

Changes to the Law on Excise Duties and Tax Warehouses



Clarification of the meaning of e-cigarette liquids

- the main ingredients of e-cigarette liquids have been legally defined.
- regulations have been introduced for so-called "partial blends".

Transition period for inventory submission

- traders who have submitted an inventory list to the customs authorities regarding liquids for electronic cigarettes or partial blends in their possession may sell such quantities of excise goods listed in the inventory list without an excise stamp on the consumer packaging until 30 June 2025.



Measures aimed at restricting taxable persons from overstocking with tobacco products

- limit is introduced on the number of excise stamps requested and received by taxable persons – a measure aiming to prevent overstocking with tobacco products in the event of the entry into force of new excise duty rates.

Changes affecting the control activities of customs authorities

- new rule on the sending and receiving of excise goods by individuals in postal and other shipments.
- prohibition on sending, storing, transporting, and receiving shipments and cargo outside the scope of postal services that contain tobacco waste, excise goods without paid, charged, or secured excise duty, and excise goods without excise stamps.



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Novelties in the Legislation of the Republic of Bulgaria (part 2)

Changes in the Law on Excise Duties and Tax Warehouses

In April 2025, a number of changes to the tax legislation of the Republic of Bulgaria came into effect. After examining in our [previous article](#) the changes to the Law on Value Added Tax, the Law on Personal Income Tax, the Tax and Social Security Procedure Code, and the budget laws, in this article we will briefly review the changes to the Law on Excise Duties and Tax Warehouses (LEDTW).

Clarification of the meaning of nicotine and non-nicotine e-cigarette liquids for taxation purposes.

In order to create legal certainty and prevent a lack of clarity in legislation on the nature of e-cigarette liquids, provisions have been introduced defining the main ingredients of e-cigarette liquids.

Under the new changes introduced in the LEDTW, e-cigarette liquids containing nicotine include both: **(i)** the alkaloid nicotine or its salts; **(ii)** glycerol or propylene glycol, or a mixture of glycerol and propylene glycol in any proportion; and **(iii)** flavouring substances and flavourings authorised for use in food and drink and of the types used for use in e-cigarette liquids.

E-cigarette liquids not containing nicotine shall include both: **(i)** a mixture of glycerol and propylene glycol in any proportion; **(ii)** flavouring substances and flavourings of the types used for incorporation into food and drink and of the types used for incorporation into e-cigarette liquids.

Regulation has also been introduced for so-called "partial blends", which are intended for the preparation of e-cigarette liquids in industrial and non-industrial settings, as well as those offered for direct sale in the commercial network, presented in consumer packaging, in transport packaging or in storage containers. The legislative changes provide that where the partial blends are not used for incorporation into e-cigarette liquids or for use with e-cigarettes, they will not be subject to excise duty.

Transition period for inventory submission.

The amendments to the LEDTW also provide for a transitional period for the quantities of excise goods available in the commercial network by 31 December 2024 - e-cigarette liquids containing nicotine, e-cigarette liquids not containing nicotine, as well as partial blends. Persons in possession of such type of products who have submitted to the customs authorities an inventory list may sell the listed quantities of excise goods without an excise stamp on the consumer packaging until 30 June 2025.

Introduction of measures aimed at restricting taxable persons from overstocking with tobacco products in the event of the entry into force of new excise duty rates

The amendments to the law aim to prevent the current practice of some of the licensed warehousekeepers and registered consignees, before the entry into force of a new higher excise duty

rate, to release for consumption large quantities of tobacco and tobacco products at the old lower excise duty rate. To this end, the new version of the law introduces a limit on the number of excise stamps requested and received by taxable persons. The amendments to the law provide that the competent customs office shall hand over to licensed warehousekeepers and registered consignees a monthly number of excise stamps which shall not exceed the average monthly quantity of excise goods released for consumption covered with an excise stamp, increased by 15 per cent over the last twelve months. The possibility has also been introduced - that following a decision of the director of the competent territorial directorate, to obtain an additional number of excise stamps if the person who has requested an additional number of excise stamps has a number of excise stamps below the sum of the excise stamps surrendered in the previous three months for tobacco products and six months for alcoholic beverages.

Changes affecting the control activities of customs authorities

A new rule is introduced on the sending and receiving by natural persons of excise goods in postal and other consignments. Individuals will be able to send or receive from another EU Member State postal items containing tobacco products and alcoholic beverages intended for personal or family use or as gifts where: **(i)** the goods are not concealed; **(ii)** they do not exceed the quantitative limits provided for entry and dispatch in the implementing regulations of the law; **(iii)** the persons have not sent/received any mail in the last 30 days; and **(iv)** they can prove to the customs authorities the destination and origin of the goods.

The new wording of the LEDTW also provides for a ban on the dispatch, storage, transport and receipt on the territory of the country, as well as from/to another Member State of consignments and cargo outside the scope of the postal services, which contain: **(i)** tobacco waste, unless they are sent between traders in connection with their usual business; **(ii)** excise goods without excise duty paid, charged or secured; **(iii)** excise goods without an excise stamp, where such is mandatory.

For more information on the above matters, email us at dgkv@dgkv.com