



In the event of conflict between the Norwegian and the English circular, the Norwegian circular shall have priority.

**Contents:**

Storting resolution concerning excise duties on hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs)..... 3  
Act of 19 May 1933 no. 11 concerning Excise Duties..... 5  
Extract from the Regulations of 11 December 2001 no. 1451 concerning Excise Duties ..... 8  
Extract of the Regulations of 1 June 2004 no. 930 concerning the Recycling and Treatment of Waste ..... 20  
(The Norwegian Waste Regulations)..... 20  
Extract from the Act of 17 June 2005 no. 67 concerning the Payment and Collection of Claims for Taxes and Excise Duties (the Tax Payment Act) ..... 22  
Extract from the Regulations of 21 December 2007 no. 1766 concerning Complementing and Implementing Etc. of the Tax Payment Act (the Tax Payment Regulations)..... 30  
Comments by the Directorate of Customs and Excise ..... 35

**Changes in relation to Circular no. 7/2012 S:**

*The Storting resolution concerning hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs):*

- Section 1: rate amended

*The Excise Duties Regulations:*

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- Section 2-7: amended
- Section 2-9: amended

*The comments from the Directorate of Customs and Excise:*

- Item 11 concerning the excise duty codes: rates amended
- Item 15.2 concerning calculation of interest: amended

*Changes in other regulations will appear from the relevant sections.*

**For questions, please contact the Customs Region at 03012.**

## **Starting resolution concerning excise duties on hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs)**

**Section 1.** As of 1 January 2013 and pursuant to the Act of concerning Excise Duties of 19 May 1933 no. 11, an excise duty shall be paid to the State Treasury upon any importation and domestic production of hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), including recycled HFCs and PFCs. The duty on HFCs and PFCs will be NOK 0.229 per kg multiplied by the GWP value (global warming potential) that each individual taxable HFC and PFC gas represents.

The excise obligation includes all mixtures of HFC and PFC, both as own compounds and mixed with other substances, as well as HFCs and PFCs that are included as ingredients of other products. The Ministry may regulate whether the excise duties on HFCs and PFCs that are included as ingredients in other products may be established in a different manner than measures in weight, and whether the duties shall be paid based on a table of tariffs for this.

The Ministry may issue regulations that dictate what will be included in the excise obligation and the basis for the duty, as well as establishing the GWP values.

**Section 2.** An exemption is made on this excise duty for a product that:

- a) is meant for export to foreign countries,
- b) is stored in customs warehouses when the products are designated for exportation,
- c) is imported
  1. as personal effects , pursuant to Section 5-1 of the Norwegian Customs Act,
  2. for use in means of transportation for commercial activities, pursuant to Section 5-2 of the Norwegian Customs Act,
  3. according to Section 5-9 of the Norwegian Customs Act and is of little or no economic value,
  4. are for temporary use, pursuant to Section 6-1 second paragraph of the Norwegian Customs Act,
- d) pursuant to Section 5-3 of the Norwegian Customs Act, delivered to or introduce by
  1. diplomats,
  2. NATO and military forces from countries that are participating in the Partnership for Peace Programme,
  3. The Nordic Investment Bank,
- e) is returned to the registered company's warehousing facilities,
- f) is recycled.

The Ministry may regulate may regulate the conditions, limitations and implementation for the exemptions.

**Section 3.** The Ministry is the delegating authority as to the question of any doubts that may arise to the scope and application of the excise duty.

**Section 4.** The Ministry may exempt or reduce the excise duty in individual cases or in situations that were not apparent when the resolution was decided, and when the duty in that individual case has an unintended effect.

## Act of 19 May 1933 no. 11 concerning Excise Duties

The title of this act was amended by the act of 27 March 1998 no. 13. Cf. the acts of 4 November 1948 no. 1 (visual art), of 19 June 1959 no. 2 (motor vehicles and boats) and of 19 June 2009 no. 58 (value added tax).

**Section 1.** When with reference to this act the Storting adopts excise duties to be paid to the State Treasury not provided for in other acts <sup>1</sup>, the Ministry <sup>2</sup> will issue further provisions relating to calculation and control.<sup>3</sup> The Ministry will issue regulations concerning prohibition, production, import, export and sales if the excise duty concerns ethanol for technical use.

<sup>0</sup> Amended by the acts of 18 December 1970 no. 97, of 28 April 1978 no. 17, of 27 March 1998 no. 13, of 14 April 2000 no. 23, of 10 December 2004 no. 77 (coming into force on 1 July 2005 as per the resolution of 17 June 2005 no. 658), of 17 June 2005 no. 67 (coming into force on 1 January 2008 as per the resolution of 21 December 2007 no. 1616) as amended by the act of 9 December 2005 no. 115.

<sup>1</sup> Cf. for example, see the act of 19 June 1959 no. 2.

<sup>2</sup> The Ministry of Finance

<sup>3</sup> Cf. see the act of 17 June 2005 no. 67, Section 10-40.

**Section 2.** Violation of regulations that are issued pursuant to this act shall also be punishable with fines <sup>1</sup> if the violation occurs with negligence, to the extent the violation is not already described with a particular punishment in the Penal Code. <sup>2</sup>

A punishment of fines or imprisonment for up to two years may be applied, or imprisonment for up to six years if wilful or gross negligence is involved, if the violation of the first paragraph of section one is especially serious.

In deciding whether a violation shall be deemed especially serious, emphasis shall be placed on whether the scope of the violation was extensive, or whether the importation, exportation or use is prohibited or subject to special conditions, or whether the offender intended to sell the products to which the violation applies, or whether the offender has previously been convicted of violation of tax legislation, or whether other circumstances of a particularly aggravating nature are present.

<sup>0</sup> Amended by the acts of 16 May 1947 no. 2, of 27 March 1998 no. 13, of 10 December 2004 no. 77 (coming into force on 1 July 2005 as per the resolution of 17 June 2005 no. 658). Amended by the act of 20 May 2005 no. 28 (coming into force at the time established for this in the act) and amended by the act of 19 June 2009 no. 74.

<sup>1</sup> See Section 27 and Chapter 3a of the Norwegian Penal Code of 1902, and Chapters 4 and 9 of the Norwegian Penal Code of 2005 (not coming into force).

<sup>2</sup> Penal Code of 1902, see Section 406 of this act; Penal Code of 2005, see Section 378 of this act (not coming into force).

**Section 3.** <sup>1</sup> Any person who wilfully or negligently violates this act or any regulations issued in pursuance of the act - whereby the State Treasury is or might have been deprived of an excise duty - shall be required to pay an additional duty equivalent to double and in repeated instances four times the amount of excise duty due.

With respect to responsibility under this section, the person liable for the excise duty is answerable for the actions of customs representatives, assistants, spouse <sup>2</sup> and children. <sup>3</sup>

<sup>0</sup> Amended by the act of 26 June 1992 no. 73.

<sup>1</sup> Compare with the act of 19 June 2009 no. 58, Section 21-3.

<sup>2</sup> See the act of 4 July 1991 no 47.

<sup>3</sup> Cf. Penal Code of 1902 Section 48a and 48b; Penal Code of 2005 Chapter 4 (not coming into force.).

**Section 4.** <sup>1</sup> An administrative fine shall be imposed on the registered owner of any vehicle for the unlawful use of labelled oil or duty-free biodiesel, to be calculated in accordance with further rules laid down by the Ministry. The Ministry may decide to double the administrative fine for any repetition of such violations. The Ministry may waive or reduce the claim in respect of one or more of the parties liable for the duty if for reasons relating to the fixing of the duty it would be unreasonable to uphold the claim in its entirety.

<sup>0</sup> Added by the act of 26 June 1992 no. 73, amended by the acts of 15 December 2006 no. 70 (coming into force on 1 January 2007), of 17 June 2005 no. 67 (coming into force on 1 January 2008 as per the resolution of 21 December 2007 no. 1616) and the act of 11 December 2009 no. 113 (coming into force on 1 January 2010).

<sup>1</sup> Compare with the act of 19 June 1959 no. 2, Section 3.

**Section 5.** <sup>1</sup> The excise duty is to be paid in accordance with the rules that apply at the time the obligation to pay excise duties arises.

If a contract for supply has been entered into at the time the excise duty comes into force, the recipient of the contract is obligated to pay an additional sum equivalent to the excise duty unless evidence is produced to show that account was taken of this duty when the price was determined.

<sup>0</sup> Amended by the acts of 13 April 1951 no. 2, of 26 June 1992 no. 73 (changing Section 5 to Section 6), of 27 March 1998 no. 13, of 17 June 2005 no. 67 (coming into force on 1 January 2008 as per the resolution of 21 December 2007 no. 1616) and the changing of the section number for Section 6.

<sup>1</sup> Compare with the act of 19 June 2009 no. 58, Section 22-1.

**Section 6.** Those authorities who are invested with functions in pursuance of the Norwegian Price Controls Act <sup>1</sup> are required upon enquiry and notwithstanding the obligation of secrecy otherwise incumbent upon them <sup>2</sup> to provide the county tax offices and the Directorate of Taxation with information concerning grants they have allowed to be paid out of the public purse or out of special price regulation funds.

The Ministry may decide that the Police, the Taxation Authorities and the Norwegian Food Safety Authority <sup>3</sup> are obligated to furnish the Customs and Excise Agency - notwithstanding the obligation of secrecy - with the information necessary for the processing of applications for registration of excise duties on alcoholic beverages.

<sup>0</sup> Added by the act of 19 June 1964 no. 17, amended by the acts of 26 June 1992 no. 73 (Section 6 change to Section 7), of 11 June 1993 no. 66, of 20 June 2003 no. 45 (coming into force on 1 July 2003 as per the resolution of 20 June 2003 no. 712), of 17 December 2004 no. 86 (coming into force on 1 July 2005 as per the resolution of 17 June 2005 no. 599), of 29 June 2007 no. 46 (coming into force on 31 December 2007 as per the resolution of 7 December 2007 no. 1370), of 17 June 2005 no. 67 (coming into force on 1 January 2008 as per the resolution of 21 December 2007 no. 1616), amended the paragraph number for Section 7.

<sup>1</sup> See the act of 11 June 1993 no. 66.

<sup>2</sup> Cf. see the act of 10 February 1967 Sections 13 and onward.

<sup>3</sup> Cf. see Section 23 of the act of 19 December 2003 no. 124.

**Section 7.** Rules regarding the obligation to secrecy etc. in <sup>1</sup> Section 12-1 of the Norwegian Customs Act also apply to the work done by customs authorities related to this act.

<sup>0</sup> Added by the act of 9 May 2008 no. 14, amended by the act of 19 June 2009 no. 50.

<sup>1</sup> See the act of 21 December 2007 no. 119.

**Section 8.** This act comes into force with immediate effect.

0 Amended by the acts of 19 June 1964 no. 17 (previously Section 6), of 26 June 1992 no. 73 (changed from Section 7 to Section 8), of 17 June 2005 no. 67 (coming into force on 1 January 2008 as per the resolution of 21 December 2007 no. 1616), changed the paragraph numbers from Section 8, of 9 May 2008 no. 14, changed the paragraph number for Section 7.

# Extract from the Regulations of 11 December 2001 no. 1451 concerning Excise Duties

## Chapter 1. Introductory provisions

### Section 1-1. *Area of application*

This regulation shall apply to excise duties collected pursuant to the Act of 19 May 1933 no. 11 concerning Excise Duties.

0 Amended by the regulation of 22 June 2005 no. 682 (coming into force on 1 July 2005).

### Section 1-2. *Definitions*

(1) *products that are subject to an excise duty* means products that have been imported into or manufactured in this country which is encompassed by an excise duty resolution enacted by the Storting.

(2) *production* means any and all processing - including packaging, repackaging or assembly - resulting in the product being subject to a taxation such as an excise duty, or if the product changes its tax status.

(3) *a registered undertaking* means an entity that is registered in accordance with the provisions of Sections 5-1 to 5-6.

(4) *approved premises* means premises used for storage and production or the like, which are approved by the Customs Region in accordance with the provisions laid down in Section 5-7.

0 Amended by the regulation of 12 December 2003 no. 1533 (coming into force on 1 January 2004).

## Chapter 2. Ordinary provisions concerning the obligation to pay excise duties

### Section 2-1. *Circumstances under which the excise obligation will arise*

(1) For registered undertakings, the obligation to pay excise duties will occur when

- a) products are withdrawn from the enterprise's approved premises, including incidents of theft and shortages. Losses during operations do not constitute withdrawal,
- b) at the time of importation, when the products are not stored in approved premises,
- c) at the time of cessation of registration.

