

## A C T

of 1 December 2004,

**by which Act No. 98/2004 Coll., on the excise duty on mineral oil is amended and supplemented**

The National Council of the Slovak Republic have decided on the following Act:

## Art. I

Act No. 98/2004 Coll., on the excise duty on mineral oil, has been amended and supplemented as follows:

1. Section 4, Part 2 reads as follows:

"(2) For the purposes of this Act, mineral oil covers

- a) Commodities of the combined nomenclature codes 1507 to 1518, if they are to be used as fuel,
- b) Commodities of the combined nomenclature codes 2705 to 2715,
- c) Commodities of the combined nomenclature codes 2901 to 2902,
- d) Commodities of the combined nomenclature code 2905 11 00 that are not of a synthetic origin and are to be used as fuel,
- e) Commodities of the combined nomenclature code 3403,
- f) Commodities of the combined nomenclature code 3811,
- g) Commodities of the combined nomenclature code 3817,
- h) Commodities of the combined nomenclature code 3824 90 99, if they are to be used as fuel."

2. In Section 4, Par. 3, letter a) the words "with the exception of natural gas" are omitted.

3. In Section 4, Par. 3, letter b) the words "of natural gas" are omitted.

4. In Section 4, Par. 4 the words "or natural gas" are put behind the word "hydrocarbons".

5. Section 4, Part 6 reads as follows:

"(6) For the purposes of this Act, mineral oil does not cover the biogenic substances as given in Section 7, letters b) and c), namely even if they are used as fuel. It does not apply if the biogenic substances as given in Section 7, letters b) and c) are used as fuel additives.

6. Section 4, Part 8 reads as follows:

"(8) As for mineral oils as given in Section 2, the following commodities are subject to the control and procedure during transport (Sections 23, 24 and 31):

- a) Commodities of the combined nomenclature codes 1507 to 1518, if they are to be used as fuel,
- b) Commodities of the combined nomenclature codes 2705 10, 2707 20, 2707 30 and 27 07 50,
- c) Commodities of the combined nomenclature codes 2710 11 to 2710 19 69: commodities of the combined nomenclature codes 2710 11 21, 2710 11 25 and 2710 19 29 only in case they are transported in bulk, for example in truck or railways tanks,
- d) Commodities of combined nomenclature code 2711, with the exception of commodities of the combined nomenclature codes 2711 11 00, 2711 21 00 and 2711 29 00,
- e) Commodities of the combined nomenclature code 2901 10,
- f) Commodities of the combined nomenclature codes 2902 20, 2902 30, 2902 41, 2902 42, 2902 43 and 2902 44,
- g) Commodities of the combined nomenclature code 2905 11 00, if they are not of a synthetic origin and are to be used as fuel,
- h) Commodities of the combined nomenclature code 3824 90 99, if they are to be or are used as fuel."

7. In Section 5, Par. 1 the following words are added at the end: "or the quantity of energy contained in it and expressed in giga joules".

8. Section 6, Part 1 is added with letter g), reading as follows:

- "g) Natural gas of the combined nomenclature codes 2711 11 00 and 2711 21 00
- |   |            |
|---|------------|
| 1. Determined for use, offered for use, or used as fuel | SK 100 /GJ |
| 2. Determined for use, offered for use, or used as fuel | SK 0/GJ    |

9. Section 6, Part 2 reads as follows:

"(2) As for mineral oil for which a tax rate is not determined and which was used as fuel or if it is offered for these purposes, the tax rate of that mineral oil as given in Part 1 will be applied to which the mineral oil is closest in its purpose of use or properties. If mineral oil as given in Part 1, letter f), point two is offered for the use or is used as fuel, the tax rate pursuant to Part 1, letter f), point one will be applied. If mineral oil as given in Part 1, letter g), point two is offered for the use or is used as fuel, the tax rate pursuant to Part 1, letter g), point one will be applied".

10. In Section 8, Par. 1 the words "and maximum 9 mg/l" are put behind the words "minimum 6 mg/l".

11. In Section 8, Par. 3, letter e), in Section 12, Par. 2, letter d) and in Section 13, Par. 2, letter d) the words "except for the use of the determined gas oil in natural disasters, calamities or catastrophes" are added at the end. <sup>4)</sup>

The marginal note to Reference 4a reads as follows:

" <sup>4)</sup> For example Act of the National Council of the Slovak Republic No. 42/1994 Coll., on the civil defence of inhabitants, as amended."

