



**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 “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:

**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 States<sup>1</sup> 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 EDSA<sup>2</sup>. In order to obtain alcoholic beverages under the EDSA<sup>3</sup>, the person receiving the beverages must register as a consignee<sup>4</sup>, temporarily registered consignee<sup>5</sup>, or set up an excise warehouse. Alcoholic beverages may only be dispatched from another Member State

---

<sup>1</sup> Articles 9(1)(1) and (7) of the Republic of Lithuania Law on Excise Duty (hereinafter referred to as “the Law on excise duties”).

<sup>2</sup> Excise duty suspension arrangement.

<sup>3</sup> Article 16(1) of the CSA.

<sup>4</sup> Registered consignee of excise goods.

<sup>5</sup> A temporary registered consignee of excise goods.

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)<sup>6</sup>.

- alcoholic beverages from other Member States are delivered to the Republic of Lithuania in a way other than under the EDSA (i.e. excise duties on such alcoholic beverages have been paid in the Member State from which they are originally transported). The person supplying or holding the alcoholic beverages for delivery, or the person receiving the beverages, must inform the State Tax Inspectorate of the intended delivery of the alcoholic beverages<sup>7</sup> and provide a guarantee or monetary security to ensure that the excise duties on the alcoholic beverages to be delivered will be paid in the Republic of Lithuania. The procedure for calculating the amount of such guarantee and monetary security was approved by Resolution No 821 of the Government of the Republic of Lithuania of 4 June 2002 implementing the provisions of the Law on excise duty<sup>8</sup>. The beverages must be accompanied by<sup>9</sup> a simplified excise movement document (SAAD).

### **3. Registering as a consignee, temporarily registered consignee, or setting up an excise warehouse**

The procedure for registration and de-registration of persons as consignees is laid down in the Rules for the registration and de-registration of recipients of excise goods as registered recipients of excise goods approved by Order No VA-62 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of 27 April 2004<sup>10</sup>.

The status of a temporary registered consignee is granted to persons strictly for a single instance of obtaining the excise goods under the EDSA, for a specific quantity of such goods, and from only one consignor<sup>11</sup>. The procedure for the registration and de-registration of persons as temporary registered consignees is laid down in the Rules for the registration and de-registration as Recipients of Temporary Registered Excise Goods, approved by Order No VA-94 of 27 August 2010 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania<sup>12</sup>.

The legislation<sup>13</sup> provides special conditions for the<sup>14</sup> 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

---

<sup>6</sup> Article 16(2) of the CSA.

<sup>7</sup> Rules on the notification of the dispatch of products to another Member State of the European Union or receipt of products from another Member State of the European Union, approved by Order No VA-64 of 28 April 2004 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania on Information about the dispatch of products to another Member State of the European Union or receipt of products from another Member State of the European Union.

<sup>8</sup> Rules for ensuring payment of excise duty due in the Republic of Lithuania for goods to be received from another Member State.

<sup>9</sup> Article 16(6) of the CSA.

<sup>10</sup> "Regarding the registration of traders (on the registration of consignees of excise goods)."

<sup>11</sup> Article 7(6) of the CSA.

<sup>12</sup> "On the registration of temporary registered consignees of excise goods."

<sup>13</sup> Article 4(4)(2) of the CSA 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.

<sup>14</sup> 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.

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 2002<sup>15</sup>.

#### **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 to pay the excise duty.

When alcoholic beverages are delivered in a way other than under the EDSA, the person supplying or holding the alcoholic beverages for delivery, or the person receiving these products, is liable to pay the excise duty.

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

- on receipt of alcoholic beverages, by the 15th of the following month (where the beverages for the exhibition are obtained by acquiring the status of a registered consignee or an authorized tax warehousekeeper);
- within 5 working days from the date of delivery of the alcoholic beverages in the Republic of Lithuania (where the beverages are obtained by acquiring the status of a temporary registered consignee, or the beverages have been transported in a way other than under the EDSA).

Excise declarations must be submitted in accordance with the rules for the completion and submission of Forms FR0630 and FR0630A of the excise declarations and their annexes<sup>16</sup>.

#### **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.<sup>17</sup>

#### **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**

No<sup>18</sup>. 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.

<sup>15</sup>“Regarding the registration of tax warehouses.”

<sup>16</sup> 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 Forms FR0630 and FR0630A of excise declarations and their annexes.

<sup>17</sup> Procedure for the refund of excise duties, approved by Order No 154 of the Minister for Finance of the Republic of Lithuania of 5 June 2002 on the implementation of the Law on excise duty of the Republic of Lithuania.

<sup>18</sup> 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.

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

Yes.

Director of the Legal Department

Rasa Virvilienė