(2) In the case of non-registered importers, the obligation to pay excise duties arises at the time of importation.

(3) In the case of bankruptcy estates or mortgagees, the obligation to pay excise duties arises at the time of withdrawal of the products if the excise duty has not been calculated for the products at an earlier time.

(4) In the case of duties on technical ethanol, electrical power, final treatment of waste and NO<sub>x</sub> emissions, the obligation to pay excise duties arises in accordance with the provisions laid down in Sections 3-3-3, 3-12-2, 3-13-2 and 3-19-4, respectively.

(5) In the case of users entitled to full or partial exemption from the duties on the use of products that are otherwise subject to such a duty, the obligation to pay excise duties will also arise if the preconditions for exemption are nevertheless not satisfied.

0 Amended by the regulations of 25 June 2004 no. 1040 (coming into force on 1 July 2004), of 10 December 2004 no. 1599 (coming into force on 1 January 2005), of 22 June 2005 no. 682 (coming into force on 1 July 2005), of 15 December 2006 no. 1442 (coming into force on 1 January 2007), of 27 November 2009 no. 1432, of 1 September 2010 no. 1233 (coming into force on 1 October 2010) and of 7 December 2010 no. 1552 (coming into force on 1 January 2011).

### **Section 2-2. *Duty-free transfers***

Registered undertakings may transfer their taxable products without an obligation arising to pay duties on these products if they are sent to the undertaking's own approved premises and to approved premises of other undertakings if these companies are registered for the same type of products.

### **Section 2-3. *Products for duty-free use, (raw materials, etc.)***

(1) Products that, according to the Storting resolution are exempt from excise duties because these are used as raw materials etc., may be purchased from registered undertakings if these products are declared as products for just such use. The registered undertaking may list these products as "zero return" items on the excise duty return.

(2) The entity that imports the products used as raw materials etc. for own activities may register as a user of this function, and thereafter import these products such that no duties need be paid.

(3) Non-registered users may also apply for a refund on duties already paid in. Applicants must provide documentation that shows these duties were paid, as well as providing a declaration that the products are meant for duty-free use.

### **Section 2-4. *Return products***

(1) Registered undertakings may list previously calculated duties on return products for deductions on the excise duty return, based on the following conditions:

- a) the products are re-allocated to the registered undertaking's approved premises,
- b) the products are re-allocated as products in stock,
- c) a credit note has been issued for the product and its duty amount, and
- d) the products are returned within two years, calculated from the date of invoice.

(2) If re-allocating to the registered undertaking's approved premises is impractical, the Customs Region may consent to the products being destroyed pursuant to Section 2-5, instead of being re-allocated. The conditions for first paragraph letters b-d apply similarly.

0 Amended by the regulation of 12 December 2003 no. 1533 (coming into force on 1 January 2004).

### **Section 2-5. *Destruction of products***

(1) An exemption may be granted on the destruction of products by the registered undertaking's approved premises on the following conditions:

- a) the destruction is done with the customs authority present, unless the Customs Region consents to another solution, and
- b) the destruction of products is listed on the excise duty return as a duty-free extraction for the same taxation period as the destruction took place.

(2) The Customs Region may consent to the destruction being done at another location, if and when this is more expedient.

(3) A fee of NOK 500 is charged for the customs authority's assistance in the destruction of alcoholic beverages.

0 Amended by the regulation of 12 December 2003 no. 1533 (coming into force on 1 January 2004).

### **Section 2-6. Importation**

The provisions regarding importation of products provided for or pursuant to the Norwegian Customs Act are applicable to the extent these apply and no other decisions are made for this or not covered by this regulation.

0 Amended by the regulation of 17 December 2008 no. 1413 (coming into force on 1 January 2009).

### **Section 2-7. Exportation, etc.**

(1) Registered undertakings may list products for export to foreign countries or to Svalbard or Jan Mayen as "zero return" on the excise duty return. By export to a foreign country is meant the export of products from the customs area to another country's landed territory. Possible duties on products that are stored in customs warehouses in accordance with the provisions of the Storting resolution on excise duties apply similarly.

(2) Non-registered importers may also apply for refunds with the Customs Region.

0 Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004), of 15 December 2006 no. 1442 (coming into force on 1 January 2007) and of 13 December 2012 no. 1286 (coming into force on 1 January 2013).

### **Section 2-8. Documenting the right to an exemption on excise duties**

Claims for exemption from excise duties must be documentable and documented. Unless otherwise provided for in this regulation, the documentation must show the scope of the claim and that the preconditions for an exemption have been fulfilled.

### **Section 2-9. Exemptions in accordance with the General block exemption**

The exemption on excise duties and reduced rates as per Section 3-6-6 first paragraph item 2, Section 3-6-7 first paragraph, Sections 3-12-4, 3-12-5, 4-3-1, 4-3-2, 4-5-1 first paragraph, 4-5-2 first paragraph and Section 4-6-2 second paragraph satisfies the conditions in the Regulations of 14 November 2008 no. 1213 concerning Exceptions from the Duty of Notification for Government Aid, cf. EEA Agreement Attachment XV no. 1j, Art. 25 of Commission Regulation (EC) No 800/2008 (EUT L 214, 9.8.2008, p. 3).

0 Added by the regulation of 15 September 2010 no. 1271, amended by the regulation of 11 January 2011 no. 15, 12 October 2012 no. 966

### **Section 2-10. Violation of the conditions for excise duty exemption**

The customs authority may refuse an exemption, reduction or any grant that was issued regarding excise duties for a limited period of time, if the conditions set for the exemption are breached or contravened.

0 Added by the regulation of 7 December 2010 no. 1552 (coming into force on 1 January 2011).

## **Chapter 3. Special provisions regarding each particular excise duty**

### **(Chapter 3-1 – Chapter 3-17)**

## Chapter 3-18. The excise duty on hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs)

<sup>0</sup> This Chapter was added by the regulation of 19 December 2002 no. 1836 (coming into force on 1 January 2003).

### Section 3-18-1. Technical areas of application

(1) The obligation to pay this duty encompasses:

<i>Product types</i>	<i>Chemical formula</i>	<i>Global warming potential (GWP)</i>
<i>HFC</i>		
HFC-23	CHF <sub>3</sub>	11 700
HFC-32	CH <sub>2</sub> F <sub>2</sub>	650
HFC-41	CH <sub>3</sub> F	150
HFC-43-10mee	CF <sub>3</sub> CF <sub>2</sub> CHFCHF <sub>2</sub> CF <sub>3</sub>	1300
HFC-125	CF <sub>3</sub> CHF <sub>2</sub>	2800
HFC-134	CHF <sub>2</sub> CHF <sub>2</sub>	1000
HFC-134a	CF <sub>3</sub> CH <sub>2</sub> F	1300
HFC-152a	CHF <sub>2</sub> CH <sub>3</sub>	140
HFC-143	CHF <sub>2</sub> CH <sub>2</sub> F	300
HFC-143a	CF <sub>3</sub> CH <sub>3</sub>	3800
HFC-152	CH <sub>2</sub> F CH <sub>2</sub> F	43
HFC-161	CH <sub>3</sub> CH <sub>2</sub> F	12
HFC-227ea	CF <sub>3</sub> CHF <sub>2</sub> CF <sub>3</sub>	2900
HFC-236cb	CF <sub>3</sub> CF <sub>2</sub> CH <sub>2</sub> F	1300
HFC-236ea	CF <sub>3</sub> CHF CHF <sub>2</sub>	1200
HFC-236fa	CF <sub>3</sub> H <sub>2</sub> CF <sub>3</sub>	6300
HFC-245ca	CHF <sub>2</sub> CF <sub>2</sub> CH <sub>2</sub> F	560
HFC-245fa	CF <sub>3</sub> CH <sub>2</sub> CHF <sub>2</sub>	1030
HFC-365mfc	CF <sub>3</sub> CH <sub>2</sub> CF <sub>2</sub> CH <sub>3</sub>	794
<i>PFC</i>		
PFC-14	CF <sub>4</sub>	6500
PFC-116	CF <sub>3</sub> CF <sub>3</sub>	9200
PFC-218	CF <sub>3</sub> CF <sub>2</sub> CF <sub>3</sub>	7000
PFC-3-1-10	CF <sub>3</sub> CF <sub>2</sub> CF <sub>2</sub> CF <sub>3</sub>	7000
PFC-c318	c-C <sub>4</sub> F <sub>8</sub>	8700
PFC-4-1-12	CF <sub>3</sub> CF <sub>2</sub> CF <sub>2</sub> CF <sub>2</sub> CF <sub>3</sub>	7500
PFC-5-1-14	CF <sub>3</sub> CF <sub>2</sub> CF <sub>2</sub> CF <sub>2</sub> CF <sub>2</sub> CF <sub>3</sub>	7400

(2) The excise obligation includes all mixtures of HFC and PFC, both as own compounds and mixed with other substances.

The excise obligation according to paragraph one also includes HFC and PFC as ingredients in other products.

(4) The obligation to pay this duty does not include the recycling of HFCs and PFCs.

<sup>0</sup> Added by the regulation of 19 December 2002 no. 1836 (coming into force on 1 January 2003). Amended by the regulations

of 12 December 2003 no. 1533 (coming into force on 1 January 2004), 25 June 2004 no. 1040 (coming into force on 1 July 2004), 7 December 2010 no. 1552 (coming into force on 1 January 2011) and 8 December 2011 no. 1214 (coming into force on 1 January 2012).

**Section 3-18-2.** *The basis for and calculation of the duty*

(1) The duty is calculated based on the product's net weight multiplied by the GWP value (global warming potential) listed in Section 3-18-1 first paragraph. For mixtures of these substances, the duty is calculated based on the net weight of each individual type of compound in the mixture.

(2) The excise duty for HFCs and PFCs used as ingredients in other products is calculated based on the proportion of HFC and PFC in the product.

(3) If the type of HFC or PFC cannot be documented, one must apply the highest possible GWP value for the HFC/PFC product type which cannot be ruled out.

(4) If one is unable to document the mixing proportions in a mixture where HFC and/or PFC are included, then one is to use the GWP value for the product type in the mixture with the highest rate for the entire mixture. Consideration will be made to documentation that might exclude any individual mixture proportions.

(5) One must pay the excise duty based on the list below for the following products if the quantity of HFC and PFC as ingredients in other products cannot be documented:

- a) household refrigerators and freezers: 250 grams per cooling unit.
- b) compact liquid coolers (for air conditioning units for buildings): 0.25 kg per kW of cooling capacity.
- c) air coolers (for air conditioners for buildings), heat pumps and dehumidifiers: 0.5 kg per kW of cooling capacity.
- d) milking systems, indirect: 1 kg per kW of cooling capacity.
- e) milking systems, direct: 2 kg per kW of cooling capacity.
- f) industrial refrigeration and freezer compartments: 1.5 kg per kW of cooling capacity.
- g) commercial refrigeration and freezer units, including cooling rooms not for public use: 2.5 kg per kW of cooling capacity.
- h) spray cans: 0.5 kg per unit, except for asthma inhalers where 10 grams per unit is used.
- i) air conditioners for motor vehicles such as passenger cars, product transport vehicles, combination vehicles and motor caravans, tractors, forklifts: 1 kg per unit.
- j) air conditioners for lorries, vehicles for construction work, combine harvesters, specialised cars: 2.5 kg per unit.
- k) air conditioners in buses: 5 kg per unit.
- l) expanding foam insulation: 0.5 kg per kg.
- m) insulated doors and entry gates: 0.25 kg per m<sup>2</sup>.
- n) extruded polystyrene for insulation: 2.5 kg per m<sup>3</sup>.
- o) panels for industrial refrigeration and freezer compartments: 6 kg per m<sup>3</sup>.

(6) If the basis for calculating the excise duty cannot be established according to the first or fifth paragraph, then one must use the basis that the Customs Region finds is most likely to be in use in each case.

0 Added by the regulation of 19 December 2002 no. 1836 (coming into force on 1 January 2003). Amended by the regulations

of 12 December 2003 no. 1533 (coming into force on 1 January 2004) and 8 December 2011 no. 1214 (coming into force on 1 January 2012).

