

## NOTICE TO ALL TYRE IMPORTERS

As it has already been announced, from the 1<sup>st</sup> of January 2015, as required by law and as stipulated in the last Budget, Government is introducing Excise Duty on all pneumatic tyres.

Excise Duty must be paid either (i) on import of goods into Malta through the direct release procedure or (ii) 90 days from date of release for consumption after being placed into a registered Tax Warehouse under duty suspension.

As regards to the former (i), traders should lodge a customs declaration into the Customs Electronic System (CES) irrespective from where tyres are being imported. As for the latter (ii), traders should submit a warehousing declaration and goods are stored in the tax warehouse under duty suspension. It is understood that the latter procedure is the most advantageous to traders and hence one expects that traders will opt for the tax warehouse regime.

Therefore, all importers who would like to apply for a Tax Warehouse Licence, whether already holding a Customs Warehouse Licence or otherwise, should immediately contact the Customs Department, Excise Section (25685200) as to initiate the registration process.

The following documents are required together with a properly filled application:

1. A copy of VAT Certificate of the company
2. The Memorandum of Association and Articles
3. List of Directors of the company
4. Police Conduct Certificate of each director
5. Copy of Id Cards of all directors
6. A site plan indicating the exact location of the proposed Tax Warehouse and
7. An Architect's plan of the premises to be used as Tax Warehouse

When the submitted application is in the process of being approved, the Customs Department will require a bank guarantee, the amount of which will be determined by the Director General (Customs) accordingly.

Please note that Schedule Five B of Cap 382 – Excise Duty Act lists the following commodities as excisable goods:

All commodities falling under Commodity Heading - 4012 - Retreaded or used pneumatic tyres of rubber, solid or cushion tyres, and all commodities falling under the following HS Codes:

- [ ] 401110 New pneumatic tyres of rubber, used on motor cars
- [ ] 401120 New pneumatic tyres of rubber, used on buses or lorries
- [ ] 401130 New pneumatic tyres of rubber, used on aircraft
- [ ] 401140 New pneumatic tyres of rubber, used on motorcycles

- [ ] 401150 New pneumatic tyres of rubber, used on bicycles
- [ ] 401161 New pneumatic tyres of rubber, with herring-bone or similar tread, for agricultural or forestry vehicles & machines
- [ ] 401162 New pneumatic tyres of rubber, with herring-bone, for construction or industrial handling vehicles & machines, rim size<=61cm
- [ ] 401163 New pneumatic tyres of rubber, with herring-bone, for construction or industrial handling vehicles & machines, rim size>61cm
- [ ] 401169 Other new pneumatic tyres of rubber, with herring-bone or similar tread
- [ ] 401192 Other new pneumatic tyres of rubber, for agricultural or forestry vehicles & machines
- [ ] 401193 Other new pneumatic tyres of rubber, for construction or industrial handling vehicles & machines, rim size<=61cm
- [ ] 401194 Other new pneumatic tyres of rubber, for construction or industrial handling vehicles & machines, rim size>61cm
- [ ] 401199 Other new pneumatic tyres of rubber

The items shown hereunder shall be subject to the effect that the excise duty is to be levied thereon is €0.70 for each kilogram:

- HS Code 4011 10
- HS Code 4011 40
- HS Code 4011 69
- HS Code 4011 99
- HS Code 4012

The items shown hereunder shall be subject to the effect that the excise duty to be levied thereon is €0.70 for each kilogram up to a maximum of €24.50 for each item:

- HS Code 4011 20
- HS Code 4011 30
- HS Code 4011 61
- HS Code 4011 62
- HS Code 4011 63
- HS Code 4011 92
- HS Code 4011 93
- HS Code 4011 94

It is important to note that HS Code 4011 50 is subject to a rate of €0.00 for each kilogram.

Please be informed that any excess excise duty paid since January 1<sup>st</sup>, 2015, on commodities falling under the following HS Codes:

- HS Code 4011 20
- HS Code 4011 30
- HS Code 4011 61
- HS Code 4011 62
- HS Code 4011 63
- HS Code 4011 92
- HS Code 4011 93
- HS Code 4011 94

will be refunded. Refund claims for any excess excise duty paid on released consignments should be directed to Mr Lawrence Sammut at the Excise Refund Processing Office of the Customs Department, supported by all relevant documentation.

The Customs Department announces that with immediate effect, its Excise Section will extend its service to all stakeholders even on Saturdays from 8am until 12 noon.

**J CHETCUTI**  
**Director Excise**  
**f/Director General**

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