

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

COUNCIL DIRECTIVE 2007/74/EC

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on the exemption from value added tax and excise duty of  
goods imported by persons travelling from third countries

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 93 thereof,

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament,

Having regard to the Opinion of the European Economic and Social Committee,

Whereas:

- (1) Council Directive 69/169/EEC of 28 May 1969 on the harmonisation of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel<sup>(1)</sup> established a Community system of tax exemptions. While it remains necessary to maintain that system in order to prevent double taxation, as well as in cases where, in view of the conditions under which goods are imported, the usual need to protect the economy is absent, it should still apply only to non-commercial imports of goods in the personal luggage of travellers from third countries.
- (2) However, given the number of amendments required, as well as the need to adapt Directive 69/169/EEC to enlargement and to the new external borders of the Community, and to restructure and simplify certain provisions for the sake of clarity, the complete revision and repeal and replacement of Directive 69/169/EEC is justified.
- (3) The quantitative limits and monetary thresholds to which the exemptions are subject should meet the current needs of Member States.
- (4) The monetary threshold should take account of changes in the real value of money since the last increase in 1994 and should also reflect the abolition of quantitative limits on goods subject to excise duties in some Member States which will now fall into the general threshold on VAT.
- (5) The ease of shopping abroad could cause problems to Member States which share land-borders with third countries with significantly lower prices. It is justifiable, therefore, to set a lower monetary threshold for forms of travel other than air and sea travel.

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- (6) In the experience of the Commission, the quantities for tobacco products and alcoholic beverages have, in general, been shown to be appropriate and should therefore be maintained.
- (7) The quantitative limits for the exemption of excise goods should reflect the current scheme of taxation of such goods in the Member States. Accordingly, it is appropriate to provide for a limit for beer whereas the limits for perfume, coffee and tea should be discontinued.
- (8) It is appropriate to allow Member States to set lower limits with regard to the monetary threshold for children and to exclude under-aged persons from the exemptions for tobacco products and alcoholic beverages, in order to ensure a high level of health protection.
- (9) Given the need to promote a high level of human health protection for Community citizens, it is appropriate to allow Member States to apply reduced quantitative limits for the exemption of tobacco products.
- (10) In order to take account of the special situation of certain people with regard to their location or working environment, it should also be possible for Member States to apply narrower exemptions in the case of frontier workers, persons residing near Community frontiers and the crew of the means of transport used in international travel.
- (11) It is to be recalled that Austria shares a land border with Samnauntal, a Swiss enclave where a specific tax system is applied which results in significantly lower taxation than that applicable under the rules applying in the rest of Switzerland and, indeed, in the Kanton of Graubünden of which Samnauntal forms part. In view of that special situation, which has led Austria to apply lower quantitative limits for tobacco products with respect to that enclave in accordance with Article 5(8) of Directive 69/169/EEC, it is appropriate to allow that Member State to apply the lower limit provided for tobacco products by this Directive only to Samnauntal.
- (12) For Member States which have not introduced the euro, a mechanism should be set up to enable amounts expressed in national currencies to be converted into euro and thus ensure equal treatment in the Member States.
- (13) The amount on which Member States are free not to levy taxes on the import of goods should be increased in order to reflect current monetary values,

HAS ADOPTED THIS DIRECTIVE:

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- (1) [OJL 133, 4.6.1969, p. 6](#). Directive as last amended by Directive 2005/93/EC ([OJL 346, 29.12.2005, p. 16](#)).