## **(Chapter 3-19 – Chapter 4-8)**

### **Chapter 4-9. Military forces and international organizations**

0 Chapter added by the regulation of 17 December 2008 no. 1413 (coming into force on 1 January 2009).

#### **Section 4-9-1. *Military forces and command units***

(1) Products may be imported into Norway with no excise duty being imposed if these are used by NATO forces from foreign countries and forces participating in the Partnership for Peace Programme, NATO's headquarters in Norway and people affiliated with NATO. This exemption is provided under the same conditions as those described in Section 5-3-5 of the Customs Regulations.

(2) Registered undertakings are permitted to supply such products duty-free to the institutions and persons mentioned in paragraph one.

0 Added by the regulation of 17 December 2008 no. 1413 (coming into force on 1 January 2009).

#### **Section 4-9-2. *International organizations***

(1) Products to be used by international organizations may be imported into Norway duty-free. This exemption is provided under the same conditions as those described in Section 5-3-6 and Section 5-3-7 of the Customs Regulations.

(2) Registered undertakings are permitted to supply such products duty-free under the conditions explained in paragraph one.

0 Added by the regulation of 17 December 2008 no. 1413 (coming into force on 1 January 2009).

## **(Chapter 4-10 – Chapter 4-11)**

### **Chapter 5. Administration of the excise duties, etc.**

#### **I. Registration**

##### **Section 5-1. *The obligation to register***

The following undertakings shall be registered for each separate excise duty:

- a) Producers of products that are subject to the excise duty, with the exception of micro power stations and energy recovery plants that supply electrical power directly to the end user.
- b) undertakings that produce or import technical ethanol with an alcoholic strength of over 2.5 volume percent.
- c) undertakings operating refuse dumping sites for the final treatment of waste,
- d) undertakings that recover TRI and PER where recovery is conducted with a view to resale,
- e) undertakings that transport electrical power to the consumer,
- f) importers of alcoholic beverages with an alcoholic strength of over 2.5 volume percent where no special permit or licence has been granted,

- g) undertakings that own or operate entities subject to the NO<sub>x</sub> excise duty, with the exception of undertakings that have only duty-free emissions or foreign activities using a representative registered pursuant to Section 5-2 letter d.

<sup>0</sup> Amended by the regulations of 19 December 2002 no. 1836 (coming into force on 1 January 2003), of 19 December 2003 no. 1758 (coming into force on 1 January 2004), of 25 June 2004 no. 1040 (coming into force on 1 July 2004), of 22 June 2005 no. 682 (coming into force on 1 July 2005), of 15 December 2006 no. 1442 (coming into force on 1 January 2007), of 20 December 2006 no. 1587 (coming into force on 1 January 2007), of 15 December 2009 no. 1524 (coming into force on 1 January 2010) and of 1 September 2010 no. 1233 (coming into force on 1 October 2010).

### **Section 5-2. *The right to register***

The following undertakings may be registered subject to application to the Customs Region:

- a) importers of taxable products subject to registration pursuant to Section 2-1 of the Value Added Tax Act,
- b) Importers of taxable products when the products are to be used as raw materials or are for duty-free use, pursuant to the provisions of resolutions for excise duties adopted by the Storting.
- c) importers of boat engines and undertakings engaged in commercial production of vessels for sale.
- d) representatives of foreign undertakings that own or operate vessels or aircrafts that are subject to the NO<sub>x</sub> excise duty.

<sup>0</sup> Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004), of 15 December 2006 no. 1442 (coming into force on 1 January 2007), of 20 December 2006 no. 1587 (coming into force on 1 January 2007) and of 24 June 2010 no. 964 (coming into force on 1 July 2010).

### **(Section 5-3)**

### **Section 5-4. *Place of registration***

Registration shall occur in the Customs Region in which the place of business of the undertaking is located. Undertakings with places of business in multiple customs regions shall register the undertaking in the Customs Region in which their head office is located.

<sup>0</sup> Amended by the regulation of 12 December 2003 no. 1533 (coming into force on 1 January 2004).

### **Section 5-5. *Registration notification, etc.***

- (1) Notification of or application for registration shall be sent no later than one month before production or importation commences.
- (2) The notification or application shall contain information on
  - a) the production and storage premises (drawings), including the location of the premises,
  - b) the type of products that will be produced or stored,
  - c) when production or storage will commence,
  - d) stocks of products,
  - e) budgeted and current sales,
  - f) the size and scope of imports and reception of products that are subject to excise duties,
  - g) accounting procedures and stock holding,

- h) who will effect ongoing payment of the excise duty,
- i) customs credit number if applicable,
- j) the business' Enterprise Organization Number,
- k) street address and postal address,
- l) where applicable, licences and concession or statements of good conduct.

(3) Changes in the circumstances provided for in the second paragraph shall be reported to the Customs Region without delay. Notification shall also be filed if the business ceases or stops for more than three months and in the event of the resumption of the business.

(4) In the case of an excise duty on electrical power, or excise duty on the final treatment of waste and for the NO<sub>x</sub> excise duty, the provisions of the second paragraph shall apply correspondingly, subject to the adjustments necessary in light of the nature of the excise duty.

0 Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004), of 19 December 2003 no. 1758 (coming into force on 1 January 2004), of 22 June 2005 no. 682 (coming into force on 1 July 2005), of 15 December 2006 no. 1442 (coming into force on 1 January 2007) and of 7 December 2010 no. 1552 (coming into force on 1 January 2011).

### **Section 5-6. Refusal or revocation of registration**

(1) The Customs Region may refuse or revoke registration if

- a) the undertaking, board members or management are not considered creditworthy,
- b) the undertaking has unpaid arrears with regard to taxes, excise or customs duties or is in breach of legislation governing excise duties, customs duties or value added tax, or
- c) the nature of the undertaking's business activities has changed.

(2) The Customs Region shall revoke registration if the conditions provided for in Section 5-3 are no longer fulfilled, or if the registered undertaking is no longer fulfilling the obligations provided for in these regulations or in the Tax Payment Regulations.

(3) In the event of the revocation of registration for the handling of technical ethanol or the death of the holder, the owner or the estate shall ensure that the stock of these products is sold or transferred to a registered undertaking. Failing this, the products shall be confiscated or destroyed.

0 Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004), of 18 February 2004 no. 411, of 22 June 2005 no. 682 (coming into force on 1 July 2005) and of 21 December 2007 no. 1775 (coming into force on 1 January 2008).

## **II. Approval of premises**

### **Section 5-7. Approval of premises**

(1) In cases such as this when no excise obligation arises, all production and storage of taxable products may only occur in premises that have been approved by the Customs Region. These premises must be properly locked, safeguarded and organized so that reasonable inspections, calculation of excise duties and payments etc. can be done.

(2) The Customs Region may approve various premises for each individual undertaking. The Customs Region must be notified without undue delay of any changes that are made to the approved premises.

(3) The Customs Region may establish the details of conditions for approval of the premises, including approving any changes to these premises.

(4) The approval provided for these premises may be revoked if inspections and supervisory controls give grounds for revoking the approval.

<sup>0</sup> Amended by the regulation of 12 December 2003 no. 1533 (coming into force on 1 January 2004).

### **III. Accounts**

#### **Section 5-8. *Accounts***

(1) For registered undertakings that, pursuant to the Norwegian Act concerning Annual Accounts Etc. (the Accounting Act) of 17 July 1998 no. 56, are required to keep accounts of business activities, these accounts must contain a list and description of the use of raw materials and the scope and extent of production. Furthermore, the accounts shall be set out in such a way that the quantities of taxable products can be readily controlled and verified. In the case of registered undertakings that declare excise duties on a terminal basis, stock accounts shall be recorded of products in stock that are subject to the excise duties. The stock accounts shall contain products in stock, reception and delivery of products that are subject to excise duties, including any duty-free transfers to other registered undertakings or to approved premises, as well as withdrawals for own sales outlets or own use. The accounts shall show any difference between measured or counted stocks and the stocks as shown in the stock accounts.

(2) Before the end of the filing deadline for the tax term in question, registered undertakings that record stock accounts in accordance with the first paragraph shall reconcile the figures contained in their excise duty return with the stock accounts. This reconciliation will be included together with the stock accounts as part of the accounting material that the undertaking is required to store.

(3) Registered undertakings that are not subject to the accounting requirement under the Accounting Act may be instructed by the Customs Region to store documents of significance to the scope of excise duties, such as purchase and sales invoices, contracts and payment vouchers. Moreover, the undertaking may be instructed to record stock accounts and to reconcile the accounts in the way provided for above. The obligation to store documents, where applicable stock accounts and reconciliations, remains in force for ten years.

<sup>0</sup> Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004) and of 18 February 2004 no. 411.

### **IV. Inspection provisions etc.**

#### **Section 5-9. *General rules on inspection***

(1) Customs and Excise may at any time inspect whether the correct excise duties have been calculated and paid and whether the conditions established in Section 5-3 have been fulfilled. To this end, Customs and Excise may inspect premises in which taxable products are produced or stored, adjoining rooms and vehicles used to transport such products. Moreover, Customs and Excise may check the accounts in their entirety and associated documentation, including electronic documents and software. During the inspection of the entity's archives, Customs and Excise is permitted to copy documents to a digital storage medium for future review, either with the entity in question – which is subject to the duty of disclosure - or at the offices of Customs and Excise itself.

(2) Customs and Excise may investigate taxable products. Sample products may be collected, without any form of payment being made to the entity.

(3) Investigations as provided for above may be conducted at the manufacturer, importer, exporter, dealer, intermediary, warehousing agent of stocks and carriers of taxable products, as well as from users claiming a reduction or exemption on such excise duties. Moreover, investigations may take place at manufacturers and dealers of products that can be used in or for the production of a taxable product.

(4) The undertaking's owner, board members, general manager and other employees are required to provide the necessary assistance and guidance in connection with the investigation. Accounting material and other documents to be inspected shall be presented, released or forwarded to Customs and Excise without delay. By documentation is also meant electronically stored documents. The obligations described above also apply to electronic software, programs and program systems.

0 Amended by the regulations of 22 June 2005 no. 682 (coming into force on 1 July 2005) and of 2 February 2009 no. 104.

## **(Section 5-10 – Section 5-14)**

### **V. The duty to provide information**

0 Added by the regulation of 11 January 2010 no. 23 .

#### **Section 5-15. *The duty to provide information***

The entity obligated to provide information pursuant to this regulation must behave in an attentive and loyal manner toward the authorities. The entity that is subject to the duty of disclosure must assist the authorities in regard to questions of the obligation to pay such excise duties at the correct time and with the purpose of clarity and the intention to comply with legislation in this regard, and is obligated to inform Customs and Excise about any errors in the calculation of excise duties.

0 Added by the regulation of 11 January 2010 no. 23.

## **Chapter 6. The excise duty return and payments etc.**

### **Section 6-1. *The excise duty return***

(1) Registered undertakings shall file a monthly excise duty return specific to these duties with the Customs Region, by the 18th of the following month (the deadline for filing such returns). A return shall be filed even if no excise duty is collectable for the period (zero return).

(2) Undertakings registered for excise duties on electrical power shall file this monthly return with the Customs Region within one month and eighteen days after the end of the quarter in which the invoice was sent or the delivery/extraction without invoicing having occurred.

(3) Undertakings registered for paying the excise duty on emissions of NO<sub>x</sub> shall file these excise duty returns with the Customs Region within the 18th of the month after the end of the quarter in which the emission took place.

(4) The Customs Region may fix a shorter time for filing such returns if information exists on the circumstances of the undertaking that indicate that it is likely the duty will not be paid on time.

(5) Undertakings registered pursuant to Section 5-1 letter b that exclusively import or produce technical ethanol with approved denaturing are not required to file such returns.

(6) Importers registered pursuant to Section 5-2 letter b are not required to file such returns.

(7) The Excise Duty Return must be submitted in either the electronic or paper form. If the paper version of the Excise Duty Form is used one must use the official form established for this and sign the form before submission. The electronic version must be submitted to the reception centre that is designated for this by the Directorate.

(8) The electronic version of the Excise Duty Return will be considered submitted as soon as it is received by the reception centre and an electronic confirmation voucher has been generated. The paper version of the Excise Duty Return will be considered submitted as soon as it has been postmarked, as long as the postmark is dated before the deadline for submission expires.

<sup>0</sup> Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004), 19 December 2003 no. 1758 (coming into force on 1 January 2004), 22 June 2005 no. 682 (coming into force on 1 July 2005), 20 December 2006 no. 1587 (coming into force on 1 January 2007), 11 April 2011 no. 377, 16 June 2011 no. 597 (coming into force on 19 July 2011) and 23 August 2011 no. 864 (coming into force on 1 September 2011).

