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CUSTOMS AND EXCISE DUTIES

NEWSLETTER/ JULY-SEPTEMBER 2018

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(ARERA)

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Customs

LEGISLATION

1.1

COMMISSION DELEGATED REGULATION (EU) 2018/1063 OF 16 MAY 2018 AMENDING AND CORRECTING DELEGATED REGULATION (EU) 2015/2446

With Commission Delegated Regulation (EU) 2018/1063, published in the EU Official Journal on 30 July 2018, the Commission amends and corrects certain provisions of the Union Customs Code, *“to better adjust it to the needs of economic operators and customs administrations”*.

Included in the changes are amendments to the definitions of:

- *“exporter”*: making it less restrictive and limiting the conditions to qualify as an exporter to the essentials required for the export procedure;
- *“registered exporter”*: including also exporters established in a Member State and registered with the customs authorities of that Member State, for the purpose of exporting products originating in the Union to a country or territory with which the Union has a preferential trade arrangement.

A new paragraph has been introduced into Article 215 of Delegated Regulation (EU) 2015/2446, which provides that natural persons who have their habitual residence in the customs territory of the Union may benefit from the temporary admission procedure, in order to use privately hired non-Union means of road transport in the Union.

GUIDANCE

2.1

COMMUNIQUÉ OF 5 JULY 2018 - COMMISSION IMPLEMENTING REGULATION (EU) 2018/886 - ADDITIONAL CUSTOMS DUTIES ON CERTAIN PRODUCTS ORIGINATING IN THE UNITED STATES OF AMERICA

In its *communiqué* of 5/7/2018, the Customs Agency provided instructions in relation to the application of additional customs duties on imports of certain products originating in the United States of America, as introduced by the EU in art. 1 Commission Implementing Regulation 2018/886 of 20 June 2018, which entered into force on 22 June 2018. The Agency also provided instructions relative to the completion of customs declaration in cases of exemption. The tax code "A20", which under Commission Delegated Regulation (EU) 2016/341 of 17 December 2015 related to additional duties, is to be used for the settlement of such duties. Instead code "12YY" should be indicated in box 44 of the customs declaration if the goods imported fall within the categories exempt from the additional duty, in accordance with art. 4 Commission Implementing Regulation (EU) 2018/724. These exempt categories are products for which an import license with an exemption from or a reduction of duty has been issued prior to the date of entry into force of Regulation (EU) 2018/724, and products which the importers can prove have been exported from the United States to the Union prior to the date on which the additional duty is applied under Regulation (EU) 2018/886 (22/6/2018).

2.2

NOTE No. 73669 5 JULY 2018 - UCC - THE UNION CUSTOMS DECISIONS SYSTEM (CDS). CHANGES TO THE IPO / OPO AUTHORIZATIONS

With Note no. 73669 of 05/07/2018, the Customs Agency announced that DG-TAXUD has released the new 1.5 version of the Customs Decisions System, available as from 6/07/2018. Under this version it is possible to indicate the quantity of goods directly into the system without the requirement to utilise national attachments for both IPO authorisations (inward processing procedure) and OPO authorisations (outward processing procedure). Thus, for IPO/OPO applications/authorizations:

1. economic operators and offices are to enter the data relating to the goods (code, description, quantity and value) in the appropriate screen of the Customs Decisions System;

2. if the applications/authorizations relate to various goods, a “Goods” group must be completed for each type;
3. the attachments referred to in paragraph 7 of Note 109580/RU (29/09/2017) need no longer be sent.

2.3

COMMUNIQUÉ No. 79976 13 JULY 2018 - REX SYSTEM, CLARIFICATIONS ON ITS APPLICATION IN THE GSP FRAMEWORK

On 13 July 2018 the Customs Agency announced, in *communiqué* no. 79976, that a notice to importers was published in the Official Gazette C 222 of 26/6/2018 (page 9). This notice concerns the application of the system of registered exporters within the framework of the Generalized System of Preference (GSP) of the European Union, which identifies GSP beneficiary countries or territories which are obliged to exclusively use the REX system, as from 1 July 2018. If the system is not applied as of this date, it will be impossible to benefit from preferential treatment regardless of the value of the shipment. As stated in that notice, the countries concerned will be re-admitted to the benefits of the preferential treatment upon fulfilment of the conditions required for the application of the REX system.

