authorities shall, at the request of a customs administration authority, provide timely assistance in the inspection and investigation of circumstances or establishing of facts directly related to the rights and obligations of the persons subject to tax duty under this Act.

Article 106. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 63/2006) The customs administration may use information from a revenue or customs administration of another country received in response to an official enquiry in determining the liabilities of persons dealing with excise goods as well as use this information as evidence in administrative and court proceedings.

(2) (Amended, SG 105/2005) The information collected under Paragraph 1 shall be considered a new circumstance in determining the rights and obligations of persons subject to excise duty under this Act and may be used in revising effective excise tax liabilities where the time limits for initiation of proceedings for issuance of a certificate of audit have not expired, provided for in the Tax and Social Insurance Code .

Article 106a. (New, SG No. 109/2007) Excisable goods which have not been claimed within 20 days of drawing up the protocol of their finding by the customs authorities in the course of control exercised, nor documents concerning their ownership have been provided, shall be deemed abandoned in favour of the state.

Article 107. (Effective 1.07.2006 - SG No. 91/2005) The Minister of Finance shall issue an ordinance on sampling and analysis methods for the purposes of control on excisable goods.

Chapter Nine

ADMINISTRATIVE PENAL PROVISIONS

Section I

(New, SG No. 95/2009, effective 1.12.2009)

General Provisions

Article 107a. (New, SG No. 95/2009, effective 1.12.2009) Customs authorities shall have the right to seize and detain goods which are subject of violation hereunder, as well as means of carriage, transport and other means and facilities having served and having been used for committing the violation, as well as goods and amounts for securing potential receivables in connection with the committed violation.

Article 107b. (New, SG No. 95/2009, effective 1.12.2009) (1) Until completion of the administrative penal proceedings and the penal proceedings the seized and detained goods, means and facilities shall be kept by the customs authority.

(2) Should it be impossible for the customs authority to keep the seized and detained goods, means and facilities, they shall be left for safekeeping with a protocol to the violator or to other persons who are responsible for them.

(3) For the purposes of Paragraph 2 the customs authorities shall seal the unit or part thereof in which the goods, as well as the means or facilities having served or having been used for committing the violation are left for safekeeping.

Article 107c. (New, SG No. 95/2009, effective 1.12.2009) (1) (Amended, SG No. 94/2010, effective 1.01.2011) Before completion of the administrative penal proceedings the customs authorities may dispose of the seized and detained excisable goods whose safekeeping incurs significant costs for the customs administration as well as where their safekeeping is impossible or poses threats to human life, health and the environment.

(2) Goods whose safekeeping incurs significant costs to the customs administration are goods whose long-term safekeeping is economically unjustified or incurs costs in excess of their value. Costs for safekeeping the goods are the costs incurred by the customs authorities in relation to the detention and safekeeping of the goods, including costs for loading and unloading, transportation, storage, guarding, etc.

(3) (Amended, SG No. 94/2010, effective 1.01.2011) Disposal through assignment for re-processing or destruction and transportation of the goods under Paragraph 1 shall be carried out in accordance with a procedure laid down in the ordinance under Article 124, Paragraph 4.

Article 107d. (New, SG No. 95/2009, effective 1.12.2009) (1) For securing receivables under a statement of established violation hereunder the customs authorities may impose the following security measures:

1. distraint of movables and receivables of the debtor, including bank accounts;
2. distraint on goods in circulation;
3. interdiction of real estate.

(2) Security measures shall be imposed where collection of receivables under Paragraph 1 would not be possible or would be difficult.

(3) Security measures shall be imposed in accordance with the amount of the receivables.

(4) Security measures shall be imposed by an enactment of the head of the customs office in the area of which the violation has been established.

(5) For any matters not dealt with in this Article the provisions of Chapter Twenty Four of the Tax and Social Insurance Procedure Code shall apply.

Article 107e. (New, SG No. 95/2009, effective 1.12.2009) (1) Where the violator is unknown the statement of violation shall be signed by the person who has executed the statement of violation and by one witness and shall not be delivered. In this case a penal enactment shall be issued, which shall take effect from the date of issue thereof.

(2) Where the violator is known but is not found at the address specified upon delivery of the statement of administrative violation, or has left the country, or has specified only address abroad, the penal enactment shall not be delivered. The enactment shall be deemed legally effective two months after it has been issued.

Article 107f. (New, SG No. 95/2009, effective 1.12.2009) (1) The administrative enforcement authority shall issue a decision on confiscation in favour of the state of the goods which are the subject of violation hereunder as well as on confiscation of carriage, transport and other means and facilities having served or having been used for committing the violation where such a measure is provided for herein.

(2) Where the goods, means or facilities under Paragraph 1 are missing or are alienated, their value as determined at market price shall be adjudicated.

(3) The method and procedure for determination of the market price of the goods confiscated in favour of the state which are the subject of violation hereunder, as well as the carriage, transport and other means and facilities having served or having been used for committing the violation shall be laid down in the implementing regulation to this Act.

(4) The market price shall be determined at the time of committing the violation and should this be impossible, at the time of establishment thereof.

Article 107g. (New, SG No. 95/2009, effective 1.12.2009) (1) In the cases where for the goods which are the subject of violation hereunder a partial excise duty has been paid or no excise duty has been paid, including upon adjudication of their value determined at market price, an excise duty at a flat rate shall be due.

(2) Goods confiscated in favour of the state shall be deemed placed under excise duty suspension arrangement.

Article 107h. (New, SG No. 95/2009, effective 1.12.2009) (1) Until issue of the penal enactment but not later than 30 days from execution of the statement of established violation hereunder an agreement on termination of the administrative penal proceedings may be reached between the administrative penal authority and the violator, unless the violation constitutes a crime.

(2) Established cases of administrative violations wherein the goods which are the subject of violation pose threats to human life or health or the environment or do not meet the requirements to the quality of the products may not be subject of an agreement.

(3) The agreement shall be drawn up in writing and shall reflect the agreement of the administrative penal authority and the violator on the following issues:

1. whether a violation has been committed, whether it is committed by the violator and through his fault, whether the violation is a violation of the excise legislation;

2. the amount and type of the penalty;

3. whether the goods subject of the violation are seized in favour of the state, as well as the carriage, transport and other means having served or having been used for committing the violation hereunder or whether they will be paid in an amount of not less than 40 per cent of their market value.

(4) The agreement may not determine:

1. a penalty other than that provided for by law for the specific administrative violation;

2. (amended, Sg No. 94/2010, effective 1.01.2011) amount of the fine or the property sanction:

a) in the event of first violation - lower than the minimum amount prescribed for the specific administrative violation;

b) in the event of a repeated violation - lower than 60% of the maximum amount prescribed for the specific administrative violation;

c) in the event of every next violation - lower than the maximum amount prescribed for the specific administrative violation;

3. a lower amount than 40 per cent of the market price of the subject of the violation as well as of the carriage, transport and other means having served or having been used for committing the violation hereunder.