**Section 6-2 - Section 6-5.** (Repealed 1 January 2008; see the Regulations of 21 December 2007 no. 1775.)

**Section 6-6.** *Calculation of excise duties in arrears, etc.*

(1) In the event of non-calculation or incomplete calculation of excise duties, the Customs Region may calculate excise duties in arrears.

(2) Moreover, the Customs Region may calculate these duties in arrears if the duty to be paid with interest has been refunded on the basis of incorrect or incomplete information. The same applies if products that have been supplied duty-free or at a reduced rate have been used for taxable purposes.

(3) In instances as provided for in the second paragraph, the Customs Region may decide that the exemption should in the future be practised in some other way than provided for in these regulations.

<sup>0</sup> Amended by the regulation of 12 December 2003 no. 1533 (coming into force on 1 January 2004).

**Section 6-7 - Section 6-9.** (Repealed 1 January 2008; see the Regulations of 21 December 2007 no. 1775.)

## **Chapter 7. Final provisions**

**Section 7-1.** *Supplementary regulations, etc.*

(1) Questions concerning the scope of the obligation to pay excise duties must be put to the Customs Region.

(2) The Customs Region may require the installation of measuring equipment and the like for the purpose of calculating excise duties, and for inspections. The Directorate may issue regulations concerning requirements for measuring equipment and methods of measuring.

(3) The Directorate may issue regulations requiring the use of fixed conversion factors where taxable products are sold by measure of capacity rather than by weight.

(4) The Directorate may issue regulations according to which the Norwegian Beekeepers Association may retain a predetermined amount for administration costs for each application granted for subsidies for beekeeping, cf. Section 3-16-4 .

(5) The Directorate may issue regulations clarifying, supplementing and implementing these regulations, including on calculation, repayment and inspection etc. Moreover, the

Directorate may issue regulations concerning the preconditions for exemption from the excise duty, including requirements as to documentation and minimum limits for exemption.

<sup>0</sup> Amended by the regulations of 12 December 2003 no. 1533 (coming into force on 1 January 2004) and of 21 December 2007 no. 1775 (coming into force on 1 January 2008).

**Section 7-2.** (Repealed 1 January 2009; see the Regulations of 17 December 2008 no. 1413.)

**Section 7-3.** *Transitional provisions*

Undertakings with approved premises must within two years from the coming into force of these regulations renew their approval in accordance with Section 5-7.

**Section 7-4.** *Coming into force, etc.*

(1) These regulations apply from 1 January 2002.

[...]

# Extract of the Regulations of 1 June 2004 no. 930 concerning the Recycling and Treatment of Waste

## (The Norwegian Waste Regulations)

### (Chapter 1 – Chapter 7)

#### **Chapter 8. Refunds on the excise duty on hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs)**

Established by authority of Section 4 of the Act of 11 June 1976 no. 79 concerning Inspections and Controls of Products and Consumer Services (the Product Control Act).

0 Chapter 8 added by the regulation of 30 June 2004 no. 1060 (coming into force on 1 July 2004).

##### **Section 8-1. Purposes**

The purpose of the provisions in this chapter is to reduce emissions of hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) into the environment.

##### **Section 8-2. Technical area of application**

The provisions of this chapter are concerned with HFC and PFC as laid down in Section 3-18-1 first paragraph of the Regulations of 11 December 2001 no. 1451 concerning Excise Duties, regardless of whether these products arise as pure substances, are included as mixtures in other substances, or come as ingredients in other products.

The provisions of this chapter do not apply to PFC that is formed during the production of aluminium.

##### **Section 8-3. Right to disbursements**

Refunds for quantities of HFC and PFC are paid for these substances that are delivered to approved refuse disposal plants for destruction. Refund rates will equal the current differential excise duty rates that apply to HFC and PFC at the time of delivery to the disposal plant, cf. Section 3-18-2 of the annual Storting resolutions and the Regulations of 11 December 2001 no. 1451 concerning Excise Duties.

The right to a refund will be denied if the waste is not stored at the disposal plant for confirmation and inspection for at least two weeks after the refund application was delivered to the authorities. The right to a refund will also be waived if the waste during this time is not labelled with the name of the undertaking that delivered the waste, or if the waste has not been issued a reference code for analytic evidence.

The Norwegian Climate and Pollution Agency may establish additional rules for disbursement of refunds in cases where HFC or PFC waste will be exported.

0 Amended by the regulation of 21 June 2010 no. 1073.

##### **Section 8-4. The application**

The application for a refund may be sent to the authorities by the undertaking that delivers the HFC and/or PFC to the disposal plant. This application will be filed and processed by the Climate and Pollution Agency, or a representative appointed by this agency.

0 Amended by the regulation of 21 June 2010 no. 1073.

**Section 8-5. Requirements to documentation**

The application must contain the results from a representative analysis test that shows which quantities and types of HFC and PFC have been delivered to the refuse disposal plant. This analysis should be carried out pursuant to a Norwegian Standard, or an equivalent method, by an independent third party that is accredited for carrying out HFC and PFC analyses.

The application must also contain documentation that shows that the quantity of HFC and PFC that the refund application encompasses has been delivered to the refuse disposal plant.

A copy of the declaration form must be attached to the application form if the application applies to HFC waste that is subject to the duty of declaration pursuant to Section 11-12 of Chapter 11.

The Climate and Pollution Agency may establish further rules for the requirements to documentation.

0 Amended by the regulation of 21 June 2010 no. 1073 .

**Section 8-6. Disbursements**

Disbursements are issued by the Climate and Pollution Agency or by its appointed representative.

0 Amended by the regulation of 21 June 2010 no. 1073 .

**Section 8-7. Transitional provisions**

Refunds for HFC and PFC may only be paid for these substances if they are delivered to an approved refuse disposal plants for destruction, after these regulations come into force.

Until a Norwegian Standard as described in Section 8-5 exists for this purpose, the analysis methods used must be approved by the Climate and Pollution Agency.

0 Amended by the regulation of 21 June 2010 no. 1073 .

## Extract from the Act of 17 June 2005 no. 67 concerning the Payment and Collection of Claims for Taxes and Excise Duties (the Tax Payment Act)

To review the entire act (in Norwegian), please refer to <http://www.lovdata.no/all/hl-20050617-067.html>

[...]

### **Section 9-1. Ways and means of payment**<sup>1</sup>

(1) Taxes and duties<sup>2</sup> can be paid using legal tender as a means of payment or by transferring the amount due to the collection authorities' bank account, unless the collection authorities<sup>3</sup> request payment in cash. A supplier who pays taxes or duties through the simplified registration scheme as defined in Sections 14-4 to 14-7 of the Norwegian Vat Act<sup>4</sup> must pay the charges by transferring the amount to the collection authorities'<sup>5</sup> bank account.

(2) Claims that are charged through the daily settlement arrangement<sup>6</sup> must be paid in cash. The Customs Region may decide whether the settlement can also be paid using an electronic bank payment.

(3) The Ministry may issue regulations that provide more detailed rules for the payment scheme for paying taxes and duties, including the obligation of financial institutions to reject payment orders that lack necessary information in cases where a cash payment can be made.

<sup>0</sup> Amended by the acts of 15 December 2006 no. 85 (coming into force immediately and on 1 January 2008 as per the resolution of 7 December 2007 no. 1371) and 24 June 2011 no. 27 (coming into force on 1 July 2011).

<sup>1</sup> Cf. Section 9-3 (1) second item.

<sup>2</sup> See Section 1-1 (2).

<sup>3</sup> Cf. Chapter 2.

<sup>4</sup> The act of 19 June 2009 no. 58.

<sup>5</sup> Cf. Chapter 2.

<sup>6</sup> Cf. Section 14-20 (2).

### **Section 9-2. Time and place for payment**<sup>1</sup>

(1) Payment of taxes and duties is deemed completed when the payment amount has arrived at the correct collection authority.<sup>2</sup> For payments made by bank transfer the payment is deemed completed when the amount has been credited to the collection authorities' bank account. For transfers within the same bank the payment is deemed completed when the amount has been credited to the recipient's bank account. When settlement is done in cash the payment is deemed completed when the amount is available for the collection authorities at the bank or at the authorities' office and the recipient has been notified of the payment.

(2) The specified payment deadline is met

- a) when a payer's deposit has been received by the bank
- b) when the collection authorities<sup>2</sup> have received and accepted a check or other form of payment.

(3) The third and fourth paragraphs of Section 39 of the Norwegian Financial Contracts Act<sup>3</sup> apply correspondingly.

<sup>1</sup> Cf. Section 9-3 (2) fourth item.

<sup>2</sup> Cf. Chapter 2.

[...]

**Section 10-1.** *Unconditional obligation to pay and the prohibition against conveyance of outstanding credit*

- (1) Claims for taxes and excise duties <sup>1</sup> shall be paid when due and in the amount originally determined, even if the amount determined has been appealed or brought before the courts.
- (2) Claims for repayment of taxes and duties cannot be charged or assigned. <sup>2</sup>
- (3) The second paragraph shall not apply to disbursements under Section 3 letter c fifth paragraph of the Petroleum Taxation Act <sup>3</sup>. Nevertheless, the right to set off takes precedence above rights established by charge or assignment.

<sup>0</sup> Amended by the act of 15 December 2006 no. 85.

<sup>1</sup> Cf. see section 1-1 (2).

<sup>2</sup> Compare with Section 12 of the act of 14 August 1918 no. 4.

<sup>3</sup> Act of 13 June 1975 no. 35.

**Section 10-2.** *Deferred due date*

The time limit will be postponed until the next working day if the time for payment expires on a Saturday, Sunday, a holiday <sup>2</sup> or a statutory public holiday <sup>1</sup>.

<sup>1</sup> See the act of 26 April 1947 no 1.

<sup>2</sup> Section 2 of the act of 24 February 1995 no. 12

[...]

**Section 10-40.** *Domestic excise duties*

(1) Domestic excise duties come due for payment at the same time as the obligation to pay excise duties arises.

Nevertheless, this does not apply to:

- a) the annual motor vehicle tax for vehicles registered in the Motor Vehicle Register on 1 January which comes due for payment on 20 March.
- b) the heavy goods vehicle tax for vehicles registered in the Register of Motor Vehicles which comes due for payment in two equal instalments on 20 February and 20 August respectively.
- c) the non-recurring tax for registered undertakings which comes due for payment on the eighteenth day of the month after obligation to pay excise duties arose.
- d) the incorrect use of labelled oil according to Section 4 of the Excise Duties Act which falls due for payment three weeks after the notification of the demand is sent.

(2) In the case of undertakings that are registered with the customs regions and obliged to pay such duties, the duty for any period in question falls due for payment on the same day as the return is to be submitted.

(3) The Ministry may issue regulations <sup>2</sup> containing detailed rules concerning the due dates for claims as provided for in the first paragraph.

<sup>0</sup> Amended by the acts of 15 June 2007 no. 26 and 12 December 2008 no. 100.

<sup>1</sup> Cf. act of 19 May 1993 no. 1.

<sup>2</sup> Cf. see Item c of Section 2 and Chapter VII of the Public Administration Act.

**Section 10-41.** *Customs duties, value added tax and excise duties incumbent on importations*

(1) Customs duties and excise duties that arise upon importation and which are not charged to customs credit or to a daily settlement arrangement, cf. Section 14-20, come due for payment at the same time as the obligation to pay such customs duties arises.

(2) Claims charged to customs credit for a calendar month come due for payment on the eighteenth day of the following month.

(3) Claims for tax and duty charged to a daily settlement arrangement come due for payment on the first business day after the customs declaration was completed. The Customs Region may specify a deadline before which payment shall be effected on the due date.

<sup>0</sup> Amended by the act of 15 December 2006 no. 85.

[...]

**Section 10-52.** *Liability claims*

Liability claims pursuant to Chapter 16, liability claims pursuant to Section 4-1 second paragraph, and liability claims pursuant to Section 7 of the Act of 13 December 1996 no. 87 concerning Tax on Fees Paid to Non-resident Performers Etc. must be paid no later than two weeks after the notification of the claim has been sent; see Section 4-18 of the Norwegian Enforcement Act <sup>1</sup>.

<sup>0</sup> Amended by the acts of 15 December 2006 no. 85 and of 12 June 2010 no. 40.

<sup>1</sup> Cf. Section 11-1.

