

FLASH REPORT

Ukraine • 1
14 January 2009

Contacts:

Ron Barden

Partner & TLS Leader
ron.j.barden@ua.pwc.com

Krzysztof Lipka

TLS Partner
k.lipka@ua.pwc.com

Marc-Tell Madl

Legal Partner
m.madl@ua.pwc.com

PricewaterhouseCoopers

75 Zhylyanska Street, Kyiv
Tel: +380 44 490 6777
Fax: +380 44 490 6738

www.pwc.com/ua

This flash report is produced by
PricewaterhouseCoopers' tax and legal services
department.

Changes to excise and customs duty rates

On 10 January 2009, Law of Ukraine № 797-VI dated 25 December 2008, which changes some excise and customs duty rates on cars, petrol, alcohol and tobacco products came into force.

The Law has renewed old and established temporary excise rates on alcohol and tobacco products and foresees the indexation of fixed excise rates (based on the calculated inflation rate) on alcohol and tobacco products. This indexation would take effect starting in 2012 and 2013, respectively.

The main changes implemented by the Law are as follows:

- New excise rates on alcohol and tobacco products were established (you can find detailed information [here](#));
- The import duties on spirits and alcoholic beverages obtained by distilling grape wine or grape marc, and classified under Ukrainian tariff code 2208 20 89 00 were lowered from EUR 3.5 to EUR 0.5 per one litre of 100% spirit;
- Starting 1 July 2009, the import excise tax on beer will be UAH 0.34 per litre, up from UAH 0.31 previously;
- The excise tax on petrol has been raised from EUR 60 to EUR 110 per 1000 kilo; and
- The import excise tax on most cars has increased by 2.5 – 10 times, depending on the vehicle.

PRICEWATERHOUSECOOPERS 