(5) The agreement shall be signed by the administrative penal authority and the violator or his representative explicitly authorised for reaching an agreement.

(6) Within 14 days from signing the agreement on termination of the administrative penal proceedings the Director of the Customs Agency or an official authorised thereby shall issue a decision on approval or refusal to approve the agreement. The decision on approval of the agreement on termination of the administrative penal proceedings shall be sent to the relevant prosecutor within 7 days from issue thereof.

(7) The agreement on termination of the administrative penal proceedings shall be approved subject to compliance with the legal requirements and provided that the public state receivables determined therein are paid or secured on the deposit account of the relevant customs authority.

(8) The decision under Paragraph 6 may not be appealed, except for the decision on approval of an agreement on termination of the administrative penal proceedings against which the prosecutor may file a protest to the court regarding its conformity with law under the procedure of the Administrative Procedure Code. In this case the protest of the prosecutor shall not stop the execution of the decision.

(9) The time limits for issue of a penal enactment shall stop running from the date of initiation of the court proceedings on a protest by the prosecutor until completion thereof.

(10) In the cases where the agreement on termination of the administrative penal proceedings is not approved or the decision on its approval is repealed by the court, the administrative penal authority shall issue a penal enactment under the general procedure.

(11) The agreement on termination of the administrative penal proceedings shall take effect from the date of its approval. The agreement shall have the consequences of an effective penal enactment and shall be subject to enforcement under the Tax and Social Insurance Procedure Code.

Section II

(New, SG No. 95/2009, effective 1.12.2009)

Administrative Penalties

Article 108. (Effective 1.07.2006 - SG No. 91/2005) (1) Where a person subject to excise duty fails to register under this Act, he shall be subject to property sanction ranging from BGN 500 to BGN 3,000.

(2) In the cases under Paragraph 1 in addition to the penalty the person shall owe the amount of the uncharged excise duty on the excisable goods produced until the date of establishing the violation.

Article 108a. (New, SG No. 95/2009, effective 1.12.2009) (1) (Amended, SG No. 55/2010, effective 22.07.2010) Whoever stores, offers or sells in commercial warehouses or stores tobacco products in violation of Article 100a shall be subject to a fine ranging from BGN 15,000 to BGN 50,000, and to a property sanction ranging from BGN 50,000 to BGN 100,000 respectively.

(2) (Amended, SG No. 55/2010, effective 22.07.2010) In the event of a repeated violation the fine shall be from BGN 50,000 to BGN 100,000 and the property sanction shall be from BGN 100,000 to BGN 150,000.

Article 109. (Effective 1.07.2006 - SG No. 91/2005) (1) A person who violates the provision of Article 60 shall be subject to a fine ranging from BGN 1,000 to BGN 3,000 - for natural persons, and a property sanction ranging from BGN 2,000 to BGN 6,000 - for legal entities and sole traders.

(2) In the event of a repeated violation the fine shall range from BGN 2,000 to BGN 6,000 and the property sanction, from BGN 4,000 to BGN 12,000.

(3) In the cases of Paragraphs 1 and 2 in addition to the penalty the person shall owe the amount of the uncharged excise duty on the excisable goods produced until the date of establishing the violation.

Article 109a. (New, SG No. 109/2007) (1) A person who violates the provision of Article 91a shall be subject to a fine ranging from BGN 500 to BGN 2,000 - for natural persons, and a property sanction ranging from BGN 1,000 to BGN 3,000 - for legal entities and sole traders.

(2) In the event of a repeated violation under Paragraph 1 the fine shall range from BGN 1,000 to BGN 4,000 and the property sanction, from BGN 2,000 to BGN 6,000.

Article 110. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 109/2007, supplemented, SG No 106/2008, effective, 1.01.2009, amended, SG No. 44/2009, effective 1.01.2010, supplemented, SG No. 95/2009, effective 1.12.2009) A person who fails to pay the due excise duty within the time limit under Article 44 or fails to file an excise declaration within the time limit under Article 87 shall be subject to a property sanction ranging from BGN 500 to BGN 2,500 - for legal entities and sole proprietors, and a fine ranging from BGN 500 to BGN 1,500 - for natural persons.

(2) (New, SG No. 106/2008, effective, 1.01.2009, amended, SG No. 44/2009, effective 1.01.2010, amended, SG No. 95/2009, effective 1.12.2009) A person who fails to submit within the deadline the information referred to in Article 88a, shall be subject to a property sanction ranging from BGN 500 to BGN 2,500 and suspension of the registration as an independent small brewery.

(3) (Renumbered from Paragraph 2, supplemented, SG No. 106/2008, effective, 1.01.2009) In the event of a repeated violation under Paragraph 1 the property sanction shall range from BGN 1,000 to BGN 5,000, and the fine shall range from BGN 1,000 to BGN 3,000.

(3) (Repealed, SG No. 109/2007).

(4) (Repealed, SG No. 109/2007).

Article 111. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006, supplemented, SG No 109/2007) A person who fails to observe the time limit for notification in the event of changes in the circumstances, under which the tax warehouse operation license or the certificate of registration under this Act were issued, shall be subject to a property sanction ranging from BGN 500 to BGN 2,500.

(2) (New, SG No. 95/2009, effective 1.12.2009) A person who fails to comply with the provision of Article 65, Paragraph 6 shall be subject to a property sanction ranging from BGN 500 to BGN 2,500.

(3) (Renumbered from Paragraph 2, SG No. 95/2009, effective 1.12.2009) A person who

fails to observe the time limit under Article 73 shall be subject to a property sanction ranging from BGN 500 to BGN 2,500.

(4) (Renumbered from Paragraph 3, amended, SG No. 95/2009, effective 1.12.2009) In the event of a repeated violation under Paragraphs 1, 2 and 3 the property sanction shall range from BGN 1,000 to BGN 5,000.

Article 112. (Effective 1.07.2006 - SG No. 91/2005) (1) Where a person subject to excise duty fails to charge it, he shall be subject to a property sanction to the double amount of the uncharged excise duty but not less than BGN 500.

(2) In the event of a repeated violation under Paragraph 1 the property sanction shall be to the double amount of the uncharged excise duty but not less than BGN 1,000.

(3) In the event of violation under Paragraphs 1 and 2, where the person has charged the excise duty in the period following the period in which the excise duty should have been charged, the property sanction shall be 25 per cent of the excise duty but not less than BGN 200.

(4) (New, SG No. 95/2009, effective 1.12.2009) In the event of violation under Paragraphs 1 and 2, where the person has charged the excise duty in the period following the period under Paragraph 3, the property sanction shall be 50 per cent of the excise duty but not less than BGN 400.

