

# European Commission Closes Infringement Procedure Against Greece Concerning Reduced Rates of Excise Duty Applied to Two Specific Alcoholic Beverages: 'Tsipouro' and 'Tsikoudià'

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On 19 April 2023, the European Commission announced that it had closed the infringement procedure against Greece for failing to amend its excise duty regime in respect of two specific alcoholic beverages, named "Tsipouro" and "Tsikoudià", which are produced in the north of Greece and in Crete.

Currently, Greece applies 50% of the ethyl alcohol standard excise duty rate and a super-reduced rate to the referred two alcoholic beverages when they are produced in bulk by the so-called "two-day" distillers (winegrowers or producers of other agricultural products). However, the European Union rules stipulate that the same rate of excise duty should apply to all products made with ethyl alcohol. Any exemption or derogation should be explicitly provided for in the European Union legislation, but Greece does not have any exemption to be applied to the "Tsipouro" or "Tsikoudià" beverages.

The infringement procedure was opened on 27 October 2011 by a letter of formal notice and followed by an additional formal notice sent on 26 September 2013. Later, a reasoned opinion was sent to Greece on 24 September 2015 for failing to transpose the [Directive 92/83/EEC](#) of 19 October 1992 into their domestic law by not amending its excise duty schemes on the above-mentioned alcoholic beverages (for more details, see September Infringement Package: Key [Decisions](#)).

Due to the absence of a satisfactory response from Greece within the following 2 months after the reasoned opinion was sent, on 15 February 2017, the European Commission referred Greece to the Court of Justice of the European Union (for more details, see [GR: ECJ, 11 July 2019, Case C-91/18, Commission v. Greece, Case Law IBFD](#)).