

DELIVERY OF EXCISE GOODS ON THE TERRITORY OF THE COUNTRY UNDER THE CONDITIONS OF DISTANCE SELLING WITHIN THE MEANING OF THE VALUE ADDED TAX ACT

According to article 57a, paragraph 1, item 4 of Excise Duties and Tax Warehouses Act (EDTWA) subject to obligatory registration shall be the tax representatives of persons registered for VAT purposes in another Member State, who entry into the territory of the country excise goods for delivery under the terms of distance selling within the meaning of the Value Added Tax Act.

According to article 57a, paragraph 4 of EDTWA the National Customs Agency shall keep a public register of the registered persons.

According to article 57b, paragraph 3, item 1 of EDTWA request for registration is submitted to the director of the territorial directorate at permanent address, respectively by seat and address of management of the tax representative by the persons under article 57a, paragraph 1, item 4, according to appendix № 7a of Regulation of application of EDTWA.

According to article 57b, paragraph 4 of EDTWA a tax representative of a non-resident person registered for VAT purposes in another Member State may be only a capable natural person with permanent address in the country or permanently residing therein or a resident legal person which is not undergoing liquidation or is not declared in bankruptcy and has no payable and unpaid tax liabilities and liabilities for insurance contributions collected by the National Revenue Agency.

According to article 57b, paragraph 5 of EDTWA he tax representative shall represent the non-resident person in all its/his tax legal relations which have arisen hereunder and shall be responsible jointly and severally and unlimitedly for the obligations of the registered non-resident person under EDTWA.

According to article 83a, paragraph 1 of EDTWA tax representatives shall provide guarantee to the customs authorities to secure the payment of the excise duty which may arise for the goods dispatched by the non-resident person.

According to article 83a, paragraph 2 of EDTWA the amount of the guarantee shall be determined in a way so as to cover at any time the full amount of the excise duty on the goods received, which has arisen or might arise.

According to article 83b, paragraph 1 of EDTWA the amount of the guarantee shall be 150 per cent of the amount of the excise duty due for the average monthly quantity of received goods.

According to article 83d, paragraph 1 of EDTWA the guarantee may be created by cash deposit and/or bank guarantee.

According to article 64, paragraph 3 of EDTWA the persons who enter into the territory of the country from other Member State bottled alcoholic beverages falling within CN code 2208 with alcoholic content exceeding 15 % vol intended for sale on the domestic market, shall affix tax stamps on the consumer package according to article 64, paragraph 2 of EDTWA in the following manner:

1. with the producer - outside the country's territory, or
2. in a tax warehouse, or
3. in a temporary or customs warehouse under the meaning of the customs legislation.

According to article 31a of the Tobacco, Tobacco and Related Products Act the cross-border distance selling, as well as the offering and sale to consumers of tobacco and related products through information society services, are prohibited.

DISTANCE SELLING OF EXCISE GOODS, RELEASED FOR CONSUMPTION ON THE TERRITORY OF THE COUNTRY, WHICH ARE DISPATCH TO PERSONS WHO DO NOT CARRY OUT INDEPENDENT ECONOMIC ACTIVITY IN THE RECEIVING MEMBER STATE

According to article 57a, paragraph 1, item 4a of EDTWA subject to obligatory registration shall be persons registered under the Value Added Tax Act, which dispatch excise goods released for consumption on the territory of the country to the territory of another Member State under the conditions of distance selling within the meaning of article 152, paragraph 4 of the Value Added Tax Act.

According to article 57b, paragraph 3, item 2 of EDTWA request for registration is submitted to the director of the territorial directorate at seat and address of management of the persons under article 57a, paragraph 1, item 4a according to appendix № 7a of Regulation of application of EDTWA.

According to article 57a, paragraph 4 of EDTWA the National Customs Agency shall keep a public register of the registered persons.

According to article 76g¹, paragraph 1 of EDTWA excise goods, released for consumption on the territory of the country, purchased under the conditions of distance sales by a person of another Member State who is not an authorized tax warehousekeeper, registered consignee or certified consignee and does not carry out independent economic activity, which are dispatched or transported to the territory of another member state by a person under article 57a, paragraph 1, item 4a, which carries out an independent economic activity, are subject to excise duty in the Member State of receipt.

According to article 76g¹, paragraph 2 of EDTWA in the cases under para. 1 the person under article 57a, paragraph 1, item 4a is obliged to:

1. notify in writing, before dispatching of the excise goods to the other member state, the competent customs office by seat and address of management, that he intends to dispatch excise goods under conditions of distance selling;
2. submit proof that the excise tax has been guaranteed or paid in the Member State of receipt of the goods under paragraph 1, including that it has completed all the required procedures for carrying out distance selling in the receiving Member State;
3. inform the customs authorities about the type and quantity of excise goods and the date of their dispatch;
4. keep records of the dispatched excise goods by consignees, CN code of the goods and quantities.

According to article 76g¹, paragraph 3 of EDTWA the written notification under paragraph 2, item 1 contains:

1. name, address, unique identification code of the person under article 57a, paragraph 1, item 4a;
2. date of dispatch of the excise goods to the other Member State;
3. description of the route from the Republic of Bulgaria to the Member State of receipt of the excise goods;
4. description of the types of excise goods and their quantity;
5. name and address of the recipient of the excise goods and the carrier;
6. way of dispatching of the excise goods;
7. date of dispatch of the excise goods and expected date on which they must be received in the territory of the other member state.

According to article 64c, paragraph 1 of EDTWA in the cases under article 76g¹, paragraph 1 in the case of distance selling of bottled alcoholic beverages with in CN code 2208 and with an alcohol content equal to and exceeding 15% vol, the persons under article 76g¹, paragraph 2 of EDTWA promptly notify the competent customs office in writing of the quantities of alcoholic beverages that will be dispatch to the other receiving Member State, and attach an inventory of tax stamps affixed to the excise goods, according to the model determined by the Regulation for the implementation of EDTWA. According to article 56x of the Regulations for the Implementation of EDTWA, in the cases under article 76g¹, paragraph 1 of the Excise and Tax Warehouses Act, the person submits a notification according to appendix № 9l of Regulation of application of EDTWA to the competent customs office by seat and address of management.

According to article 76g¹, paragraph 5 of EDTWA the provisions of article 76g¹, paragraph 1 do not apply to cross-border sales at a distance and to the offer and sale to consumers of tobacco products under article 12c and 12d, as well as for tobacco and related products through the services of the information society, for which there is a prohibition under article 31a of the Tobacco, Tobacco and Related Products Act.

In addition, information for the Bulgarian excise legislation you can find on internet address: <https://customs.bg/wps/portal/agency/regulations/excise-legislation> – in Bulgarian language and on internet address: <https://www.minfin.bg/en/174> - in English language.