Article 112a. (New, SG No. 105/2006) (1) Where a person subject to excise duty fails to issue a simplified accompanying document, he shall be subject to a fine, property sanction, respectively, in the amount of BGN 100.

(2) Upon a repeated violation under Paragraph 1 the amount of the fine/sanction shall be BGN 300.

Article 113. (Effective 1.07.2006 - SG No. 91/2005) (1) A person who fails to account for or record a tax document or an accompanying administrative document in his books or in the Warehouse Stocks Log or in the excise declaration for the relevant tax period, or uses documents with incorrect content, forged or false documents in his accounting which result in determination of a lower excise duty due or higher refundable excise duty, shall be subject to a property sanction ranging from BGN 200 to BGN 10,000.

(2) In the event of a repeated violation under Paragraph 1 the property sanction shall range from BGN 500 to BGN 20,000.

Article 114. (Effective 1.07.2006, amended, SG No. 55/2010, effective 22.07.2010) A person who violates the provision of Article 103a, Paragraphs 1, 3, 4 and 5 shall be subject to a property sanction ranging from BGN 5,000 to BGN 10,000 and in the event of a repeated violation, from BGN 10,000 to BGN 50,000.

Article 114a. (New, SG No. 95/2009, effective 1.12.2009) (1) A person who unloads at a place other than that referred to in Article 91b shall be subject to a property sanction in the

double amount of the due excise duty, but not less than BGN 2,000.

(2) In the event of a repeated violation under Paragraph 1 the property sanction shall be in the double amount of the uncharged excise duty, but not less than BGN 4,000.

Article 115. (Effective 1.07.2006 - SG No. 91/2005) A person who violates the provision of Article 92 shall be subject to a property sanction ranging from BGN 2,000 to BGN 5,000 and in the event of a repeated violation, from BGN 4,000 to BGN 10,000.

Article 116. (Effective 1.07.2006 - SG No. 91/2005) A person who violates the provision of Article 93 shall be subject to a property sanction ranging from BGN 5,000 to BGN 10,000 and in the event of a repeated violation, from BGN 10,000 to BGN 50,000.

Article 117. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 95/2009, effective 1.12.2009) A person who violates the provision of Article 94 shall be subject to a fine ranging from BGN 100 to BGN 500 - for natural persons, and a property sanction ranging from BGN 5,000 to BGN 10,000 - for legal entities and sole traders.

(2) (Amended, SG No. 95/2009, effective 1.12.2009) In the event of a repeated violation under Paragraph 1 the fine shall range from BGN 200 to BGN 1,000, and the property sanction, from BGN 10,000 to BGN 50,000.

Article 118. (Effective 1.07.2006 - SG No. 91/2005) (1) A person who violates the provision of Article 95 shall be subject to a fine ranging from BGN 1,000 to BGN 3,000 - for natural persons, and a property sanction ranging from BGN 3,000 to BGN 10,000 - for legal entities and sole traders.

(2) In the event of a repeated violation under Paragraph 1 the fine shall range from BGN 2,000 to BGN 6,000, and the property sanction, from BGN 6,000 to BGN 20,000.

Article 119. (Effective 1.07.2006 - SG No. 91/2005) (1) A person who violates the provisions of Articles 96, 97 and 98 shall be subject to a fine ranging from BGN 100 to BGN 300 - for natural persons, and a property sanction ranging from BGN 3,000 to BGN 10,000 - for legal entities and sole traders.

(2) In the event of a repeated violation under Paragraph 1 the fine shall range from BGN 200 to BGN 600, and the property sanction, from BGN 6,000 to BGN 20,000.

Article 120. (Effective 1.07.2006 - SG No. 91/2005) (1) A person who violates the provision of Article 99, Paragraph 1 shall be subject to a property sanction ranging from BGN 5,000 to BGN 10,000, and in the event of a repeated violation - from BGN 10,000 to BGN 20,000.

(2) A person who violates the provision of Article 99, Paragraph 2 shall be subject to a fine ranging from BGN 100 to BGN 300 - for natural persons, and a property sanction ranging from BGN 3,000 to BGN 10,000 - for legal entities and sole traders.

(3) (New, SG No. 105/2006) A person who violates the provision of Article 99, Paragraph 3 shall be subject to a property sanction ranging from BGN 2,000 to BGN 5,000, and in the event of a repeated violation - from BGN 5,000 to BGN 10,000.

(4) (Renumbered from Paragraph 3, SG No. 105/2006) In the event of a repeated violation under Paragraph 2 the fine shall range from BGN 200 to BGN 600, and the property sanction, from BGN 6,000 to BGN 20,000.

Article 121. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006, amended, SG No 109/2007) A person who violates the provision of Article 64, Paragraphs 1 - 4, shall be subject to a fine ranging from BGN 1,000 to BGN 3,000 - for natural persons, and a property sanction ranging from BGN 2,000 to BGN 6,000 - for legal entities and sole traders.

(2) In the event of a repeated violation under Paragraph 1 the fine shall range from BGN 2,000 to BGN 6,000, and the property sanction, from BGN 4,000 to BGN 12,000.

(3) A person who produces or imports excisable goods and affixes on them false or forged excise labels or excise labels with expired validity shall be subject to a property sanction to the double amount of the excise duty due, but not less than BGN 5,000, and in the event of a repeated violation - not less than BGN 10,000.

(4) A person who violates the procedure and manner of introducing excise labels shall be subject to a property sanction of BGN 2,000 and in the event of a repeated violation - BGN 4,000.

(5) (New, SG No. 109/2007) A person which affixes, stores, carries or transports used excise labels in violation of the requirements of this Act and of the normative acts on its implementation, shall be subject to a fine ranging from BGN 1,000 to BGN 3,000 - for natural persons, and a property sanction ranging from BGN 2,000 to BGN 6,000 - for legal entities and sole traders.

Article 122. (Effective 1.07.2006 - SG No. 91/2005) (1) A person who violates the provision of Article 101 shall be subject to a fine ranging from BGN 100 to BGN 300 - for natural persons, and a property sanction ranging from BGN 3,000 to BGN 10,000 - for legal entities and sole traders.

(2) In the event of a repeated violation under Paragraph 1 the fine shall range from BGN 200 to BGN 600, and the property sanction, from BGN 6,000 to BGN 20,000.

Article 122a. (New, SG No. 55/2010, effective 22.07.2010) A person who makes an attempt to manipulate or deinstall or manipulates or deinstalls the technical devices under Article 103, Paragraph 3 shall be subject to a fine to the double amount of the excise duty but not less than BGN 1,000 - for natural persons, and a property sanction to the double amount of the excise duty but not less than BGN 2,000 - for legal entities and sole traders.

(2) In the event of a repeated violation under Paragraph 1 the fine shall be to the triple amount of the due excise duty but not less than BGN 3,000, and the property sanction shall be to

the triple amount of the excise duty but not less than BGN 6,000.

