



**STATE TAX INSPECTORATE
UNDER THE MINISTRY OF FINANCE OF THE REPUBLIC OF LITHUANIA**

County State Tax Inspectorates

No.

REGARDING THE TRANSPORTATION OF ALCOHOLIC BEVERAGES FROM OTHER MEMBER STATES OF THE EUROPEAN UNION TO INTERNATIONAL EXHIBITIONS IN THE REPUBLIC OF LITHUANIA AND THE PAYMENT OF EXCISE DUTIES

In view of the fact that international exhibitions of alcoholic beverages are regularly organized in the Republic of Lithuania, where alcoholic beverages produced not only in the Republic of Lithuania but also in other Member States of the European Union (hereinafter referred to as the “Member States”) are not sold but instead are presented and sampled, we hereby provide answers to the practical questions taxpayers may have regarding the tax treatment of the alcoholic beverage samples presented and tasted at these exhibitions, and the delivery thereof to the Republic of Lithuania from other Member States (these provisions apply from 13 February 2023):

1. Whether excise duties are payable in the Republic of Lithuania on alcoholic beverages delivered to the Republic of Lithuania from other Member States for the purposes of presentation and sampling at international exhibitions without the right to sell these products

Yes. Excise duties must be paid in the Republic of Lithuania on alcoholic beverages delivered from other Member States¹ for the purposes of presentation and sampling at an international exhibition.

2. The procedure for transporting alcoholic beverages to the Republic of Lithuania from other Member States for the purposes of presentation and sampling at international exhibitions

The procedure for delivering alcoholic beverages to the Republic of Lithuania depends on whether:

- alcoholic beverages from other Member States are delivered to the Republic of Lithuania under the EDSA². In order to obtain alcoholic beverages under the EDSA³, the person receiving the beverages must register as a registered consignee⁴, temporarily registered consignee⁵, or set up an excise warehouse. Alcoholic beverages may only be dispatched from

¹ Articles 9(1)(1) and (7) of the Law of the Republic of Lithuania on Excise Duty (hereinafter referred to as the “Law on Excise Duty”).

² Excise duty suspension arrangement.

³ Article 16(1) of the Law on Excise Duty.

⁴ Registered consignee of excise goods.

⁵ A temporary registered consignee of excise goods.

another Member State by persons with the status of the holder of excise goods. In this case, the alcoholic beverages must be transported with an electronic excise movement document (e-AD)⁶;

- alcoholic beverages from other Member States are delivered to the Republic of Lithuania without the application of the EDSA (i.e. excise duties on such alcoholic beverages have already been paid in the Member State from which they are originally transported). In order to receive alcoholic beverages without the application of the EDSA, a person must register as a certified consignee⁷ or temporary certified consignee⁸ in the Republic of Lithuania. Beverages from other Member States can only be sent by persons with the status of certified consignor⁹ or temporary certified consignor¹⁰. The beverages must be delivered together with¹¹ an electronic simplified excise movement document (e-SAD);

- alcoholic beverages from other Member States are delivered to the Republic of Lithuania by small wine producers with an accompanying document for wine products¹² (hereinafter referred to as the “wine document”). In such case, alcoholic beverages can be received in the Republic of Lithuania by:

- 1) excise warehouses, if the wine is physically transported to the warehouse;
- 2) registered consignees (registered for an unlimited period);
- 3) certified consignees (registered for an unlimited period).

The aforementioned persons who have received alcoholic beverages with wine document must submit the receipt data to the EMCS¹³ within 1 working day from the day of receipt of these products.

3. Registering as a registered consignee, temporarily registered consignee, certified consignee, temporary certified consignee or setting up an excise warehouse

The procedure for registration and de-registration of persons as registered consignees, temporary registered consignees, certified consignees and temporary certified consignees is laid down in the Rules for the registration and de-registration of consignees and consignor approved by Order No VA-8 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of 10 February 2023.