<sup>2</sup> Act of 26 June 1992 no. 86.

**Section 10-53.** *Claims for tax and duty in amendment decisions etc. and adjustment by the taxpayer* <sup>1</sup>

(1) When the tax authorities amend an administrative decision which leads to an increase in a tax or duty for a claim that ordinarily falls due for payment pursuant to Sections 10-10 to 10-12, 10-21, 10-22 second paragraph or Sections 10-30 to 10-41, then this increase and its interest according to Section 11-2 must be paid no later than three weeks after the notification of the decision is sent. Nevertheless, this will apply only if the deadline for payment comes later than the ordinary due date for the claim. If the increase comes about because the entity which is obligated to pay the tax or duty has altered a previously submitted return, the deadline will be calculated from the date upon which the notification of the change reaches the tax or duty authorities.

(2) In the event of an increase in tax arrears <sup>2</sup> as a consequence of changes pursuant to the rules provided for in Chapter 9 of the Tax Assessment Act <sup>3</sup>, the deadline for payment shall be calculated from the date upon which notification of a new assessment of a tax or duty <sup>4</sup> has been sent to the debtor. Tax arrears for personal taxpayers shall be paid as early as possible, together with the second instalment.

<sup>0</sup> Amended by the act of 22 June 2012 no. 43 (coming into force when the King decides).

<sup>1</sup> Cf. see Section 1-3.

<sup>2</sup> Cf. Section 7-1(2).

<sup>3</sup> Act of 13 June 1980 no. 24.

<sup>4</sup> Cf. Section 7-2.

<sup>5</sup> Cf. Section 4-1 (1), b.

[...]

### **Section 10-60. Credit balances**

(1) Where an excess amount of a tax or duty has been paid and otherwise where a credit balance arises, the amount and interest pursuant to Section 11-4 shall be reimbursed to the party that is obligated to pay the tax or duty, as soon as possible and no later than three weeks after the decision that resulted in repayment was adopted, except as otherwise provided for in statute or regulations. The payment shall also include interest <sup>1</sup> paid on the repayable amount. Interest that has accrued but has not been paid will not apply.

(2) In the case of credit balances arising as a result of adjustment by the taxpayer on previously submitted returns, the deadline will be calculated from the date upon which the tax or duty authorities approved the amount for disbursement.

(3) In the case of credit balances that arise following ordinary assessment, cf. Section 7-1, the deadline for any settlement will be sent to the taxpayer. In other cases, the deadline will be calculated from the date on which assessment took place.

(4) In the case of claims for disbursement of value added tax to registered business undertakings pursuant to Section 11-5 of the new Value Added Tax Act <sup>2</sup>, the deadlines will be calculated from the date upon which the VAT return was received by the tax authority. <sup>3</sup>

<sup>0</sup> Added by the acts of 15 December 2006 no. 85, of 14 December 2007 no. 110, of 19 June 2009 no. 58 (coming into force on 1 January 2010 as per the resolution of 6 November 2009 no. 1347) and of 10 December 2010 no. 69 (coming into force on 1 January 2010).

<sup>1</sup> Cf. Section 11-1.

<sup>2</sup> Act of 19 June 2009 no. 58.

<sup>3</sup> Cf. Section 15-8 of the act of 19 June 2009 no. 58.

[...]

### **Section 11-1. Interest on overdue payments <sup>1</sup>**

(1) Interest shall be calculated on claims for taxes and duties that are not paid by the due date in accordance with Chapter 10. Interest is calculated on the basis of the claim with the addition of interest pursuant to Sections 11-2 or 11-5, where applicable. Interest accrues from the due date and until payment has been made. In the case of claims pursuant to Section 10-52, interest accrues from the due date for the claim on the tax or duty that the liability claim shall cover and until payment has been made.

(2) Section 2 second paragraph of the Act of 17 December 1976 no. 100 concerning Interest on Overdue Payments Etc. applies correspondingly.

(3) The rules on accelerated maturity in Section 10-20 fourth paragraph and Section 10-21 second paragraph do not apply for interest calculations pursuant to the first paragraph.

<sup>0</sup> Amended by the act of 9 December 2005 no. 115.

<sup>1</sup> Cf. Section 11-6 (1).

### **Section 11-2. Interest in the case of amendment decisions, adjustment by the taxpayer, inheritance tax paid after the due date etc.<sup>1</sup>**

(1) Interest shall be calculated on increases in tax and duty determined by amendment decisions etc. <sup>2</sup> or as a result of the party that is subject to the tax or duty having amended a previously submitted return. Interest shall not be calculated on summary amendments pursuant to Section 9-9 of the Tax Assessment Act <sup>3</sup>.

(2) Interest is calculated from the due date of the claims pursuant to Sections 10-1 to 10-41, and until the decision is adopted on amendment etc., or a new and altered return arrives at the tax authorities, with the exception of items stated paragraphs three to seven.

(3) Interest on increases in tax following a new assessment, cf. Section 7-2, will be calculated from 1 January in the year after the year of assessment.

(4) Interest on petroleum tax following a new assessment, cf. Section 7-2, will be calculated from 1 January in the year after the financial year.

(5) Interest on excess repayments according to Section 10-1<sup>4</sup> of the VAT Act and interest on excess reimbursements according to Section 11-5 of the VAT Act are calculated from the time the amount was paid until a decision is made regarding a change of these types of payments etc.

(6) If inheritance tax pursuant to Section 10-31 fourth paragraph is paid after the due date that follows from Section 10-31 first and second paragraphs, interest shall be paid on the tax or duty amount for the period from the ordinary due date and until the fee is determined with final effect.

(7) If payments have been made to cover the claim for a tax or duty before a decision on amendment etc. is made, or before notification of adjustment by the taxpayer of a previously submitted return has reached the tax and duty authorities, then interest will be calculated until the date of payment.

0 Amended by the acts of 15 December 2006 no. 85, of 14 December 2007 no. 110 and of 19 June 2009 no. 58 (coming into force on 1 January 2010 as per the resolution of 6 November 2009 no. 1347).

1 Cf. Section 11-6 (2).

2 Cf. inter alia Chapter XIII of the act of 19 June 2009 no. 58 and Chapter 9 of the Tax Assessment Act.

3 Act of 13 June 1980 no. 24.

4 Act of 19 June 2009 no 58.

### **Section 11-3. Interest compensation on late disbursements<sup>1</sup>**

(1) In the case of a refund of a tax or duty later than the due date provided for in Section 10-60, interest shall be paid for the period from the due date and until payment has been made.

(2) Section 2 second paragraph of the Act of 17 December 1976 no. 100 concerning Interest on Overdue Payments Etc. applies correspondingly.

0 Amended by the acts of 9 December 2005 no. 115 and of 14 December 2007 no. 110.

1 Cf. Section 11-6 (1).

### **Section 11-4. Interest compensation on disbursements pursuant to an amendment decision etc. and adjustment by the taxpayer<sup>1</sup>**

(1) In the event of repayment of excess tax or duty as a consequence of an amendment decision etc., or adjustment by the taxpayer of a previously submitted return, interest compensation shall be paid from the date on which payment was effected and until the due date in accordance with Section 10-60.

(2) In the event of repayment following a new assessment<sup>2</sup>, interest will be calculated from the finalised tax settlement after the ordinary assessment was sent to the taxpayer. In cases dealing with a withholding tax on dividends, interest is calculated from the finished tax settlement after the ordinary assessment was sent to the withholding company.

In the case of disbursement of value added tax not previously paid in, interest will be paid from three weeks after the deadline for submission of the return for the instalment in question, cf. Section 15-8 of the Value Added Tax Act<sup>3</sup>.

(4) In case of other types of disbursements than those discussed in the first paragraph, a compensatory interest may be paid when special circumstances call for this. The Ministry

may issue regulations <sup>4</sup> determining that interest compensation shall be paid in other cases even where special circumstances do not exist.

(5) In case of disbursement of an excess of the petroleum tax after a new assessment, cf. Section 7-2, interest shall be calculated from 1 January of the year following the year of income up until the date that payment is due as in Section 10-60.

0 Amended by the acts of 14 December 2007 no. 110, of 19 June 2009 no. 55, of 25 June 2010 no. 40 and of 10 December 2010 no. 69 (coming into force on 1 January 2011).

1 Cf. Section 11-6 (2) second item.

2 Cf. Section 7-2.

3 Act of 19 June 2009 no 58.

4 Cf. see Section 2 and Chapter VII of the Public Administration Act.

[...]

### **Section 11-6. Interest rates**

(1) The rate of interest for interest pursuant to Sections 11-1 and 11-3 shall correspond to the rate determined pursuant to Section 3 first paragraph item one of the Act of 17 December 1976 no. 100 concerning Interest on Overdue Payments Etc. If a payment arrangement has been granted for inheritance tax because the inheritance or gift largely encompasses business activities <sup>1</sup>, the rate of interest shall be half of the rate provided for in the first item.

(2) The rate of interest for interest pursuant to Section 11-2 shall be equivalent to the monetary key rate of interest as determined by Norges Bank as at 1 January in the year in question with the addition of one percentage point. The rate of interest for interest pursuant to Section 11-4 shall be equivalent to the monetary key rate of interest as determined by Norges Bank as at 1 January in the year in question.

(3) Changes to the size of the rate of interest shall take effect from the time at which the change enters into force, including for claims for tax and duty where interest accrues before the entry into force.

1 Cf. Section 20 of the act of 19 June 1964 no. 14.

[...]

### **Section 12-1. Rules on limitations**

(1) The Statute of Limitations <sup>1</sup> applies with the exceptions that are stated in paragraphs two to five.

(2) For claims on taxes and duties <sup>2</sup>, the limitation period runs from the end of the calendar year of the claims, or in case of the last term of the claims when these are due for payment. <sup>3</sup>

(3) For advance payments on taxes <sup>4</sup>, the limitation period runs from the end of the calendar year when the tax assessment was taken. For claims on inheritance tax, the period of limitations runs from the time the claim is due until payment is made, pursuant to Sections 10-31 and 10-32. For claims on duties from gifts and distributions from undivided estates, the deadline shall still in no case begin to accrue until the taxation authorities have received a verified notification about the gift or the distribution, in accordance with Section 25 second paragraph of the Norwegian Inheritance Tax Act.

(4) For inheritance tax, the period of limitations has a duration of ten years.

(5) If the limitation is discontinued according to Section 17 of the Act of 18 May 1979 no. 18 concerning the Limitation Period for Claims (the Statute of Limitations), then overdue interest that falls due for payment at a later date is not discontinued for claims on taxes or duties until the capital sum becomes obsolete.

0 Amended by the act of 9 December 2005 no. 115.

1 Act of 18 May 1979 no 18.

2 Cf. Section 1-1 (2) and chapter 1.

3 Cf. Chapter 10.

4 Cf. Chapter 4.

[...]

**Section 14-1.** *Basis for enforcement of execution*

The claim on taxes and duties <sup>1</sup> provides the enforcement basis for execution. <sup>2</sup>

1 Cf. Section 1-1 (2) ) and chapter 1.

2 Cf. Section 7-2 letter e of the Norwegian Enforcement Act of 26 June 1992 no. 86.

[...]

**Section 14-20.** *Customs credits and the daily settlement arrangement*

(1) The Customs Region may issue credit for customs duties, value added tax and excise duties incumbent on importations. <sup>1</sup>

(2) Forwarding agents that carry out customs clearance on behalf of others may be issued credit for customs clearances on products for home use that are settled on that same clearance day (daily settlement).

(3) The Customs Region may establish the conditions for securities before credit is issued, or at a later time.

(4) A special compensation fee will be paid to the State Treasury for the use of customs credit. The Ministry may issue regulations <sup>2</sup> concerning the amount of this fee.

(5) The Ministry may issue regulations <sup>2</sup> as to further rules for supplementing and execution of this section, including the conditions for credit, withdrawal of credit and the conditions for provisions of security.

1 Cf. for example the act of 19 June 2009 no. 58 Section 3-29 and Section 3-30.

2 Cf. the Public Administration Act, Section 2 and Chapter VII.

[...]

**Section 14-21.** *The furnishing of security for taxes and excise duties*

(1) When registering entities subject to the payment of taxes and duties, the Customs Region is permitted to require a security to be furnished for any outstanding non-recurring tax on motor vehicles. Detailed requirements as to security, including its scope and extent, will be determined by the Customs Region at the time of registration and may subsequently be amended.