Article 123. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 109/2007, SG No. 94/2010, effective 1.01.2011) A natural person who keeps, offers, sells, transports or carries excisable goods without excise label where such excise label is mandatory, or excisable goods with affixed false or forged excise labels or excise labels with expired validity shall be subject to a fine to the double amount of the excise duty due but not less than BGN 1,000, and in the event of a repeated violation - not less than BGN 2,000.

(2) (Amended, SG No. 94/2010, effective 1.01.2011) A legal entity or a sole trader who keeps, offers, sells or transports excisable goods without excise label where such excise label is mandatory, or excisable goods with affixed false or forged excise labels or excise labels with expired validity shall be subject to a property sanction to the double amount of the excise duty due but not less than BGN 2,000, and in the event of a repeated violation - not less than BGN 4,000.

(3) (Amended, SG No. 94/2010, effective 1.01.2011) Paragraph 2 shall not apply to excisable goods without affixed excise labels under excise duty suspension arrangement.

(4) (Supplemented, SG No. 94/2010, effective 1.01.2011) Where a legal entity or a sole trader keeping, offering, selling or transporting excisable goods establishes upon receipt of the delivery excisable goods without excise label where such excise label is mandatory, or excisable goods with affixed false or forged excise labels or excise labels with expired validity or excise labels not meeting the requirements of Article 64, Paragraph 4, he shall take immediate inventory of the goods according to a sample approved by the Minister of Finance and shall notify in writing within three days from the day of acceptance or receipt of the goods the competent customs authority by location of the unit. In this case no sanction under Paragraph 2 shall be imposed on the person who has notified the customs authority.

(5) The sanctions under Paragraphs 1 and 2 shall be imposed on the person who keeps in a warehouse or transports excisable goods without excise labels where such are mandatory, or excisable goods with affixed false or forged excise labels or excise labels with expired validity in the cases where the owner cannot be found.

(6) A person who sells or stores in retail premises other than duty-free retail outlets alcoholic beverages and tobacco products affixed with the excise label DUTY FREE, with an inscription which obligatorily contains the words DUTY FREE respectively, shall be subject to a fine - for natural persons other than traders, or a property sanction - for legal entities and sole traders, to the double amount of the excise duty due but not less than BGN 1,000 and in the event of a repeated violation - not less than BGN 2,000.

(7) (New, SG No. 109/2007) Paragraph 6 shall not apply, if the excisable goods are under customs warehousing regime or are under a deferred payment of excise duty regime in a tax warehouse

(8) (Renumbered from Paragraph 7, SG No. 109/2007) Upon establishing tobacco products without excise labels or with affixed false or forged excise labels or with excise labels with

expired validity or with excise labels with the inscription under Paragraph 6 in vending machines for sale of tobacco products, the sanctions under Paragraphs 1 and 2 shall be imposed on the person who has been licensed for trade in tobacco products from such vending machines in accordance with the Bulgarian legislation.

Article 123a. (New, SG No. 105/2006) (1) A person who evades full or partial payment or security of the excise duty due under this Act shall be subject to a fine in the double amount of the evaded excise duty but not less than BGN 1,000, and a property sanction shall be imposed on legal persons and sole traders in the double amount of the evaded excise duty, but not less than BGN 2,000.

(2) Upon a repeated violation under Paragraph 1 the fine shall be in the triple amount of the evaded excise duty but not less than BGN 2,000 and the property sanction shall be in the triple amount of the evaded excise duty but not less than BGN 4,000.

Article 124. (Effective 1.07.2006 - SG No. 91/2005) (1) (Amended, SG No. 105/2006, amended, SG No 109/2007, SG No 106/2008, effective 1.01.2009, amended and supplemented, SG No. 95/2009, effective 1.12.2009, supplemented, SG No. 55/2010, effective 20.07.2010, amended, SG No. 94/2010, effective 1.01.2011) In the event of violations under Articles 108a, 114a, 115, 116, 117, 118 and Article 120, Paragraph 1, Article 121, Paragraphs 1, 2, 3, Article 122, Article 123, Paragraphs 1, 2, 4 and 6, and Article 126, as well as in the cases where the violator is unknown the goods subject of the breach shall be confiscated in favour of the State, regardless of their ownership.

(2) (New, SG No. 105/2006, amended, SG No 109/2007) The funds owned by the perpetrator, which have been used for violation of this Act, shall be confiscated in favour of the State unless their value does not correspond visibly to the gravity of the violation.

(3) (New, SG No. 109/2007) All facilities employed in committing a breach under Article 109, Paragraph 1, shall be confiscated in favour of the State, regardless of their ownership.

(4) (Renumbered from 2, SG No. 105/2006, renumbered from Paragraph 3, SG No. 109/2007, amended, SG No. 44/2009, SG No. 94/2010, effective 1.01.2011) The Minister of Finance shall issue an ordinance stipulating the terms and procedure for disposal and transportation of goods confiscated in favour of the state under Paragraph 1,2 and 3, Article 106a and the excisable goods under Article 107c.

(5) (New, SG No. 44/2009, amended, SG No. 95/2009, effective 1.12.2009, SG No. 94/2010, effective 1.01.2011) Excisable goods seized and detained, confiscated and abandoned in favour of the state shall be under customs authorities control and subject to processing or destruction.

(6) (New, SG No. 44/2009, supplemented, SG No. 95/2009, effective 1.12.2009) In the cases of destruction of excisable goods detained, confiscated and abandoned in favour of the state the action is performed by the authority having detained them under customs authority control.

(7) (New, SG No. 44/2009, repealed, SG No. 95/2009, effective 1.12.2009).

Article 124a. (New, SG No. 95/2009, effective 1.12.2009) (1) (Amended, SG No. 94/2010, effective 1.01.2011) In the cases of Articles 108, 108a, 109, 114, 114a, 115, 117, 120, 121, 122, Article 123, Paragraphs 1, 2, and 6, Articles. 123a, and 126 the person shall be furthermore deprived of the right to carry out a specific activity or activities in the premises where the violation has been established for a term of one month.

(2) In the cases of repeated violation under Paragraph 1 the person shall be deprived of the right to carry out a specific activity or activities for a term of 2 to 6 months.

(3) (New, SG No. 55/2010, effective 20.07.2010) The sanction under Paragraphs 1 and 2 shall not be imposed in the cases where an agreement is entered into on termination of an administrative penal proceedings under the terms of Article 107h.

(4) (Renumbered from Paragraph 3, SG No. 55/2010, effective 20.07.2010) Execution of the administrative penalty under Paragraphs 1 and 2 shall be terminated by the authority that has imposed it, at the request of the violator, after the latter proves that the fine or property sanction is paid in full.

Article 124b. (New, SG No. 95/2009, effective 1.12.2009) (1) In the cases of imposing administrative penalty under Article 124a an enforcement administrative measure shall be furthermore imposed such as sealing of the unit or units where the violation has been established.