The legislation¹⁴ provides special conditions for the¹⁵ establishment of an excise warehouse in international exhibitions. After the establishment of such warehouse, alcoholic beverages may be delivered, stored and transported under the EDSA. In this case, excise duties are payable only on alcoholic beverages delivered to international exhibitions for which this arrangement has been withdrawn (e.g. the alcoholic beverages were consumed). The procedure for registering excise warehouses is laid down in the Rules on the registration of excise warehouses approved by Order No 157 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of 17 June 2002¹⁶.

⁶ Article 16(2) of the Law on Excise Duty.

⁷ Certified consignee of goods subject to excise duty.

⁸ Temporary certified consignee of goods subject to excise duty.

⁹ Certified consignor of goods subject to excise duty.

¹⁰ Temporary certified consignor of goods subject to excise duty.

¹¹ Article 16(6) of the Law on Excise Duty.

¹² According to Article 48(1) of Council Directive (EU) 2020/262 of 19 December 2019 laying down the general arrangements for excise duty.

¹³ Excise Movement and Control System.

¹⁴ Article 4(4)(2) of the Law on Excise Duty provides for the possibility of setting up an excise warehouse in cases other than the production, processing or mixing of excise goods. This provision is implemented by the provisions of the Description of cases where the establishment of an excise warehouse may be authorized, as approved by Resolution No 821 of the Government of the Republic of Lithuania of 4 June 2002 on the implementation of the provisions of the Law on Excise Duty (hereinafter referred to as “the Description”), paragraph 4.5, which provides for the possibility of setting up an excise warehouse to exhibit excise goods at international exhibitions and fairs.

¹⁵ The provisions of paragraph 6 of the Description provide that the authorization to set up an excise warehouse in the case analyzed may be issued without the requirement of the average quantity of goods held at the same time per day and the duration of the activity.

¹⁶ “Regarding the registration of tax warehouses”

4. The obligation to pay excise duties on alcoholic beverages delivered from other Member States to the Republic of Lithuania for the purposes of presentation and sampling at international exhibitions

When alcoholic beverages are delivered under the EDSA, the person receiving the alcoholic beverages is liable for excise duty.

When alcoholic beverages are delivered without the application of the EDSA, the person receiving these products is liable for excise duty.

5. The procedures and due dates for submitting the excise declaration in the Republic of Lithuania

After the receipt of alcoholic beverages, by the 15th of the following month.

Excise declarations must be submitted in accordance with the Rules for the completion and submission of excise declarations forms FR0630 and FR0630A and their annexes¹⁷.

6. Whether excise duties paid on alcoholic beverages exported after the exhibition to another Member State may be refunded

Yes. Excise duties may be refunded on alcoholic beverages exported to another Member State after the exhibition, provided that the excise duties on these products were paid in the Republic of Lithuania.

7. Whether the alcoholic beverages intended for the purposes of presentation and sampling at international exhibitions delivered from other Member States to the Republic of Lithuania have to be marked with excise stamps

No¹⁸. Ethyl alcohol and alcoholic beverages delivered (imported) from any country or territory for the purposes of presentation and sampling at international exhibitions and representative events organized in the Republic of Lithuania are not required to be marked with excise stamps. However, in such cases, the Drug, Tobacco and Alcohol Control Department of the Republic of Lithuania must be informed in advance about the intended import of the ethyl alcohol and alcoholic beverages.

8. Whether the organizer of an international exhibition is allowed to register as a registered consignee, temporarily registered consignee, certified consignee, temporary certified consignee or set up an excise warehouse

Yes.

Director of the Legal Department

Rasa Virvilienė

¹⁷ Order No VA-106 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of 26 May 2004 approving the Rules for the completion and submission of excise declaration forms FR0630 and FR0630A and their annexes.

¹⁸ Point 21.7 of the Rules on the labelling of manufactured tobacco, heating tobacco products, ethyl alcohol and alcoholic beverages – stamps, approved by Resolution No 408 of the Government of the Republic of Lithuania of 9 April 2004.