



Amendments to the Law on Excise Duties adopted

Tax Alert

December 2020



At its session held on 17 December 2020, Serbian Parliament adopted the Law on Amendments to the Law on Excise Duties (Law). The Law is published in the Official Gazette of the Republic of Serbia no. 153 dated 21 December 2020.

The Law enters into force on 29 December 2020 and is applicable as of 1 January 2021, unless explicitly prescribed otherwise for particular provisions.

Important amendments are presented below.

Increase of excise duties on non-burning tobacco and e-cigarettes refill liquid

Starting from 1 January 2021 excise duties on non-burning tobacco and on e-cigarettes refill liquid will be increased as presented in the table below:

Overview of excise duties rates		
Period of application	Non-burning tobacco (% of minimum excise duty for 1,000 cigarettes determined for the category of average weighted retail price of cigarettes per kilogram of tobacco mixture)	E-cigarettes refill liquid (RSD/ml)
2021	60	6,00
2022	70	7,00
2023	80	8,00
2024	90	9,00
2025	100	10,00

Increase of excise duties on cigarettes

Starting from 1 January 2021 until 30 June 2021, instead of the current 75.25 RSD/pack, excise duty will be calculated in the amount of 76.75 RSD/pack.

Excise duties will increase by 1.5 RSD/pack each subsequent six months until 1 July 2025, when the excise duties on cigarettes will amount 90.25 RSD/pack.

Extension of excise refund right

The Law prescribes refund right for paid excise to:

1. buyer of confiscated excise goods that are exported and obtained in Serbia from authorized legal entity,
2. buyer of excise goods that are exported and confiscated in audit or forced collection procedure and which are obtained in Serbia from authorized entity,
3. buyer of excise goods that are exported and obtained in Serbia from entity which is selling the excise goods procured in accordance with legislation and is recorded in business books.

The KPMG team is at your disposal for all your questions in respect to application of the Law.

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