(2) The Customs Region may require registered undertakings that are subject to the payment of taxes and duties pursuant to the Excise Duties Act to furnish security for taxes and duties payable in the future. A requirement as to the furnishing of security may be imposed at the time of registration of the undertaking, or at a later date. Detailed requirements as to security, including its scope and extent, will be determined by the Customs Region at the time of registration in each individual case.

(3) The Ministry may issue regulations <sup>1</sup> providing detailed conditions for the furnishing of security and specifying the elements to which importance shall be attached when assessing whether security should be required.

1 Cf. see Section 2 and Chapter VII of the Public Administration Act.

[...]

**Section 16-42.** *Obligations related to duty-free delivery of products and services*

The Ministry may issue regulations <sup>1</sup> providing that the recipient of duty-free products and services who would otherwise be subject to a duty pursuant to the Act of 19 May 1933 no. 11 concerning Excise Duties is liable for the duty if the party in question fails to fulfil the preconditions for exemption from the excise duty. In such cases, the supplier will also be subject to the payment of excise duties if he knew or should have known that the preconditions for an exemption had not been fulfilled.

<sup>1</sup> Cf. see Section 2 and Chapter VII of the Public Administration Act.

[...]

## **Extract from the Regulations of 21 December 2007 no. 1766 concerning Complementing and Implementing Etc. of the Tax Payment Act (the Tax Payment Regulations)**

To see the entire Regulations document (in Norwegian), please refer to <http://www.lovdata.no/cgi-wift/ldles?doc=/sf/sf/sf-20071221-1766.html>

[...]

### **Section 9-1-1. *Payments made through a bank***

- (1) For payment of taxes and duties through a bank, payment must be made to the bank account that is designated by the collection authority.
- (2) Payment through a bank can be done electronically or by using a payment voucher. The Directorate of Taxes and The Directorate of Customs and Excise may create specific payment vouchers to be filled in and submitted when making payments through banks.
- (3) A customer identification code (KID) must be used for electronic payments together with a payment order issued by the payer's bank, if the bank offers such services.
- (4) The payment system must refuse any electronic payment order for paying taxes or duties if a valid customer identification code (KID) is not generated, if the bank offers such services.
- (5) For payment made through a bank, the bank and its settlement centre must make certain a correct payment date is registered for the payment and included in the transaction documentation sent to the beneficiary.

[...]

### **Section 10-4-1. *Monetary limits for payment and repayment of claims for taxes and duties***

- (1) Claims for taxes and duties and credit balances - including any charges and interest payable pursuant to Sections 11-2, 11-4 and 11-5 of the Tax Payment Act - which alone make up less than NOK 100, will not be paid or repaid. Nevertheless this does not apply to:
  - a) mariners who are subject to the payment of taxes under Section 2-3 first paragraph of the Taxation Act, where the monetary limit is NOK 2000,
  - b) payment of claims for customs duties, credit fees for the use of customs credit, value added tax and excise duties collected upon importation, cf. Section 10-41 of the Tax Payment Act, where the monetary limit is NOK 50, except in the case of alcoholic beverages and tobacco where no monetary limit applies,
  - c) payment of the annual heavy goods vehicle tax at a daily rate in accordance with the provisions on short-term use of trailers, cf. Section 7 of the Regulations of 29 June 2000 no. 688 concerning the Annual Heavy Goods Vehicle Tax,
  - d) non-recurring tax on motor vehicles, where the monetary limit is NOK 200, and
  - e) the supplementary charge for late payment of the annual tax at a reduced rate, where the monetary limit is NOK 50.
- (2) In the case of claims for taxes and duties payable in instalments or pursuant to a specified tax specification or declaration, the monetary limit will apply to the individual instalment, specification or declaration.

<sup>0</sup> Amended by the regulation of 25 March 2010 no. 462 (coming into force on 1 April 2010).

**Section 10-4-2. Monetary limit on interest and interest compensation**

Interest on overdue payments of less than NOK 50 - cf. Sections 11-1 and 11-3 of the Tax Payment Act - will not be paid or repaid. This applies similarly if the interest or interest compensation pursuant to Section 11-2 and 11-4 in special circumstances arise as claims to the extent the interest is not regulated together with the capital sum according to Section 10-4-1.

0 Amended by the regulation of 25 March 2010 no. 462 (coming into force on 1 April 2010).

**Section 10-4-3. Monetary limit for write-offs or revenue recognition of small remaining outstanding amounts**

Outstanding amounts remaining for payment less than NOK 50 may be waived. Similarly, the person or entity subject to payment of taxes or duties has no claim to outstanding amounts of less than NOK 50. The amounts mentioned in the first and second items respectively may be charged as expenses or revenues in one's accounts.

0 Added by the regulation of 25 March 2010 no. 462 (coming into force on 1 April 2010).

**Section 10-4-4. Rounding off**

Amounts will be rounded downwards to the nearest whole krone when calculating claims on taxes and duties.

0 Amended by the regulation of 25 March 2010 no. 462 (coming into force on 1 April 2010, previously Section 10-4-3).

[...]

**Section 10-40-3. Due dates for overdue payments from the excise duties return**

The provision stated in paragraph two of Section 10-40 of the Tax Payment Act also applies to the excise duties that are reported on the excise duties return that were not delivered by the deadline for delivering this return.

0 Added by the regulation of 25 March 2010 no. 462 (coming into force on 1 April 2010).

[...]

**Section 11-1-6. Calculation of interest on late payment in the case of reductions in tax or duty**

(1) If a claim for tax or duty is reduced, the interest on late payment shall be recalculated on the basis of the amended tax or duty.

(2) If a claim for tax or duty came due for payment in multiple instalments, and the interest is recalculated, equal amounts of each instalment will as far as possible be deemed to have been waived. If the claim for tax or duty had previously been increased, the increase will be deemed to have been waived first and a later increase before an earlier increase.

[...]

**Section 11-2-1. Calculation basis**

For the purpose of calculating interest pursuant to Section 11-2 of the Tax Payment Act, the following shall not be included in the calculation basis: surtaxes, surcharges, extra duties and late-filing penalties, as well as excess reimbursements of compensatory interest according to Sections 11-3 and 11-4 of the Tax Payment Act. The same applies to interests described in Section 9-10 of the Tax Assessment Act, such as this read until 1 January 2009, if the interests are calculated according to this provision according to the rules described in Section 19-2-4.

0 Amended by the regulations of 19 December 2008 no. 1487 and 25 March 2010 no. 462 (coming into force on 1 April 2011).

**Section 11-2-2.** *Calculation of interest in the case of amendments in multiple instalments or years*

For the purposes of calculating interest pursuant to amendment decisions and adjustment by the taxpayer, interest shall be calculated for each individual payment period or year. For the purpose of calculation, account shall not be taken of changes in other payment periods or years.

**Section 11-2-3.** *Calculation of interest in the case of multiple amendments in the same period or year*

- (1) If a claim for tax or duty is increased in relation to the preceding return, adjustment by taxpayer or decision, the calculation of interest shall be based on the increase. If multiple adjustments by the taxpayer have taken place before the returns have been approved by the tax and duty authorities, interest shall be calculated only on the amount payable in total.
- (2) In the case of claims for tax and duty that were previously paid in during a period and on which interest has been paid pursuant to Section 11-4 of the Tax Payment Act, the same rate shall be used for the purposes of the new calculation as pursuant to Section 11-4 for the period.

[...]

**Section 11-3-1.** *Calculation basis*

- (1) When calculating interest according to the Section 11-3 of the Tax Payment Act, surtaxes, surcharges, extra duties and late-filing penalties, as well as disbursements of outgoing value added tax and interests pursuant to Sections 11-1 , 11-2 , 11-4 and 11-5 of the Tax Payment Act will also be included in the calculating basis.
- (2) The amount paid in last shall be counted as the amount repaid first. For the purpose of calculating interest, amounts outstanding used for the purpose of sett-off shall be considered to have been repaid on the same date as the set-off takes place.

0 Amended by the act of 21 January 2010 no. 45.

**Section 11-3-2.** *Claims credited to the customs credit or the credit arrangement for non-recurring tax*

Interest pursuant to Section 11-3 of the Tax Payment Act shall be calculated if claims charged to the account for customs credit or the credit arrangement for non-recurring tax are repaid by crediting the account. Interest shall be calculated from the first date of the month after the due date that follows from Section 10-60 and until the first day in the month in which the amount is credited to the current credit.

[...]

**Section 11-4-1.** *Calculation basis*

- (1) When calculating interest according to the Section 11-4 of the Tax Payment Act, surtaxes, surcharges, extra duties and late-filing penalties, as well as disbursements of outgoing value added tax and interests pursuant to Sections 11-1, 11-2 and 11-5 of will also be included in the calculation basis.
- (2) The amount paid in last shall be counted as the amount repaid first. Deductions by the employer decided by the Tax Collector shall be counted as paid on the first day in the settlement period in which the deduction takes place.

0 Amended by the act of 21 January 2010 no. 45.

[...]

**Section 11-4-3.** *Calculation of interest in the case of amendments in multiple instalments or years*

For the purposes of calculating interest pursuant to amendment decisions and adjustment by the taxpayer, interest shall be calculated for each individual payment period or year. For the purpose of calculation, account shall not be taken of changes in other payment periods or years.

<sup>0</sup> Amended by the act of 19 December 2008 no. 1487.

**Section 11-4-4.** *Calculation of interest in the case of multiple amendments in the same period or year*

(1) In the case of reductions in relation to the last preceding return, adjustment by the taxpayer or amendments shall be calculated on the basis of the reduction. If there have been multiple adjustments by the taxpayer before the tax and duty authority has paid out the amount owed, interest shall be calculated only on the amount payable in total.

(2) Previously calculated interest pursuant to Sections 11-1 and 11-2 of the Tax Payment Act on claims that are not upheld will lapse.

**Section 11-4-5.** *Interest on separate repayments of special taxes*

Interest shall be paid pursuant to Section 11-4 of the Tax Payment Act in the case of refunds of tax pursuant to Sections 4-1-1 and 4-2-1 of the Regulations of 11 December 2001 no. 1451 concerning Excise Duties, cf. Section 11-6-1.

<sup>1</sup> Amended by the regulation of 12 June 2012 no. 512 (coming into force on 1 July 2012).

[...]

**Section 11-6-1.** *Interest rates on repayments of tax and duties*

The rate of interest on repayments of tax and duties pursuant to Section 11-4-5 shall be:

- a. 2.1 percent of the repayment amount pursuant to Section 4-1-1 of the Regulations of 11 December 2001 no. 1451 concerning Excise Duties
- b. 0.7 percent of the repayment amount pursuant to Section 4-2-1 of the Regulations of 11 December 2001 no. 1451 concerning Excise Duties

<sup>0</sup> Amended by the regulations of 19 December 2008 no. 1487 and 25 March 2010 no. 462 (coming into force on 1 April 2010) and 12 June 2012 no 521 (coming into force on 1 July 2012).

[...]

**Section 11-7-1.** *Rounding off of interest*

Interest rate amounts are rounded off downwards to the nearest whole krone.

**Section 11-7-2.** *Deferred calculation or non-applicability of interest*

The Directorate of Taxes and the Directorate of Customs and Excise may decide that the calculation of interest pursuant to Sections 11-1, 11-2 and 11-5 of the Tax Payment Act may be deferred or cease to apply in the individual case.

**Section 11-7-3.** *Calculation of interest upon amendments after judicial decision*

For taxes and duties to be paid after new rules are established by judicial decision, interests pursuant to Sections 11-1 and 11-2 of the Tax Payment Act shall be levied for the original claim on the tax or duty.

<sup>0</sup> Amended by the regulations of 19 December 2008 no. 1487 and 25 March 2010 no. 462 (coming into force on 1 April 2011).

[...]

**Section 14-21-2.** *Furnishing of security for the excise duties*

(1) The Customs Region may require registered undertakings that are subject to the payment of duties pursuant to the Excise Duties Act to furnish security for duties payable in the future. A requirement as to the furnishing of security may be imposed at the time of registration of the undertaking, or at a later date.

(2) When assessing whether the furnishing of security should be required, account shall inter alia be taken of the following factors:

- a. whether the undertaking has repeatedly paid the duty late or has in other ways been in breach of such provisions,
- b. whether the undertaking has unsettled balances with regard to taxes, excise duties and customs duties,
- c. whether the undertaking, board of directors or management are considered creditworthy.

