

# **ORDINANCE N 4 OF 28 JUNE 2006 ON THE LIMITS OF THE MAXIMUM NATURAL WASTAGE OF EXCISABLE GOODS**

*In force from 01.07.2006.*

*Issued by the Ministry of Finance*

*Prom. SG. 57/14 Jul 2006*

## **Chapter one. GENERAL PROVISIONS**

Art. 1. This Ordinance shall provide for the limits of the maximum natural wastage of the excisable goods under regime of delayed payment of an excise, as well as the conditions and procedure of their application.

Art. 2. (1) The provisions of Art. 25, Para. 1, p. 3 of the Act on Excises and Tax Warehouses shall apply to losses of natural wastage within the frames of the defined by this Ordinance limits of maximum natural wastage while being stored and transported of the following excise goods:

1. alcohol and alcohol drinks;
2. energy products – gasoline, kerosene, diesel, biodiesel and heavy fuel oil.

(2) Losses from natural wastage shall not be recognized:

1. during transportation – where after the transportation the excise goods are placed in a tax warehouse without carried out measurement;
2. during transportation and storage – where the excise goods are transported and stored in bottles, in airtight container or in other special industrial containers with a certain capacity.

Art. 3. (1) The limits of the maximum natural wastage during movement of excise goods under Art. 3, Para. 1 shall apply in the cases, where the real received quantities are smaller than the quantities, indicated by the sender in the accompanying administrative document (AAD).

(2) The limits of the maximum natural wastage during storage of excise goods under Art. 2, Para. 1 shall apply in cases of found losses as a result of a check (inventory) in a tax warehouse for each excise goods – separately.

(3) For the real quantities of losses under Para. 1 and 2, which are within the frames of the limits of the maximum natural wastage, the licensed warehouse keeper shall not pay excise duty.

## **Chapter two. LIMITS OF MAXIMUM NATURAL WASTAGE DURING TRANSPORTATION OF EXCISE GOODS**

Art. 4. The limits of the maximum natural wastage during transportation of alcohol and alcohol drinks under regime of delayed payment of excise shall be defined under Annex N 1.

Art. 5. The limits of the maximum natural wastage during transportation of energy products under regime of delayed payment of excise shall be defined under Annex N 2.

Art. 6. (1) The defined limits of maximum natural wastage during transportation shall be a single

percentage.

(2) The losses of the natural wastage during transportation of excise goods shall be calculated where the quantity excise goods, indicated in the accompanying administrative document is multiplied by the relevant percent, defined in Annex N 1 and Annex N 2.

**Chapter three.**

**LIMITS OF MAXIMUM NATURAL WASTAGE DURING STORAGE OF EXCISE GOODS**

Art. 7. (1) The limits of the maximum natural wastage during storage of alcohol and alcohol drinks under regime of delayed payment of excise shall be defined under Annex N 3.

(2) The losses of natural wastage for these excise goods shall be calculated where the average day quantity of the stored excise goods for a certain tax period is multiplied by 1/12 of the percentage, defined in Annex N 3.

Art. 8. (1) The limits of the maximum natural wastage during storage of energy products under regime of delayed payment of excise shall be defined under Annex N 4.

(2) The losses of natural wastage for these excise goods shall be calculated where the average day quantity of the stored excise goods for a certain tax period is multiplied by 1/6 of the percentage, defined for the certain period in Annex N 4.

**Concluding provisions**

§ 1. The ordinance shall be issued under Art. 25, Para. 2 of the Act on Excises and Tax Warehouses

§ 2. The Ordinance shall come into force from 1 July 2006.

**Annex N 1 to Art. 4**

Limits of Maximum Natural Wastage during Transportation of Alcohol and Alcohol Drinks

N	Groups of products	In wooden barrels		In containers, railroad containers and auto containers	
		Period of transportation			
		by 24 hours	Additional for each following day	by 24 hours	Additional for each following day

1	2	3	4	5	6
1.	Beer	--	--	0,20	--
2.	Wines and other fermented beverages	0,10	0,03	0,05	0,02
3.	Intermediate products	0,12	0,05	0,06	0,03
4.	Ethyl alcohol – brandy, mastic, rum, vodka, etc.	0,15	0,10	0,07	0,05
5.	Ethyl alcohol – wine, fruit and corn distillates	0,20	0,15	0,10	0,07

Remark. The time of the transport begins from the moment of weighing the shipment at the shipper's by the moment of weighing it at the recipient's.