12. Section 10, Part 1 is added with letter e), reading as follows:

"e) as fuel, as well as for other purposes as fuel (hereinafter "the dual use"): The dual use is also considered to be the use of mineral oil for chemical reduction, in electrolytic processes and in metallurgical processes."

13. Section 10 is added with Part 3, reading as follows:

"(3) Mineral oil of the combined nomenclature codes 2711 11 00, 2711 21 00 and 2711 29 00 is also exempt from tax if

- used as fuel,
- if used for the production or technological purposes in a company focused on the production, processing or storage of natural gas."

14. In Section 11, Par. 1 the following sentence is added at the end: "For the purposes of this Act, the user company is also a legal person or a natural person authorized to supply flying fuel directly into aircraft tanks for the purposes exempt from tax pursuant to Section 10, Par. 1, letter b)."

15. Section 16, Part 8 reads as follows:

"(8) The application for a tax refund to a foreign representative will be filed by the foreign representative to the Customs Office in Bratislava for the period of a calendar quarter by the 30<sup>th</sup> day after expiry of the calendar quarter. The application for a tax refund to a foreign representative is to be attached with a certificate of the Ministry of Foreign Affairs of the Slovak Republic, confirming that the reciprocity condition pursuant to Part 3 was met. A sample of the application for a tax refund to a foreign representative is given in Annex No. 2."

16. In Section 22, Par. 8, first sentence, the word "company" is substituted with the words "operator of a company".

17. Section 23, Part 2 is added with letters c) and d), reading as follows:

"c) From one user company to another user company, if referring to

1. Termination of the activity of the user company (Section 11, Par. 15),
  2. Supply of flying fuel (Section 11, Par. 1),
  3. Material assistance with the approval of the Customs Office.
- d) Between operations of the same legal or natural person that is a user company."

18. Section 23, Part 7 reads as follows:

"(7) The Customs Office will not return any paid security for tax pursuant to Section 3 if the takeover of mineral oil is confirmed by the Customs Office of the receiver (purchaser)."

19. Section 23 is added with Part 8, reading as follows:

"(8) Mineral oil exempt from tax can be transported from a tax store in the tax territory by Slovak representatives (Section 16, Par. 3) or armed forces of the Slovak Republic or their civil employees for the use within the activities pursuant to an international contract<sup>5</sup>) to the territory of the countries that belong to the North Atlantic Treaty; the transport of mineral oil must be executed with the accompanying document, it must be attached with a certificate on exemption from the consumer tax, made pursuant to the sample and in the manner determined in the legal regulation of the Union<sup>6</sup>) and payment of a security for tax is not required for such transport."

20. In Section 24, Par. 1, letter a) the following words are added at the end: "or to a Slovak representative (Section 16, Par. 3) or to the armed forces of the Slovak Republic or to their civil employees for the use within the activities pursuant to an international contract<sup>6</sup>) in the territory of the countries that belong to the North Atlantic Treaty".

21. In Section 24, Par. 6 the words "termination of transport" in the last sentence are substituted with the words "takeover of mineral oil".

22. Section 26 is added with Part 3, reading as follows:

- "(3) The Customs Office will cancel the registration of an authorized representative if
- a) the tax representative did not ensure supplies of mineral oil within a period exceeding 12 following calendar months,
  - b) the tax representative violates the obligations under this Act,
  - c) it was requested by the tax representative or operator of a tax store in another member country in whose currency the tax representative ensures supplies of mineral oil."

23. In Section 27, Par. 4 the words "confirming termination of transport" are substituted with the words "confirmed by the receiver (purchaser) and tax administrator of the receiver (purchaser)".

24. In Section 29, Par. 1, second sentence, the words "with the exception of natural gas" are put behind the words "mineral oil is found".

25. In Section 29, Par. 2, first sentence, the words " with the exception of natural gas" are put behind the words "mineral oil".