(3) In cases in which security is required, the provisions of Section 14-20-4 second paragraph will apply correspondingly.

(4) Detailed requirements as to security, including its scope, will be decided by the Customs Region. As a main rule, this security will always cover the claim on the duty for two periods. The Customs Region may impose additional requirements as to security if new circumstances or information so dictate.

[...]

**Section 16-42-1.** *Special rules on responsibilities regarding the excise duties*

(1) When delivering natural gas and LPG pursuant to Sections 3-6-7 to 3-6-10, for electrical power pursuant to Sections 3-12-4, 3-12-5, and 3-12-9 to 3-12-13, for mineral oil, natural gas and LPG pursuant to Sections 4-3-1 and 4-3-2, mineral oil, lubricating oil, natural gas and LPG pursuant to Sections 4-4-1 to 4-4-3 and duty-free biodiesel pursuant to Section 3-11-7 of the Regulations of 11 December 2001 no. 1451 concerning Excise Duties, it is the recipient who is responsible for paying the duty if the entity in question does not satisfy the conditions for exemptions on excise duties. Claims may be directed to the supplier insofar as the supplier knew or should have known that the requirements for exemption had not been fulfilled.

(2) In the event of the delivery of duty-free technical ethanol, the recipient is responsible for payment of the duty if the party in question does not fulfil the preconditions of exemption from this excise duty.

<sup>0</sup> Amended by the regulations of 15 December 2009 no. 1528 (coming into force on 1 January 2004) and of 24 August 2010 no. 1212 (coming into force on 1 September 2010) and 12 June 2012 no. 521 (coming into force on 1 July 2012).

## Comments by the Directorate of Customs and Excise

### 1. The background for this excise duty

The excise duty on the greenhouse gases hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) was introduced as of 1 January 2003. HFC and PFC are groups of moderate to strong greenhouse gases that, to varying extents, are used as substitutes for KFCs, HCFCs and halons. None of these gases is produced in Norway. Greenhouse gases are shown to influence global warming. The extent of this warming is measured by GWP values (Global Warming Potential), which is an expression of how many times stronger the greenhouse gas is compared with CO<sub>2</sub>.

HFC and PFC are used as, for example, refrigerants in most refrigeration and freezer units, refrigeration compressors, in stationary and mobile air conditioners etc., as fire extinguishing agents and as propellants in the production of foam insulation and as propellants in the production of spray cans (including asthma inhalers).

As of 1 January 2012, Section 1 of the Storting Resolution is changed such that all HFC and PFC gases are as a starting point included in the excise obligation. The details of the limitations as to which gases are subject to the duty are listed in Section 3-18-1 of the Excise Duty Regulations. The rates for this are listed in Section 1 of the Storting Resolution. The duty will be paid at the rate per kg multiplied by the GWP value of the individual taxable HFC and PFC gas it represents.

Overview of the gases that are subject to the excise duty:

Short name	Full name	CAS Number
HFC-23	Trifluoromethane	75-46-7
HFC-32	Difluoromethane	75-10-5
HFC-41	Fluoromethane	593-53-3
HFC-43-10mee	Deca-fluoropentane	138495-42-8
HFC-125	Pentafluoroethane	354-33-6
HFC-134	1,1,2,2-Tetrafluoroethane	359-35-3
HFC-134a	1,1,1,2-Tetrafluoroethane	811-97-2
HFC-152a	1,1-Difluoroethane	75-37-6
HFC-143	1,1,2-Trifluoroethane	430-66-0
HFC-143a	1,1,1-Trifluoroethane	420-46-2
HFC-227ea	1,1,1,2,3,3,3-Heptafluoropropane	431-89-0
HFC-236fa	1,1,1,3,3,3-Hexafluoropropane	690-39-1
HFC-245ca	1,1,2,2,3-Pentafluoropropane	679-86-7
HFC-152	1,2-Difluoroethane	624-72-6
HFC-161	Fluoromethane	353-36-6
HFC-236cb	1,1,1,2,2,3-Hexafluoropropane	677-56-5
HFC-236ea	1,1,1,2,3,3-Hexafluoropropane	431-63-0
HFC-245fa	1,1,1,3,3-Pentafluoropropane	460-73-1
HFC-365mfc	1,1,1,3,3-Pentafluorobutane	405-58-6

PFC-14	Perfluoromethane/ Tetrafluoromethane	75-73-0
PFC-116	Perfluoroethane/ Hexafluoroethane	76-16-4
PFC-218	Perfluoropropane/ Octafluoropropane	76-19-7
PFC-3-1-10	Perfluorobutane/ Decafluorobutane	355-25-9
PFC-c318	Perfluorocyclobutane/ Octafluorocyclobutane	115-25-3
PFC-4-1-12	Perfluoropentane	678-26-2
PFC-5-1-14	Perfluorohexane	355-42-0

## **2. Exemptions for deliveries to entities associated with NATO**

*(cf. the Storting Resolution concerning the excise duties on hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) (henceforth known as the "Storting resolution") Section 2 paragraph one letter d no. 2, and Section 4-9-1 of the Excise Duties Regulations)*

Norway is obligated to exempt certain entities from excise duties through the agreement between the parties in the NATO Status of Forces Agreement (NATO SOFA) of 19 June 1951. Through the Partnership for Peace Agreement of 19 June 1995 (PPF SOFA), NATO SOFA provides for similar application of this agreement for participating countries. Other provisions concerning the exemption on excise duties are subject to the North Atlantic Treaty Organization's Status of Forces Agreement, the National Representatives and International Staff Agreement of 20 September 1951, the Protocol on the Status of International Military Headquarters established pursuant to the Paris Protocol for NATO of 28 August 1952.

## **3. Exemptions for international organizations**

*(cf. Section 4-9-2 of the Excise Duties Regulations)*

Section 4-9-2 of the Excise Duties Regulations provides the right to exemptions for excise duties for products being imported into Norway to be used by international organizations. This exemption only applies to organizations that are listed in the Storting resolution. For HFC/PFC, an excise exemption is made for the Nordic Investment Bank, cf. Storting resolution Section 3 letter d no. 3.

## **4. Exemption on passenger personal effects**

*(cf. Section 2 first paragraph letter c no. 1 of the Storting resolution)*

Personal effects that contain HFC/PFC are exempt from the duty pursuant to Section 5-1 of the Customs Act.

## **5. Temporary use**

*(cf. Section 2 first paragraph letter c no. 4 of the Storting resolution)*

The Regulations of 20 June 1991 no. 381 concerning the Duty-free Introduction and Temporary Use of Foreign Motor Vehicles in Norway applies to motor vehicles. In practice, an exemption pursuant to these regulations is also given for parts or equipment used for vehicles that contain HFC and/or PFC. This exemption has now been codified in the resolution for Section 2 with reference to Section 6-1 second paragraph of the Customs Act.

## **6. Products of lesser value**

*(cf. Section 2 first paragraph letter c no. 3 of the Storting resolution)*

An exemption is made for duties on the importation or introduction of products of lesser value. This exemption is given in Storting resolution Section 2 paragraph one letter c no. 3, with reference to Section 5-9 of the Customs Act. As of 1 January 2013, the monetary limit amount is set at NOK 200.

## **7. Recycling**

*(cf. Section 2 first paragraph one letter f of the Storting resolution)*

As of 1 July 2004, the exemption for the recycling has been extended to no longer include the precondition that the gases are for own use. This is a consequence of the change to the refund scheme related to delivery of previously taxed gases only applying to gases delivered to refuse disposal plants for destruction.

The exemption is applicable because the recycling process no longer falls within the category of *production*. As a consequence of this, the obligation for undertakings that recycle gas to register has also been waived. Import or introduction of recycled gas is not included in this exemption. If the gas is exported for recycling and is later reimported into Norway, one must be able to document that this is the same gas. All such export and import of this nature must be expedited by Customs and Excise.

## **8. Dispensation from the excise obligation**

*(cf. Section 4 of the Storting resolution)*

Subject to application, the Customs Region may grant exemption from or reduce the excise duty if individual cases or situations arise that were not considered at the time of the enactment of the Storting Resolution, and where - in the assessment of the excise duty authorities - the duty has an unintended effect in the individual case. In other words, this provision sets two conditions which must be satisfied. As a consequence of this, the scope for exemption is very limited.

It follows from pages 24 to 25 of Proposition to Storting no. 1 (1985-86), which provides a general discussion of the authority to grant dispensation in the area of excise duties - that economic, social, health, industry policy or similar factors are not ascribed weight when

assessing whether the conditions for exemption have been met. These principles have consistently been laid down in the Customs and Excise Authorities' practice.

## **9. Duty-free transfers**

*(cf. Sections 2-1, 2-2 and 2-8 of the Excise Duties Regulations)*

Registered undertakings may transfer products liable to excise duty to the approved premises of other registered undertakings, without any obligation to pay excise duties arising. The undertaking that receives the products in a duty-free transfer is responsible for ensuring that the products are registered and that the excise duty is calculated and paid upon any resale or extraction. Duty-free transfers of products that are subject to excise duty must be documented.

## **10. Basis for calculating the excise duty**

*(cf. Section 3-18-2 of the Excise Duties Regulations)*

The excise duty shall be calculated based on the actual content of HFC or PFC. Each individual undertaking that is subject to pay the excise duty must document the content of each product. If the product type cannot be documented, one must use the highest rate as the point of departure for the duty.

One must also pay the excise duty on products with mixtures that contain these gases. For mixtures of these gases, the duty is calculated based on the net weight of the each individual taxable type in the mixture. The particular duty that forms the basis for the calculation to be used is listed in Section 2 of the resolution and in Section 3-18-2 of the Excise Duties Regulations. The highest rate must be used if one is unable to document which gas(es) the product contains. Some products have a table of tariffs established to be applied if it is not possible to document how much gas the product contains, cf. Section 3-18-2 fifth paragraph, letters a-o of the Excise Duties Regulations. For air conditioners in motor vehicles, the rate designated for HFC-134a will be used for the time being if documentation cannot be presented that proves the existence of different gas content.

Importers of such products may also apply with the Customs and Excise concerning registrations of this nature.

The duty is calculated based on the total number of kilos of gas. In some cases, the content of the gas can only be stated in volume and must be converted into kilograms. No standard conversion factors or rules exist as to which temperature should form the basis for such conversions. In cases where the undertaking is not able to present satisfactory documentation in the form of a technical data sheet or similar, the Customs Region will establish the conversion factor based on a statement from the Customs Laboratory. When using this conversion factor, a temperature of 15 °Celsius will be used as the basis for the conversion.

## 11. Excise duty codes and completing the excise duty return (Form RD-0007)

(cf. Section 6-1 of the Excise Duties Regulations)

For registered undertakings that do not store these products in approved premises, the obligation to pay excise duties will arise and occur at import, cf. Section 2-1 (1) letter b of the Excise Duties Regulations. These undertakings must declare the products in the ordinary manner on the excise duty return, cf. Section 6-1 of the Excise Duties Regulations. This means that the registered undertakings will not be declaring excise duties via TVINN.

Tax type *FK* shall be used for the purpose of declaring excise duties on HFC and PFC on the excise duty return, and the following tax groups are applicable:

Type/Group	Product types	GWP value	Rate (NOK/kg)
FK 100	HFC-23	11 700	2679,3
FK 101	HFC-32	650	148,85
FK 102	HFC-41	150	34,35
FK 103	HFC-43-10mee	1300	297,7
FK 104	HFC-125	2800	641,2
FK 105	HFC-134	1000	229
FK 106	HFC-134a	1300	297,7
FK 107	HFC-152a	140	32,06
FK 108	HFC-143	300	68,7
FK 109	HFC-143a	3800	870,2
FK 110	HFC-227ea	2900	664,1
FK 111	HFC-236fa	6300	1442,7
FK 112	HFC-245ca	560	128,24
FK 200	PFC-14	6500	1488,5
FK 201	PFC-116	9200	2106,8
FK 202	PFC-218	7000	1603
FK 203	PFC-3-1-10	7000	1603
FK 204	PFC-c318	8700	1992,3
FK 205	PFC-4-1-12	7500	1717,5
FK 206	PFC-5-1-14	7400	1694,6
FK 306	R-404A		746,54
FK 307	R-407B		523,265
FK 308	R-407C		349,3395
FK 310	R-410A		395,025
FK 311	R-413A		406,246
FK 312	R-417A		447,6492
FK 313	R-507		755,7
FK 314	R-508B		2370,15
FK 316	R-422A		579,8967
FK 317	R-407A		405,33
FK 318	R-422D		511,1967
FK 319	R-427A		418,4975

<b>FK 320</b>	R-437A		358,7285
<b>FK 113</b>	HFC-152	43	9,847
<b>FK 114</b>	HFC-161	12	2,748
<b>FK 115</b>	HFC-236cb	1300	297,7
<b>FK 116</b>	HFC-236ea	1200	274,8
<b>FK 117</b>	HFC-245fa	1030	235,87
<b>FK 118</b>	HFC-365mfc	794	181,826

As of 1 January 2010, it is forbidden to import, produce or use HCFC R-22, and from 1 January 2015 the use of recycled or used gas will also be forbidden. This also applies to gas mixtures where R-22 is an ingredient. Based on this rule, the gas mixtures with excise duty codes FK 300, 301, 302, 303, 304, 305, 309 and 315 have been forbidden as of 1 January 2010.