## Annex N 2 to Art. 5

### Limits of Maximum Natural Wastage during Transportation of Energy Products

N	Energy products	Road transport		Railway transport		Water transport	
		from 1 October to 31 March	from 1 April to 30 September	from 1 October to 31 March	from 1 April to 30 September	from 1 October to 31 March	from 1 April to 30 September
1.	Aviation gasoline and special gasolines	0,25	0,40	0,50	0,75	0,50	1,00
2.	gasolines	0,25	0,40	0,50	0,75	0,50	1,00
3.	Kerosene	0,25	0,25	0,50	0,50	0,75	0,75
4.	Diesel and biodiesel	0,25	0,25	0,50	0,50	0,75	0,75
5.	Heavy fuel oils	0,25	0,25	0,40	0,40	0,50	0,50

## Annex N 3 to Art. 7

### Limits of Maximum Natural Wastage during Storage of Alcohol and Alcohol Drinks

#### 1. Wines and other Fermented Drinks

N	Vessels for storage	Underground and ground premises	Other ground closed warehouse premises	Open site
1.	Barrels to 300 l	3,00	3,40	-
2.	Barrels from 300 l to 3000 l	1,10	1,50	-
3.	Barrels above 3000 l	1,00	1,30	-
4.	Reinforced concrete tanks	0,90	1,00	-
5.	Metal tanks	0,80	0,80	0,80

#### Remarks:

1. The defined limits refer to the first year.
2. In aging wines in barrels more than 1 year, the limits shall be decreased by 0,20 for each following year.

#### 2. Intermediate products

N	Containers for storage	Underground and ground premises	Other ground closed warehouse premises	Open site
1.	Barrels to 700 l	3,20	3,50	5,10

2.	Barrels above 3000l	1,50	1,70	-
3.	Reinforced concrete tanks	1,00	1,30	-
4.	Metal tanks	0,90	0,90	0,90

Remarks:

1. The defined limits shall refer to the first year.
2. In aging and intermediate products in barrels for more than 1 year the limits shall be decreased by:

0,20 for each following year in storage in underground and ground closed warehouse premises;

b) 0,30 for each following year in conditions of open sites.

3. Ethyl alcohol – wine, fruit and corn distillates

N	Containers for storage	In warehouse premises	In floor warehouse premises
1.	Barrels to 700 l	3,80	4,90
2.	Concrete and metal containers		1,20

Remarks:

1. The defined limits shall be one-year and shall refer to the first 3 years of aging.
2. In aging in barrels, for each following year the limits shall be decreased:
  - a) in underground warehouses - by 1,20, where after the fifth year the limit is 1,20;
  - b) in floor warehouses by 1,60. Where after the fifth year the limits is 1,60
3. The limits shall not include losses of absorption of the aging barrels, which shall be admitted once in the amount by:

a) 1,20 for new barrels, and

b) 0,50 for old barrels in percentage of the total quantity of alcohol in the filled barrels with distillate.

4. Ethyl alcohol - brandy and whiskey

N	Storage containers	Warehouse premises
1.	Barrels up to 700 l	3,40
2.	Barrels above 3000l	2,50

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3. Metal enameled tanks and metal tanks

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0,50

Remarks:

1. The defined limits shall refer to the first year.
2. for each following year they shall be decreased:
  - a) for barrels up to 700 l, by 1,00, where after the third year the limit shall be 1,00;
  - b) for barrels above 3000 l, by 0,40, where after the fifth year the limits is 0,40.

5. Ethyl alcohol – brandy, mastic, rum, vodka, etc. in 40 % vol

N	Storage containers	Underground and ground premises	Other ground closed warehouse premises	Open site
1.	Barrels to 700 l	3,60	3,80	8,00
2.	Barrels to 2000 l	2,00	2,20	4,6
3.	Barrels above 2000 l	1,60	1,70	3,6
4.	Reinforced concrete tanks	0,80	--	--
5.	Metal tanks	0,80	0,85	1,80

Remarks:

1. The defined limits shall be for one year and shall refer to the first 3 years of storage.
2. For each following year they shall be decreased:
  - a) for barrels up to 700 l, by 1,00, where after the fifth year the limit is 1,00;
  - b) for barrels up to 2000 l, by 0,60, where after the fifth year the limit is 0,60;
  - c) for barrels above 2000 l by 0,40, where after the fifth year the limit is 0,40.
3. The limits shall not include the losses from absorption in filling aging barrels which shall be admitted once in the size up to:
  - a) 0,7 for new barrels, and
  - 0,3 for old barrels in percentage of the total quantity of the alcohol.

6. Ethyl alcohol – sweetened alcohol drinks under 40 % vol

N	Storage containers	Large industrial and warehouse premises
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1.	Barrels to 2000 l	1,60
2.	Barrels above 2000 l	1,20
3.	Reinforced concrete tanks	1,00
4.	Metal and enamel containers	0,90

Remarks:

1. The defined limits shall refer to the first year.
2. For storage of more than 1 year, losses shall not be provided.

#### **Annex N 4 to Art. 8**

##### Limits of Maximum Natural Wastage in Storage of Energy Products

N	Names of energy products	In tanks		In barrels	
		from 1 October to 31 March	from 1 April to 30 September	from 1 October to 31 March	from 1 April to 30 September
1.	Aviation gasoline and special gasolines	0,35	0,70	0,45	0,80
2.	Gasolines	0,22	0,45	0,35	0,70
3.	Kerosine	0,20	0,40	0,30	0,60
4.	Diesel and biodiesel	0,10	0,20	-	-
5.	Heavy fuel oils	0,08	0,15	0,20	0,30