(2) The enforcement administrative measure under Paragraph 1 shall apply with a motivated order of the head of the competent customs authority or an official authorised thereby.

(3) The order shall be subject to preliminary execution, unless the court orders otherwise.

(4) The order under Paragraph 2 may be appealed under the Administrative Procedure Code.

(5) The enforcement administrative measure shall be terminated by the authority that has imposed it, at the request of the administratively penalised person and after the latter proves that the fine or the property sanction is paid in full. Printing shall be done under obligation for assistance by the person.

Article 124c. (New, SG No. 95/2009, effective 1.12.2009) (1) Upon imposing the enforcement administrative measure under Article 124b, Paragraph 1 the violator shall be denied access to the unit or units and the available goods, except those being the subject of violation, shall be removed by the person or by a person authorised thereby within a time limit set by the authority which has imposed the enforcement administrative measure.

(2) Where the removal involves significant difficulties for the customs authorities and/or incurs significant costs for the liable person the authority which has issued the measure under Article 124b, Paragraph 1 may order the goods to remain in the unit or units for safekeeping by the liable person. The order shall not apply to the goods which are the subject of the violation.

(3) In the cases of Paragraph 1 where removal of the goods is not carried out within the time limit set, the customs authority shall remove them by placing them in front of the unit without the obligation to protect them, at the expense of the liable person, and shall not be liable for any damage, spoil or loss thereof.

Article 125. (Effective 1.07.2006 - SG No. 91/2005) (1) (Supplemented, SG No. 105/2006) An excise-exempt end user who has received energy products and has used them for purposes other than those stipulated in the certificate of excise exemption and who has not paid the excise duty due under this Act shall be subject to a property sanction to the double amount of the excise duty due on motor fuels of the relevant type, but not less than BGN 5,000.

(2) In the event of a repeated violation, the certificate shall be revoked and the property sanction under Paragraph 1 shall not be less than BGN 10,000.

(3) In the cases under Paragraph 2 the person shall pay the amount of the excise duty due on motor fuel of the respective type for the quantities available at the time of revocation of the certificate.

(4) (New, SG No. 63/2006, repealed, SG No. 95/2009, effective 1.01.2010).

Article 126. (Effective 1.07.2006, supplemented, SG No. 109/2007, SG No. 95/2009, effective 1.04.2010, amended, SG No. 94/2010, effective 1.01.2011) A person who produces, keeps, offers, sells or transports excisable goods without an excise document under this Act, or an invoice, or a customs declaration, or an accompanying administrative document/electronic administrative document or a paper document where the computerised system is unavailable, or another document, certifying the payment, charge or security of the excise duty, shall be subject to a fine - for natural persons, or to a property sanction - for legal entities and sole proprietors, in the double amount of the excise duty due but not less than BGN 1,000, and in the event of a repeated violation - not less than BGN 2,000.

Article 126a. (New, SG No. 105/2006) (1) (Previous Article 126a, SG No. 44/2009, amended, SG No. 95/2009, effective 1.12.2009) Any violation of the provisions of this Act and the implementing regulations thereof established by the customs authorities, unless provided otherwise, shall be subject to a fine ranging from BGN 200 to BGN 1,000 or to a property sanction ranging from BGN 500 to BGN 2,000.

(2) (New, SG No. 44/2009) Subject to same penalty shall be any person who fails to render assistance to or hinders the customs authorities in their exercising their powers, as also any person who is obligated under this Act to present to such authorities goods, documents and information, but refuses to do so.

Article 126b. (New, SG No. 105/2006, amended, SG No 109/2007) For minor cases of violation of articles 118, 122, 123, 126 and 126a, established upon their commitment, the customs authorities may impose a fine by issuing a ticket under the procedure and in the amounts set out in Article 39, Paragraph 2 of the Administrative Violations and Sanctions Act.

Article 127. (Effective 1.07.2006 - SG No. 91/2005) (1) A customs authority that fails to

issue within 7 days a certificate of presence or absence of liabilities under this Act, shall be subject to a fine of up to BGN 250, and in the event of a repeated violation - up to BGN 500.

(2) Statements of violations shall be drawn up by officials in the inspectorate to the Minister of Finance and penalty enactments shall be issued by the Minister of Finance.

Article 128. (Effective 1.07.2006 - SG No. 91/2005) (1) Establishment of violations, issuance, appeal and enforcement of penalty enactments shall be subject to the terms and procedures of the Administrative Violations and Sanctions Act.

(2) The statements of violations shall be drawn up by the customs authorities and the penalty enactments shall be issued by the Director of the Customs Agency or an official authorized by him.

TRANSITIONAL AND CONCLUDING PROVISIONS

§ 1. (1) (Effective 1.07.2006 - SG No. 91/2005) This Act shall repeal the Excise Tax Act (promulgated State Gazette No. 19/1994.; amended SG Nos. 58/1995 and 70/1995, Nos. 21, 56 and 107/1996, No. 51/1997, Nos.15, 89 and 153/1998, No. 103/1999, No. 102/2000, No. 110/2001, Nos. 45 and 118/2002; corrected, No. 9/2003; amended, Nos. 37, 103 and 112/2003, Nos. 53 and 113/2004), except for Article 11 , Paragraphs 9 and 10, Article 12c , Article 17a, Paragraph 10 , § 2, item 25 of the additional provisions, § 26 of the transitional and concluding provisions of the Act Amending and Supplementing the Excise Tax Act (SG, No. 110/2001) and § 20 of the transitional and concluding provisions of the Act Amending and Supplementing the Excise Tax Act (SG, No. 118/2002) which shall apply until adoption of a duty-free trade act.

(2) (Effective 15.11.2005) The persons under § 20, Paragraph 2 of the transitional and concluding provisions of the Act Amending and Supplementing the Excise Tax Act (SG, No. 118/2002) the validity of whose permits has expired after 31 July 2005 shall continue to operate as duty-free operators until adoption of a duty-free trade act.

(3) (Effective 1.07.2006, - SG, No. 91/2005, repealed, SG No. 105/2006, effective as from the date of entry into force of the Treaty of Accession of the Republic of Bulgaria to the European Union - 1.01.2007).

§ 2. (1) (Amended, SG No. 63/2006) Any proceedings for the establishment and collection of excise duty liabilities, initiated on or before the 30th day of June 2006, as well any proceedings for reimbursement of excise duty initiated until the said date, shall be completed by the National Revenue Agency authorities.

(2) (Amended, SG, No. 105/2005, SG No. 63/2006) The excise duty charged on or before the 30th day of June 2006 shall be declared and remitted according to the procedure and within the time limits established by the Excise Tax Act and the Regulations for Application thereof.

(3) (New, SG No. 63/2006) The provisions of the Excise Tax Act shall apply to any excise duty liabilities which have arisen on or before the 30th day of June 2006, and the said liabilities

shall be established, secured and collected by the National Revenue Agency authorities according to the procedure established by the Tax and Social-Insurance Procedure Code .

(4) (New, SG No. 63/2006) The security furnished under the Excise Tax Act, furnished on or before the 30th day of June 2006, shall be released or utilized by the National Revenue Agency according to the procedure and under the terms established by the Excise Tax Act and the Regulations for Application thereof.

§ 2a. (New, SG No. 63/2006) (1) Authorized warehouse keepers shall have the right to reimbursement of the excise duty paid until the 30th day of June 2006 on:

1. ethyl alcohol (alcohol-containing raw materials) used in the production of alcoholic beverages;

2. gases intended for processing, falling within CN codes 2901 24 100, 2711 14 000, 2901 22 000 and 2901 21 000, which have undergone specific or chemical processing into excisable finished products;

3. heavy oils intended for processing, falling within CN codes 2710 19 710 and 2710 19 750, and for heavy fuel oils, falling within CN codes 2710 19 510 and 2710 19 550, which have undergone specific or chemical processing into excisable finished products;

4. naphtha used in the production of ethylene;

5. ethylene used in the production of ethylene dichloride.

(2) Reimbursement shall be effected after release for consumption of the excisable goods in which the goods covered under Paragraph (1) are used or, respectively, after the sale of the ethylene dichloride, but not later than the 1st day of July 2007.

(3) (New, SG No. 109/2007) The term under Paragraph 2 shall not apply to excisable goods under Paragraph 1, item 1.

§ 2b. (New, SG No. 63/2006) The annual fuel consumption rate, referred to in Article 32 (3) herein, for 2006, shall be 44 liters per hectare of registered arable agricultural land.

§ 3. The documents in respect of which a sample is required under this Act shall be laid down in the implementing regulation to this Act.

§ 4. (Effective 15.11.2005) The Minister of Finance shall issue an implementing regulation to this Act within 6 months from its promulgation in the State Gazette.

§ 5. (Amended, SG No. 63/2006) The ordinances under Article 21, Paragraph 3, Article 25, Paragraph 2, Article 107 and Article 124, Paragraph 2 shall be issued within three months from entry into force of this Act.

§ 6. The Minister of Finance:

1. shall determine by an order the information in the registers under Article 24, Paragraph 5, Article 54, Paragraph 1 and Article 56, Paragraph 2, which shall be public;

2. may determine jointly with the Governor of the Bulgarian National Bank a special procedure for the tax payment.

§ 7. The Corporate Income Tax Act (promulgated SG, No. 115/1997; amended, No. 19/1998; amended, Nos. 21 and 153/1998, Nos. 12, 50, 51, 64, 81, 103, 110 and 111/1999, Nos. 105 and 108/2000, Nos. 34 and 110/2001, Nos. 45, 61, 62 and 119/2002, Nos. 42 and 109/2003, Nos. 18, 53 and 107/2004, No. 39/2005) shall be supplemented as follows:

1. Article 2d shall be created:

"Article 2d. (1) Persons organizing games of chance with gambling slot machines, bookmaking facilities for betting on horse or dog-racing results, roulette and other gaming equipment in gaming casinos, instead of the corporate profit tax and/or final tax under Article 2a on games of chance with gaming slot machines, bookmaking facilities for betting on horse or dog-racing results, roulette and other gaming equipment in gaming casinos, shall be charged with a final tax on the respective facility.

(2) The persons under Paragraph 1 shall accrue and pay the tax in the respective territorial tax directorate by place of its tax registration in advance quarterly instalments and shall send a copy of the payment order to the territorial tax directorate by location of the gambling hall, bookmaking facilities or the casino and to the gambling supervision authority. The instalments shall be paid for every object of gambling with a separate payment order specifying the location and address of the object. The persons under Paragraph 1 shall file a declaration for the respective quarter according to a sample approved by the Minister of Finance within the time limits for payment of the tax.

(3) The tax under Paragraph 1 shall be paid by 3 January for the first quarter of the calendar year, by 1 April - for the second quarter, by 1 July - for the third quarter, and by 1 October - for the fourth quarter of the calendar year.

(4) For any other activities taxation of the persons under Paragraph 1 shall be in accordance with the general procedure."

2. Article 46d shall be created:

"Article 46d. The amount of the tax under Article 2d shall be as follows:

1. for gambling slot machines or bookmaking facilities for betting on horse or dog-racing results -BGN 300 per quarter per facility;

2. for roulette in a casino for gaming table - BGN 18,000 per quarter per facility;

3. for other gaming facility in a casino - BGN 3,000 per quarter per facility."

3. Paragraphs 7, 8 and 9 are created in Article 67a:

"(7) A person who runs games of chance or uses gaming slot machines and gaming facilities under Article 2d without having paid the tax due shall be subject to a fine - for natural persons other than traders or to a property sanction - for legal persons and sole traders, to the double amount of the tax due but not less than BGN 3,000.

(8) In the event of a repeated violation under Paragraph 7 the amount of the fine or the property sanction shall be to the amount of the double tax due but not less than BGN 5,000.

(9) The sanctions under Paragraphs 7 and 8 shall apply regardless of the sanctions provided for in other acts and the gambling supervision authorities under the Gambling Act shall be notified within three days of establishing the violation."

§ 8. The Customs Act (promulgated SG, No. 15/1998; amended, Nos. 89 and 153/1998, Nos. 30 and 83/1999, No. 63/2000, No. 110/2001, No. 76/2002, Nos. 37 and 95/2003, No. 38/2004, Nos. 45 and 86/2005) shall be amended and supplemented as follows:

1. In Article 7 , Paragraph 8 a second sentence shall be inserted: "Officials from the inspectorate to the Minister of Finance shall be entitled to access to any data and documents in the customs administration in connection with the inspections conducted by them."

2. In Article 17 , Paragraph 1, item 6, first sentence, after the wording "provided for by law" shall be added "at the request of the officials from the inspectorate to the Minister of Finance ".

§ 9. Until entry into force of the statement of issuance of a license for management of a tax warehouse or refusal for its issuance existing producers of excisable goods at 1 January 2006 who file an application for license by 1 March 2006 shall continue their activity as licensed warehouse keepers under the procedure of this Act.

§ 10. The Tobacco and Tobacco Products Act (promulgated SG, No. 101/1993; amended, No. 19/1994, No. 110/1996, No. 153/1998, No. 113/1999, Nos. 33 and 102/2000, No. 110/2001, No. 20/2003, Nos. 57 and 70/2004) shall be amended and supplemented as follows:

1. Article 29 shall be amended as follows:

"Article 29. (1) Domestically produced or imported cigarettes shall be sold on the domestic market at prices, under terms and according to a procedure as laid down by the Council of Ministers.

(2) The terms and procedure for registration of prices of tobacco products, except those under Paragraph 1, domestically produced and imported, the trade in tobacco products and control on them shall be stipulated in a regulation of the Council of Ministers."

2. (Effective 15.11.2005) § 3a shall be created in the transitional and concluding provisions:

"§ 3a. By 1 January 2006 the Council of Ministers shall adopt the necessary amendments and supplements to the implementing regulations to this Act."

§ 11. Enforcement of this Act is assigned to the Minister of Finance.

§ 12. The Act enters into force on 1 January 2006 except for:

1. (amended, SG No. 63/2006) the provisions of Articles 1 to 31, Article 32, Items 2, 4, 5 and 6 of Article 33 (1) and Article 33 (2), Articles 34 to 46, Articles 59 to 128, § 1 (1) regarding the repeal of the Excise Tax Act , as well as § 1 (3), which shall enter into force as from the 1st day of July 2006;

2. the provisions of § 1, Paragraph 2 , § 4 and § 10, item 2, which shall enter into force on the date of promulgation of this Act in the State Gazette.

3. (**)(new, SG No. 63/2006, amended, SG No. 108/2006, SG No. 109/2007) the provisions of Items 1 and 3 of Article 33 (1), which shall enter into force as from the 1st day of January 2009.

The Act was passed by the 40th National Assembly on 2 November 2005 and the Official Seal of the National Assembly has been affixed to it.

TRANSITIONAL AND FINAL PROVISIONS

of the Administrative Procedure Code

(SG, No. 30/2006, effective 12.07.2006)

.....

§ 21. Everywhere in the Excise Duties and Tax Warehouses Act (Promulgated State Gazette No. 91/2005, amended SG No. 105/2005) the words "the Administrative Procedure Act" and shall be replaced by "the Administrative Procedure Code".

(*) Act to Amend the Commercial Register Act

(SG No. 80/2006, effective 3.10.2006)

§ 1. In § 56 of the Transitional and Final Provisions the words "1 October 2006" shall be replased by "1 July 2007"

TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend the Excise Duties and Tax Warehouses Act

(SG No. 105/2006, effective 1.01.2007, amended, SG No. 55/2010, effective 20.07.2010)

§ 77. (1) The persons under Article 57a, Paragraph 1, items 1, 2 and 3 who carry out activity at the date of entry into force of this Act shall file an application for registration within 14 days from its entry into force.

(2) Until delivery of the certificate of registration the persons under Paragraph 1 shall have all the rights and obligations of registered persons under this Act.

§ 78. For goods to which the circumstances under Appendix V, Chapter IV "Customs Union" of the Protocol to the Treaty of Accession of the Republic of Bulgaria to the European Union the provision of Article 19, Paragraph 1, item 3 shall apply at the date of completion of customs formalities.

§ 79. (Repealed, SG No. 55/2010, effective 20.07.2010).

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FINAL PROVISION

to the Act to Amend the Excise Duties and Tax Warehouses Act

(SG No. 109/2007, effective 1.01.2008)

§ 56. This Act shall enter into force as from 1 January 2008, except for the tax reliefs under § 12, Item 1, letter "e", constituting state aid, which shall enter into force upon issuance of positive decision by the European Commission.

Law amending and supplementing the Excise Duties and Tax Warehouses Act

(SG No. 106/2008, effective 1.01.2009, amended, SG No. 55/2010, effective 20.07.2010)

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ADDITIONAL PROVISION

§ 17. This Law introduces the provisions of Council Directive 2007/74/EC of 20 December 2007 on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries (OJ, L 346/6 of 29 December 2007).

FINAL PROVISIONS

§ 18. (Repealed, SG No. 55/2010, effective 20.07.2010).

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§ 20. This Law becomes effective on 1 January 2009.

FINAL PROVISION

to the Act to Amend the Excise Duties and Tax Warehouses Act

(SG, No. 24/2009)

§ 2. The Act shall take effect as of the day when it is promulgated in the State Gazette.

FINAL PROVISIONS

to the Act to Amend the Excise Duties and Tax Warehouses Act

(SG No. 44/2009)

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§ 24. By 31 October 2009 the Council of Ministers shall make or propose changes in the respective normative acts to set the terms and procedures for compensating the decrease of revenues from the revoked automobile excise duty.

§ 25. Paragraphs 1 - 5 and § 8 shall enter into force on 1 January 2010.

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Act to Amend and Supplement the Excise Duties and Tax Warehouses Act

(SG No. 95/2009, effective 1.01.2010)

Additional Provisions

§ 79. (Effective 1.04.2010 - SG No. 95/2009) This Act shall transpose the provisions of Council Directive 2008/118/EC of 16 December 2008 concerning the general arrangements for excise duty and repealing Directive 92/12/EEC (OJ, L 9/12 of 14 January 2009).

§ 80. (Effective 1.04.2010 - SG No. 95/2009) Everywhere in the Act the words "registered trader" and "the registered trader" shall be replaced accordingly by "registered consignee" and "the registered consignee", the words "non-registered trader" and "the non-registered trader" shall be replaced accordingly by "temporarily registered consignee" and "the temporarily registered consignee", and the words "registered or non-registered trader" and "the registered or non-registered trader" shall be replaced accordingly by "registered consignee or temporarily registered consignee" and "the registered consignee or the temporarily registered consignee".

Transitional and Final Provisions

§ 81. (Effective 1.12.2009 - SG No. 95/2009) (1) The Minister of Finance shall issue the ordinance under Article 103a, Paragraph 2 within 45 days from entry into force of this Act.

(2) Within three months from entry into force of the ordinance under Paragraph 1 licensed warehouse keepers and persons registered under this Act shall bring their activity in conformity with the requirements of the law and shall inform the Director of the Customs Agency, the head of the competent customs authority respectively.

(3) The persons under Paragraph 2 may continue their activity until entry into force of an act of the Director of the Customs Agency/the head of the competent customs authority of a change in the issued tax warehouse operation license/registration and/or of compliance with the legal requirements, but not later than 6 months from entry into force of the ordinance under Paragraph 1.

§ 82. (Effective 1.12.2009 - SG No. 95/2009) (1) The persons under Article 57c who have obtained a certificate of registration of a registered trader shall file a request for issue of a new certificate to the head of the customs authority by location of the unit where excisable goods are received or unloaded, within 14 days from entry into force of this Act.

(2) Existing certificates of registration of a registered trader shall be valid 45 days after entry into force of this Act.

§ 83.(Effective 1.04.2010 - SG No. 95/2009) The provisions of Chapter Four, Section VI shall apply to movement under excise duty suspension arrangement with an accompanying administrative document from another Member State.

§ 84.(Effective 1.04.2010 - SG No. 95/2009) The provisions of Chapter Four, Section VI shall apply to movement under excise duty suspension arrangement with an accompanying administrative document which begins on the territory of this country to other Member States which will not complete electronic administrative documents from 1 April 2010 through a message of receipt/a message of export.

