

FINAL DRAFT OF THE LAW AMENDING THE LAW ON EXCISE TAXES ON TOBACCO PRODUCTS

Article 1

Article 6 changes and reads as follows:

- (1) Tobacco products - cigarettes are classified into groups according to the Law on Tobacco.
- (2) The Ministry of Finance classifies cigarettes into groups on the basis of the opinion of the Ministry of Agriculture.
- (3) The cigarettes that are not accompanied by an opinion under paragraph 2 above are classified into the group with the highest excise tax.

Article 2

In Article 8, item 1, the wording "standard length of 84 mm (+- 2 mm)" is replaced with the wording "of length of 120 mm (+- 2 mm)".

Article 3

Article 9 changes and reads as follows:

Article 9

- (1) Excise tax on cigarettes is charged:
 1. cigarettes classified into group A
(popular group) 3,90 kunas
 2. cigarettes classified into group B
(standard group) 4,30 kunas
 3. cigarettes classified into group C
(luxury group) 7,00 kunas

(2) Excise tax on other tobacco products is charged:

1. on tobacco under Article 5, paragraph 1,
items 2 and 335,00 kunas
2. on cigars 1,00 kunas
3. on cigarillos 4,00 kunas

(3) The amounts under paragraph 1 above are proportionally reduced or increased if there are less or more than 20 cigarettes in the package or if their length exceeds 120 mm.

(4) The amounts under paragraph 2 above are proportionally reduced or increased depending on the weight of tobacco and if there is one or more cigars and if there are less or more than 20 cigarillos in the package.

Article 4

In Article 11, paragraph 1, number "15" is replaced by number "30".

Article 5

places designated as markets and places for special sales, or other outdoor sales except within the framework of providing catering services and machine sale in accordance with the relevant laws."

Article 7

In Article 16, paragraph 3, after the word "prices" the words "lower and" are added.

Article 8

In Article 17, paragraph 2 changes and reads as follows:

"(2) Tobacco products that are exported, sold in duty free shops in airports, aircraft in international traffic and ships in international traffic have to be marked with an identification label of the Ministry of Finance containing the text "Republic of Croatia - Ministry of Finance" and the words "for export" in Croatian or any foreign language and a serial number.

In paragraph 3, the wording "be damaged when opened" is replaced with the wording "can be seen and is broken off when opened".

Paragraph 5 changes and reads as follows:

"(5) Exceptionally, exported products may be marked by a label requested by the importing country, what has to be proven by taking the labels over or other relevant documentation".

Article 9

In Article 20, after the word "importers" the wording "producers taking over labels for the first time" is added.

Article 10

In Article 26, after number "109/93" the numbers "95/94, 25/95, revised text, 52/95 and 106/96 are added."

Paragraph 2 is added after paragraph 1 and it reads as follows:

