

# Incentive Taxes

The following remarks should be noted if the goods declared for importation are subject to one or several of the following taxes:

- the incentive tax on volatile organic compounds (VOC);
- the CO<sub>2</sub> -tax on combustibles.

The incentive taxes concerning a given tariff number are indicated on the page at "display details", under "additional charges".

## 1. The incentive tax on volatile organic compounds (VOC)

### 1.1 The following will be liable to tax:

- a) VOCs given in the "positive list of substances" ([CCFL 814.018 Annex 1](#));
- b) VOCs covered by a) above contained in imported goods given in the "positive list of products" ([CCFL 814.018 Annex 2](#)). For the tariff headings concerned, the incentive tax is signalled in the "Display details" page, under "Additional charges", by the appropriate Additional Charge Code (ACC) and Scale of Additional Charges (SCALE).

### 1.2 The following will not be liable to tax at importation:

- a) VOCs contained in products of a VOC content not exceeding 3% by weight.
- b) Ethyl alcohol (ethanol) such as methylated spirits, bioalcohol, liquid fuel, etc. of tariff heading 2207.2000 solely for use as fuel and described as such on the label, in containers holding not more than 10 litres.
- c) Petroleum oil and white spirit solely for use as fuel and described as such on the label, put up in containers for retail sale.
- d) Liquefied propane of tariff heading 2711.1290, liquefied butane of tariff heading 2711.1390 as well as mixtures of liquefied propane and butane of tariff heading 2711.1990, if containing odoriferous substances and used as fuel (when such liquefied gas are imported for use as fuel, the import customs declaration must include the note "without VOC Tax").
- e) Two-stroke motor oils of tariff headings 2710.1994, 2710.1999 and 3403.1900 or 3403.9900, packaged for retail sale (for delivery in the unaltered state to the final client) and clearly designated as such on the label. The import customs declaration must be marked with "2-stroke engine oil". Other products classified in the same tariff heading must be declared separately.

### 1.3 Importation

The incentive tax is, in general, collected at importation. However, holders of an authorization issued as part of the formal commitment procedure, as per Article 21 of the Ordinance on Incentive Taxes on Volatile Organic Compounds ([OVOC; CCFL 814.018](#)), may bring into the Swiss customs territory VOCs provisionally not subject to tax. The names of these persons are communicated to the customs offices through the Intranet.

The quantity of VOC in kg contained in the imported goods must be stated in the import customs declaration (field "additional charges"). If, however, a consignment comprises several products containing VOCs which have been declared under a single tariff line, the VOC amount in kg or the VOC percentage by weight and the net mass must be indicated for each product in a separate accompanying document (invoice, delivery slip, etc.).

This regulation applies only to liquid and pasty products as well as to expandable plastics. For all other products, no statement is required as regards VOCs.

There are goods for which the collection of the incentive tax is provided for in the "Additional charges" rubric of the "Display details" page, but which actually do not contain VOCs or whose VOC content does not exceed 3%; the import customs declaration of such goods must include the note "without VOC Tax".

Undenatured ethyl alcohol, not for human consumption, is subject to the incentive tax on VOCs.

### VOC Incentive Tax Table

(Additional Charge Code: 700)

| Scale of Additional Charges | Rate of tax<br>Fr. per kg of VOC  |
|-----------------------------|---|
| <b>001</b>                  | <b>3.00</b>   |
| <b>002</b>                  | Provisionally not subject to tax within the framework of the formal commitment procedure.<br><br>The number and the date of issue of the authorization must be declared in the import document (field "authorization"). |

#### 1.4 Value Added Tax

When goods subject to the incentive tax are imported, the incentive tax is included in the VAT assessment basis. This also applies when the importer or consignee has been granted deferred payment within the framework of the formal commitment procedure.

#### 1.5 Export

Exported VOCs are exempted from the incentive tax. It is refunded on request by the Federal Office for Customs and Border Security.

The following details must be specified in the export customs declaration:

- exports with the e-dec export procedure
  - refund type 1  
Refund/exemption from the incentive tax on VOCs is claimed
  - VOC quantity in kg
- exports with Passar export
  - "Compensation Type" attribute:  
from code list NCL1110, select code 1 "Refund/exemption of the incentive tax on VOCs"
  - "Additional Information Code Commodity Specification" attribute:  
from code list NCL1118, select code A1301 "VOC quantity in kilograms" and specify the quantity

If, however, a consignment comprises several products containing VOCs which have been declared under a single tariff line, the VOC amount in kg or the VOC percentage by weight and the net mass must be indicated for each product in a separate accompanying document (invoice, delivery slip, etc.). The quantity of pure VOC must be declared for each tariff line in the export customs declaration.

If the exporter does not want to claim any refund/exemption, no special information concerning the incentive tax is required on the export documents.

## 2 The CO<sub>2</sub> tax

### 2.1 Subject of the tax

The tax is levied on fossil combustibles used to provide energy (fuel oil, natural gas, coal, petroleum coke and other fossil combustibles).

Within the meaning of the CO<sub>2</sub> Tax Ordinance ([CO<sub>2</sub> Ordinance](#)), by combustibles are meant fossil energy sources which are used:

- a) to provide warmth;
- b) to produce light;
- c) in thermal plants for power production;
- d) for operating heat energy coupling systems;
- e) for operating stationary heat pumps (for producing heat or alternating heat and cooling).

### 2.2 Tax tariff

The [CO<sub>2</sub> Ordinance](#) sets the tax rate. The tax rate is CHF 120.00 per tonne of CO<sub>2</sub>.

The tax tariff is to be found in the annex of the CO<sub>2</sub> Ordinance. The CO<sub>2</sub> emissions are decisive in the charges on the individual energy sources which are produced through combustion. From the emission factors emerge the tax rates per 1,000 litres at 15 °C or per 1,000 kg net mass (depending on the mineral oil tax assessment basis).

### 2.3 Levying

The CO<sub>2</sub> tax is levied in accordance with the Mineral Oil Tax Law. With the warehouse code in accordance with "[Remarks](#)", "[Mineral Oil Tax](#)" it is indicated how the goods are to be treated not just concerning tax but also concerning the CO<sub>2</sub> tax.

If a tariff number is subject to the CO<sub>2</sub> tax and to the VOC tax and the last-mentioned tax is levied (additional charge code [ACC] 700, additional charge scale [SCALE] 001/002), for the time being the levying of the CO<sub>2</sub> tax can be waived because it is assumed that the goods are not destined to be used to provide energy. If the goods are used as a combustible and the VOC tax is reimbursed subsequently pursuant to an application, then the CO<sub>2</sub> tax will be charged.

In the case of tariff numbers which are subject to the CO<sub>2</sub> tax, the following texts are therefore to be found in Tares:

| Text in Tares  | Comments  |
|--|---|
| CO <sub>2</sub> tax (s. " <a href="#">Remarks</a> ", " <a href="#">Incentive Taxes</a> ", " <a href="#">CO<sub>2</sub> Tax</a> ")  | The CO <sub>2</sub> tax will be levied in any case.   |
| CO <sub>2</sub> tax, where the product is registered as a fuel (s. " <a href="#">Remarks</a> ", " <a href="#">Incentive Taxes</a> ", " <a href="#">CO<sub>2</sub> Tax</a> ")   | The CO <sub>2</sub> tax will only be levied if the goods are declared as a combustible within the meaning of the CO <sub>2</sub> Ordinance (s. definition at point 2.1).  |
| CO <sub>2</sub> tax, where <ul style="list-style-type: none"><li>a. the VOC tax (ZUAC 700, ZUSCHL 001/002) is not charged and</li><li>b. the product is registered as a fuel (s. "<a href="#">Remarks</a>", "<a href="#">Incentive Taxes</a>", "<a href="#">CO<sub>2</sub> Tax</a>")</li></ul> | The CO <sub>2</sub> tax will only be levied if the VOC tax (ACC 700 with SCALE 001 levy at the border or 002 formal commitment procedure) is not levied and the goods are declared as a combustible within the meaning of the CO <sub>2</sub> Ordinance (s. definition at point 2.1). |

|  |  |
|--|--|
| CO <sub>2</sub> tax on products used for the propulsion of combined heat and power plants or of engines of stationary heat pumps (for producing heat or alternating heat and cooling) or for generating electricity in thermal plants (s. "Remarks", "Incentive Taxes", "CO <sub>2</sub> Tax") | The CO <sub>2</sub> tax is only levied if the goods are declared at the border for the propulsion of combined heat and power plants or of engines of stationary heat pumps (for producing heat or alternating heat and cooling) or for generating electricity in thermal plants. |
|--|--|

In the case of imports for home use, the declaration must contain, in addition to the information for the mineral oil tax, the ACC and the SCALE in accordance with Tares ("additional charge").

#### 2.4 Value added tax (VAT)

In the case of the importation of goods which are subject to the CO<sub>2</sub> tax, this tax constitutes part of the basis of calculation for levying VAT, so long as these goods are declared as "Code 1 - importation for home use with final tax declaration" or "Code 2 - importation for home use with provisional tax declaration".

[Directive 09 mineral oil tax and CO<sub>2</sub> tax](#) also applies.