

## **8.5 New rules for cross-border VAT**

Entrepreneurs doing business in the European Union will be affected by changes to the VAT regulations that are coming into effect on 1 January 2010. These changes have implications for invoicing, administrative records and other administrative obligations. The changes are related to the measures concerning the administrative burden on businesses. The tax departments in all EU countries have made agreements on this subject. Entrepreneurs providing services to entrepreneurs in other EU countries will in most cases no longer be required to submit VAT returns in those other EU countries. Also, it will be easier to reclaim turnover tax from another EU country. The Tax and Customs Administration has a special website explaining all of the changes: [www.belastingdienst.nl/eubtw2010](http://www.belastingdienst.nl/eubtw2010).

## **8.6 Excise duties**

### **8.6.1 Excise duty on wine**

The excise duty rate for wine and intermediary products is being increased to 2.95% with effect from 1 February 2010. That will result in the excise duty on wine increasing by about 1.5 cents per 0.75 litre bottle. The change will result in the excise duty on Champagne going up slightly more than 5 cents per 0.75 litre bottle and the excise duty on intermediary products such as sherry and port by about 2.6 cents per 0.75 litre bottle.

### **8.6.2 Excise duties on cigarettes**

The excise duty rate on cigarettes is being increased with effect from 1 March 2010. This is an increase of about 9 cents a packet of cigarettes in the most popular price category for a packet of 19.

### **8.6.3 Excise duty on hand-rolling tobacco**

The excise duty rate on hand-rolling tobacco is being increased with effect from 1 March 2010. This is an increase of about 2 cents a packet of tobacco in the most popular price category for a packet of 47.5 grams.

### **8.6.4 Excise duty on mineral oils**

The excise duty on mineral oils is being raised in response to annual indexing. The indexation factor for 2010 is 1.9%.

With effect from 1 January 2010 only excise duty will be payable for LPG, medium petroleum oil and gas oil. Previously, energy tax was payable as well. The energy tax is being built into the excise duty rate. LPG is being switched to a uniform rate (in excise duty). The distinction between the designations 'road transport' and 'non-road transport' is being discontinued. Compared with the current situation, the tax on LPG used as a motor fuel (road transport) is being increased by 1.50 cents a litre, and the tax on LPG used for other purposes (non-road transport), such as LPG for heating purposes or as a fuel for machinery such as fork-lift trucks, is being increased by 2.60 cents a litre.

Converted into litres or kilograms (for heavy fuel oil) the excise duty increases are 1.33 cents for unleaded petrol, 0.79 cents for sulphur-free diesel oil, 0.41 cents for medium petroleum oil and gas oil designated for aircraft engines and 0.47 cents for medium petroleum oil and gas oil designated for use other than for road vehicle engines (e.g. agricultural vehicles) or pleasure craft or for aircraft engines.