### *Additional codes*

Duty-free sales must also be declared on the excise duty return, but with an additional code from 00 to 99. The following additional codes will be used for the excise duty on greenhouse gases:

- 11 delivered to foreign diplomatic and consular civil servants who benefit from personal excise duty exemptions
- 12 Delivered to NATO or the NATO headquarters, forces or personnel according to international agreements, including the Partnership for Peace Programme
- 13 delivered to the Nordic Investment Bank
- 20 exported to a foreign country (with the exception of Svalbard and Jan Mayen)
- 21 exported to Svalbard and Jan Mayen
- 28 stored in a customs warehouse
- 30 transferred to other registered undertakings for the duty on FKs
- 50 products that are returned (to the undertaking's approved premises)
- 51 products that are returned (to the undertaking's approved premises) that were delivered duty-free
- 99 shortages

### *Exemption*

All the codes mentioned above, except codes 50, 51 and 99, are exemption codes. Even though the excise duty will NOT be paid, these must be entered on the excise duty return, adjacent to the correct tax types and tax groups, with the number of units.

### *Code 50 – returns*

Products that come in return to the registered undertaking's warehouse(s) shall also be listed in the excise duty return based on the correct tax type and tax group, with the total number of units. One must also list the date here if the returned product was delivered with another excise duty rate than the one applied during the excise duty return period. The total number of units here should be multiplied by the current rate for the stated date. The amount to be calculated shall be deducted from the excise duty return.

### ***Code 51 – returns on products delivered duty-free***

Products that are delivered duty-free and which come in return to the registered undertaking's warehouse must have their own code because one will not receive a deduction in this case. This code has the same function as the “exemption codes”.

### ***Code 99 - shortages***

Shortages in the warehouse are, according to legislation, subject to an excise duty - so the usual duty must be calculated in such cases. This category must be listed with its own additional code in order to distinguish it from any stated shortages from normal extraction or sales.

### ***Other information concerning the completion of the excise duty return***

When completing the excise duty return, all movements regarding the undertaking's obligation to pay excise duties must be listed and stated. All extractions and entries of significance for the excise obligation must be listed with their relevant additional codes. Net recording, where only the excise duty amount due is listed, must not occur.

## **12. ELSÆR – Electronic Excise Duty Reporting**

A new electronic excise duty reporting scheme was introduced as of 1 September 2011. This scheme is offered to all registered undertakings.

The scheme is available by logging on to Altinn. Accessing the service will require a log-in security level 2, or higher. In addition to this you must also act as:

- an accounting representative
- have access to accounting forms and services for your business.

The general manager or others with this role are permitted to delegate this role to employees. For more extensive information about delegating rights within Altinn, please contact the Altinn User Service, or use this link:

<https://www.altinn.no/no/Portalhjelp/Administrere-rettigheter-og-prosessteg>

We also refer you to the [user's manual](#) for the excise duty electronic reporting scheme, published on [www.toll.no](http://www.toll.no).

## **13. Place of registration**

*(cf. Section 5-4 of the Excise Duties Regulations)*

Registration shall take place in the Customs Region in which the undertaking has its registered office or head office as shown in the Central Coordinating Register for Legal Entities.

## **14. Stock accounts**

*(cf. Section 5-8 of the Excise Duties Regulations)*

The requirements for bookkeeping and accounts for Section 5-8 of the Excise Duties Regulations must be read in connection with the requirements to documentation for the exemptions, cf. the general provisions in Section 2-8 of the Excise Duties Regulations, as well as the other requirements to documentation in chapter 2 of the regulations (duty-free transfers to other registered undertakings, destructions etc.).

In addition to this, the accounting records for such excise duties must show that the other requirements to documentation are satisfied according to chapter 3-18 of the regulations.

## **15. Payment, calculation of interest and provision of security**

Where the excise duties are concerned, the Act of 17 June 2005 no. 67 concerning the Payment and Collection of Claims for Tax and Duty and the Regulations of 21 December 2007 no. 1766 Complementing and Implementing Etc. of the Tax Payment Act entered into force on 1 January 2008. The Ministry wishes to call your attention to the fact that, in this context, all the provisions concerning the payment of excise duties and interest are transferred at the same time to this legislation. The Tax Payment Act and the Tax Payment Regulations contain the rules regarding payment deadlines, calculation of interest and provisions of security.

### **15.1 Due dates and payment**

*(cf. Chapters 9 and 10 of the Tax Payment Act, with appurtenant regulations)*

Chapter 9 of the Tax Payment Act lists the rules concerning ways and means of payment and what is considered correct and timely payment.

Chapter 10 of the Tax Payment Act lists the rules for payment due dates. For registered undertakings that are subject to the excise obligation, Section 10-40 of the Tax Payment Act states that domestic excise duties are due for payment on the same day that the excise duty return for these duties is to be delivered, cf. Section 6-1 of the Excise Duties Regulations. The provisions covering due dates for payment of excise duties, that are due from importation, are found in the Tax Payment Act, Section 10-41.

Chapter 10 of the Tax Payment Act also contains other provisions that regulate the due dates with regard to changes to legislation, the taxpayer's liability and responsibility, and the rules regarding unconditional payment obligations, even if an administrative decision has been appealed, or similar.

(More detailed information on payment and credit schemes for importation can be found in the Customs and Excise's Guidelines for Importation (in Norwegian), published on [www.toll.no](http://www.toll.no).)

## **15.2 Calculation of interest**

*(cf. Chapter 11 of the Tax Payment Act and Chapter 11 of the Tax Payment Regulations)*

The Tax Payment Act provides for legal authority for four types of interest rate: interest on overdue payments, cf. Section 11-1, interest calculated in arrears cf. Section 11-2, interest on late refunds, cf. Section 11-3, and interest on refunds, cf. Section 11-4.

Interest on overdue payment pursuant to Section 11-1 of the Tax Payment Act shall be calculated on claims that are not paid when due and will accrue until payment has been made. Interest calculated in arrears in accordance with Section 11-2 of the act shall also be included in the calculation of interest on overdue payments if the principal and interest are not paid within the specified time limit. Even if an excise duty has not been established in a timely manner because of delayed delivery of the excise duty return, interest will still be applied and established in line with Section 11-1 of the Tax Payment Act, with a point of departure in ordinary due dates. This is described in Section 10-40-3 of the Tax Payment Act.

Interest on increases under administrative decisions on amendments or self-adjustment (interest calculated in arrears) pursuant to Section 11-2 of the Tax Payment Act shall be calculated on increases in the duty determined by means of amendment resolutions etc. Interest shall accrue from the time at which the claims should originally have been paid and until an administrative decision on an increase is made. Interest calculation pursuant to Section 11-2 will take place in the case of corrections to earlier assessments, either on the initiative of the entity subject to the duty or on the initiative of Customs and Excise. The same applies when no earlier assessment was made, for example in cases of smuggling that are uncovered during an accounting inspection.

In the case of repayment of excess payments of duties after the due date, Section 11-3 of the Tax Payment Act provides that interest will be paid from the said due date and until repayment has been made.

In the case of reimbursements for excess payments of the duty as a consequence of an administrative decision etc. according to Section 11-4 of the Tax Payment Act, compensatory interest shall be paid from the time the payment was made until the due date for the payment of the refund.

Ordinary refunds following application entail that new facts will have come to light (e.g. that new documents are submitted to Customs and Excise) and do not represent a correction to an earlier, incorrect assessment of the duty. As a general rule, in such cases there will be no payment of interest.

The rates applicable to the various interest rate provisions are regulated in Section 11-6 of the Tax Payment Act. Rates related to delayed payments and refunds will follow the standard rate for interest on interest on overdue payments, which are assessed every six months by government authorities. The remaining rates are regulated annually based on Norway's

official key interest rate. Applicable rates of interest can be found on Customs and Excise's web site.

### ***15.3 Monetary thresholds for payment and repayment***

*(cf. Section 10-4 of the Tax Payment Act and Sections 10-4-1 (1) b and (2) as well as 10-4-2, 10-4-3 and 10-4-4 of the Tax Payment Regulations)*

Monetary thresholds have been fixed for the payment and repayment of claims. The monetary thresholds apply per individual claim or per individual period, tax specification or declaration. The general rule is that customs and duties of less than NOK 100 are not payable or repayable. Certain exceptions apply to this payment threshold as regards payment of claims that come due upon importation of products into Norway. A maximum limit of NOK 50 applies in the case of interest on late payment.

### ***15.4 Provision for Financial Security***

*(cf. Section 14-21 (2) of the Tax Payment Act and Section 14-21-2 of the Tax Payment Regulations)*

Section 14-21 (2) of the Tax Payment Act provides that, at the time of registration or later, the Customs Region may require the undertaking to furnish security for excise duties that the entity becomes liable for in the future.

Section 14-21-2 of the Tax Payment Regulations specifies the criteria that will apply when determining whether security is to be required. As a general rule, security will be required in the case of breaches of the provisions governing due dates or other breaches of provisions for excise duties, where the undertaking has amounts outstanding in taxes, duties or customs duties - or where the undertaking, board or management are not considered creditworthy.

It is the responsibility of the Customs Region to perform assessments of the creditworthiness of the undertaking. In the first instance, requirements apply to financial strength and liquidity. The self-assessment system is based on a relationship of trust between Customs and Excise and the undertaking. An assessment of this trust will therefore be essential to an assessment of the creditworthiness of the undertaking. This trust will be assessed in relation to the undertaking's willingness to pay, ability to pay, compliance with the tax and customs regulations etc. and the likelihood that the Customs Region will be able to collect amounts outstanding.

Where a security is claimed, it shall at all times cover the tax or duty claim for two tax periods, based on the two periods with the highest tax burden in the last twelve months. Security shall be furnished in the form of a surety from a bank or the equivalent, cf. Section 14-21-2 (3) of the Tax Payment Regulations, cf. Section 14-20-4 (2). The security furnished may be reduced if the undertaking can document, based on the above, that an excessive amount of security has been required.

## **16. Storage shortages**

If one can prove that differences exist between the stock accounts and the real number of counted items in storage at the registered undertaking's warehouse(s), the general rule is that the excess shall be recorded in the stock accounts, and that any shortages must be subject to

the excise duty. In case of any differences found, one must however take consideration to the fact that such plus and minuses to stocks will normally even out over time.

Shortages can be adjusted against surpluses if one is able to present satisfactory documentation (correspondence, credit notes, new invoices, or similar) showing that the shortage can for example be due to delivery errors, errors in stocking or similar.

Undocumented differences within a framework of +/- 0.5 % for the taxation period in question can be accepted by Customs and Excise. If the undertaking itself or Customs and Excise can ascertain any differences beyond this, then these must be registered on the return/calculated for the excise duty on a terminal basis.

If counting errors can be proven by for example showing that the same quantity of a type of product that is registered as a shortage for the taxation period has been registered as undocumented surplus in another taxation period, then this may be accepted by Customs and Excise.

The year's total undocumented difference must be recorded and justified in the undertaking's annual settlements. Any difference that cannot be documented pursuant to these comments must be recorded and applied an excise duty by the 18<sup>th</sup> of January in the following year. The Directorate of Customs and Excise can, if special conditions exist for this, decide that a 12-month period shall be used instead of the calendar year in question. In such cases, any undocumented differences must be recorded and the duty calculated for these by the 18<sup>th</sup> day of the following taxation period.

The stock differences that might arise during stocktaking of warehouses must have a satisfactory explanation, and any corrections in the stock accounts must be justified with enclosure documents that give detailed and necessary information and reference descriptions.