26. Section 34 is added with Part 11, reading as follows:

- "(11) The Customs Office will withdraw the permission to be represented by an authorized representative in mail-order service if
- a) the authorized representative for mail-order service did not ensure supplies of mineral oil within the period exceeding 12 following calendar months,
  - b) the authorized representative for mail-order service violates the obligations pursuant to this Act,
  - c) it was requested by the authorized representative for mail-order service or supplier from another member country in whose currency the authorized representative for mail-order service ensures supplies of mineral oil."

27. Section 34a is put behind Section 34, which including the heading reads as follows:

"Section 34a

Specific regulation for natural gas

(1) A legal person or a natural person wishing to produce (mine), process, or store natural gas within their business activities must ask the Customs Office in writing to enter them in the registration of operators of companies focused on the production, processing or storage of natural gas. The application must contain

- a) identification data of the applicant and address of the place where his plant is located, if different from the place of business or permanent residence of the applicant,
- b) Tax identification number of the applicant,
- c) The type of the subject to tax and the respective combined nomenclature code.

(2) The application is to be attached with the extract from the Trade Register or Trades Register, not older than 30 days, or its certified copy, or with another document proving the authorization to conduct business, not older than 30 days, or its certified copy.

(3) The Customs Office will check the facts and data pursuant to Parts 1 and 2 about the applicant and will enter the legal person or the natural person in the registration of operators of companies focused on the production, processing or storage of natural gas.

(4) Sections 18 to 25, 30 to 32, 34 and 39 do not apply to the operator of a company focused on the production, processing or storage of natural gas and to the control and procedure during the transport of natural gas.

28. Section 41 is added with Part 6, reading as follows:

"(6) The Customs Office keeps files of operators of companies focused on the production, processing or storage of natural gas".

29. In Section 42, Par. 5, pre-sentence, the words "with the exception of natural gas" are put behind the words "mineral oil".

30. Section 42 is added with Part 6, reading as follows:

"(6) The Customs Office will impose a fine on a legal person or a natural person having violated the provision of Section 23, Par. 3, Section 24, Par. 6 or Section 31, Par. 2, letter b), amounting to the tax corresponding to the quantity of the transported mineral gas."

31. Section 46a is put behind Section 46, reading including the heading as follows:

"Section 46a

Transient provisions on regulations executed from 1 January 2005

(1) A legal person or a natural person running a company focused on the production, processing or storage of natural gas as part of their business activities as of 1 January 2005 must ask the Customs Office in writing to enter them in the registration of operators of companies focused on the production, processing or storage of natural gas by 15 January 2005. The application must contain

- a) identification data of the applicant and address of the place of his operations if not the same as the place of business or permanent residence of the applicant,
- b) tax identification number of the applicant,
- c) type of the subject to tax and the respective combined nomenclature code.

(2) The application is to be attached with the extract from the Trade Register or Trades Register, not older than 30 days, or its certified copy, or with another document proving the authorization to conduct business, not older than 30 days, or its certified copy.

(3) The Customs Office will check the facts and data pursuant to Parts 1 and 2 about the applicant and will enter the legal person or the natural person in the registration of operators of companies focused on the production, processing, or storage of natural gas."

32. Annex No. 1 reads as follows:

**"Annex No. 1 to Act No. 98/2004 Coll., as amended by Act No. 667/2004 Coll.**

**List of accepted legal acts of European Communities and European Union**

1. Council Regulation 92/12/EEC of 25.02.1992, on the general system, holding, transport and control of commodities that are subject to excise duty (U. v. EU L 076, 23.03.1992), as amended by Council Regulation 92/108/EEC of 14.12.1992 (U. v. EU L 390, 31.12.1992), Council Regulation 94/74/EC of 22.12.1994, (U. v. EU L 365, 31.12.1994) and Council Regulation 96/99/EC of 30.12.1996 (U. v. EU L 008, 11.01.1997).
2. Council Regulation 2003/96/EC of 27.10.2003, on restructure of general regulations of the Community on taxation of energetic products and electrical energy (U. v. EU L 283, 31.10.2003),
3. Council Regulation 95/60/EC of 27.11.1995, on marking gas oil and refined paraffin for the purpose of taxation (U. v. EU L 291, 06.12.1995).

Art. II

This Act comes into effect on 1 January 2005.

**Ivan Gašparovič, signed**  
**Pavol Hrušovský, signed**  
**Mikuláš Dzurinda, signed**