§ 85. (Effective 1.04.2010 - SG No. 95/2009) The provisions of Chapter Four, Sections VIa and VIb, shall apply to any movement under excise duty suspension arrangement with an electronic administrative document, which begins or ends on the territory of this country.

§ 86. (Effective 1.12.2009 - SG No. 95/2009) Producers of energy products which were not subject to licensing as of the date of entry into force of this Act may, provided they file an application and the required documents for issue of a tax warehouse operation license by 28 February 2010, continue their activity under this Act until a decision is issued by the Director of the Customs Agency, but not later than 30 April 2010 in compliance with the provisions for the obligations of licensed warehouse keepers.

§ 87. (Effective 1.12.2009 - SG No. 95/2009) (1) The persons under Article 100a who at the date of entry into force of this Act have a permit for trade in tobacco products issued under the Tobacco and Tobacco Products Act, by 30 April 2010 shall file an application to the head of the customs authority by location of the commercial warehouse or store for issue of a new permit.

(2) Until receipt of the permit or the refusal for issue thereof the persons under Paragraph 1

shall continue to carry out their activity.

§ 88. (Effective 1.12.2009 - SG No. 95/2009) Within three months from entry into force of this Act the Minister of Finance shall issue an ordinance, stipulating the terms and procedure for electronic filing of documents.

§ 89. (Effective 1.04.2010 - SG No. 95/2009) Where the Member State of export is other than the Member State of dispatch, the provisions of Article 73c, Paragraph 5, Article 73g, Paragraph 3, and Article 73h, Paragraph 2 shall apply, provided the necessary conditions therefor are in place at community level.

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§ 96. This Act shall enter into force as from 1 January 2010, except for § 1, § 2, items 1, 3, 4 and 6, § 3 and 4, § 5, items 1 and 4, § 6, 7, 8, 10 and 11, § 13, item 1, "b" and "c", § 15 and 16, § 20, item 2, § 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 39, 41, 42, 45, 46, 47, 50, 51, 52, 53, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 78, 81, 82, 86, 87, 88, 90, 91, 92, 93, 94 and 95, which shall come into force on the day of promulgation of this Act in the State Gazette, and § 2, items 2 and 5, § 5, item 3, § 20, item 1, § 34, 43, 44, 48, 77, 79, 80, 83, 84, 85 and 89, which shall enter into force as from 1 April 2010.

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TRANSITIONAL AND FINAL PROVISIONS to the Act to Amend the Excise Duties and Tax Warehouses Act

(SG No. 55/2010, effective 20.07.2010)

§ 39. For the excise labels under Article 27, Paragraphs 6, 7 and 8 returned to the competent customs authority before entry into force of this Act the excise duty shall be offset or refunded under the terms and procedure of the repealed Paragraphs 9, 10, and 11 of the same Article.

§ 40. For a started procedure on the repealed Article 25a, the paid excise duty shall be offset or refunded under the terms and procedure set out before entry into force of this Act.

§ 41. (1) The persons under Article 26, Paragraph 3 shall bring their activity in line with the requirements of this Act within three months from entry thereof and shall notify in writing the Director of the Customs Agency thereof.

(2) Outside the cases of § 81, Paragraph 2 of the Transitional and Final Provisions to the Act to Amend the Excise Duties and Tax Warehouses Act (SG No. 95/2009), the persons who have observed the time limit under § 2 of the Transitional and Final Provisions of Ordinance No. 3 of 2010 on the specific requirements and control exercised by customs authorities on devices for measuring excisable goods (SG, No. 15/2010) shall bring their activity in line with the requirements of this Act and shall notify in writing the Director of the Customs Agency thereof within:

1. three months from the date of preparation of a protocol under Article 52, Paragraph 4 of the Ordinance;

2. 1 September 2010 - for the persons using devices for measuring and control, simultaneously reporting the indicators for volume, alcohol content and extract expressed in Plato degree.

3. The persons under Paragraph 2 may continue their activity until entry into force of the relevant act of the Director of the Customs Agency or the head of the competent customs office regarding a change of the issued license for tax warehouse management or registration and/or for conformity with the requirements of the law, but not later than three months after entry into force of this Act.

§ 42. (1) The provisions of Article 47, Paragraph 1, item 5, Article 57c, Paragraph 1, item 5, Article 58c, Paragraph 1, item 3 and Article 58c, Paragraph 1, item 5 shall not apply to committed violations until entry into force of this Act, unless the act constitutes a crime, provided that the violator enters into an agreement under Article 107h within two months from entry into force of this Act.

(2) The provisions of Article 47, Paragraph 1, item 5, Article 57c, Paragraph 1, item 5, Article 58c, Paragraph 1, item 3 and Article 58c, Paragraph 1, item 5 shall not apply to committed violations in respect whereof there is an enforced penalty enactment until entry into force of this Act, unless the act constitutes a crime, provided that the imposed property sanction has been paid or will be paid within two months from entry into force of this Act.

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TRANSITIONAL AND FINAL PROVISIONS to the Act to Amend the Excise Duties and Tax Warehouses Act

(SG No. 94/2010, effective 1.01.2011)

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Additional Provisions

§ 43. This Act transposes the requirements of Council Directive 2010/12/EC of 16 February 2010 amending Directives 92/79/EEC, 92/80/EEC and 95/59/EC regarding the structure and rates of excise duty applied on manufactured tobacco, and Directive 2008/118/EC (OJ, L 50/1 of 27 February 2010).

§ 44. In the remaining texts of the Act the words "current certificate of registration in the Commercial Register" shall be replaced by "current status certificate".

§ 45. In the remaining texts of the Act after the words "measuring tools" the word "controlling" shall be added.

TRANSITIONAL AND FINAL PROVISIONS

§ 46. The government aid under Article 24a, Paragraph 1, item 3 shall be provided after a positive decision is issued by the European Commission regarding its consistency with the Common Market.

§ 47. (1) Non-completed proceedings at the National Revenue Agency regarding excisable goods confiscated or abandoned in favour of the state for violations of this Act shall be completed by the Customs Agency under the procedure of the ordinance under Article 124, Paragraph 4.

(2) The ordinance under Article 124, Paragraph 4 shall furthermore be applied by the Customs Agency for non-minor cases of sale or keeping of excisable goods without excise labels, where such is required by law, and which are confiscated in favour of the state.

§ 48. (1) The ordinance under Article 124, Paragraph 4 shall furthermore apply to excisable goods seized or confiscated by the tax authorities as well as to excisable goods seized by the tax authorities whose owner is not known and has not claimed them within 9 months from seizure thereof.

(2) When the date of seizure of the excisable goods is not known, the date of seizure shall be the date of their initial recording by the tax administration.

(3) In the cases under Paragraph 1 the actions under the ordinance shall be performed by the executive director of the National Revenue Agency or by officials authorized thereby.

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