2.4

NOTE No. 70339 OF 16 JULY 2018 - NON-PREFERENTIAL ORIGIN. ART. 59-60 REGULATION (EU) NO. 952/2013, ARTS. 31-36 COMMISSION DELEGATED REGULATION (EU) 2015/2446. GUIDELINES

In Note no. 70339 of 16/07/2018, the Customs Agency published guidelines to be used for the analysis of the provisions regulating the attribution of non-preferential origin of goods (also known as the “*made-in image*”), defining the objective and subjective parameters and criteria, in the identification of goods either wholly obtained in a single country or territory and those produced in two or more countries or territories. This Note provides clarifications on questions related to the application criteria of the rules under the Union Customs Code (Reg. (EU) 952/2013) and related supplementary provisions (Reg. (EU) 2446/2015). Goods are considered as originating in a given country if the entire production/economic process is carried out there. In order that goods obtained through the processing of products coming from several countries or territories are to be considered as originating, it is necessary that both objective and subjective conditions be met. The objective conditions are that they are deemed to originate in the country or territory where they underwent their last, substantial, economically-justified processing or

working which cannot have as its purpose the avoidance of the UCC, commercial or other measures for the sole purpose of ensuring a more favourable regime for the products than that obtained given the absence of the minimum operations as set out in the regulation. The subjective condition is that the operations were carried out in an undertaking equipped for that purpose. With regard to goods to which two or more countries/territories have contributed, the country of origin is the country in which the goods have undergone their last substantial processing or working, resulting in the manufacture of a new product or representing an important stage of manufacture.

2.5

COMMUNIQUÉ OF 17 JULY 2018 - PROVISIONAL SAFEGUARD MEASURES WITH REGARDS TO IMPORTS OF CERTAIN STEEL PRODUCTS

On 17/07/2018, the Customs Agency issued a press release announcing that the EU Commission has introduced the application of an additional duty ("*provisional safeguard measures*") of 25% of the customs value on imports of particular steel products set out in Annex I to Commission Implementing Regulation (EU) 2018/1013 of 17/07/2018. For a period of 200 days from 19 July 2018 (date of entry into force of the Regulation), importers will have access to non-preferential tariff quotas, exempt from the additional duty, allocated on a first-come first-served basis. Goods which, as of 19 July 2018, are traveling to the EU and whose destination cannot be changed are not subject either be subject to the tariff quotas or to the additional duty. Certain goods originating in some developing countries as well as Norway, Iceland, and Liechtenstein are exempted from the application of additional duties.

2.6

NOTE No. 77818/RU OF 23 JULY 2018 - FALSTAFF PROJECT: OPERATING INSTRUCTIONS FOR APPLICATION FOR THE MANAGEMENT OF INTERVENTION APPLICATIONS

In Note no. 77818/RU of 23/07/2018, which replaces the previous Note no. 116727 of 18/10/2016, the Customs Agency provided clarifications regarding customs office intervention with respect to goods suspected of being in violation of intellectual property rights, following the completion of the migration of digital services operating to the Customs and Excise Integrated Automation platform "*AIDA*". The Customs Agency provides clarifications regarding the access, by way of the Single Customs Portal (PUD), to the Falstaff project. Since 2004 this project has aimed at promoting the distribution of original goods,

compliant in both as to quality and safety, in order to ensure free market competition. The project is brought to fruition through the AIDA system. Falstaff can be accessed, in Italian, on the Agency's website following the path: *Servizi online* > *Interattivi* > *Dogane* > *Presentazione domande di intervento AFA* > *Accedi al servizio*

2.7

COMMUNIQUÉ OF 31 JULY 2018 - ANTI-DUMPING DUTIES COMMISSION IMPLEMENTING REGULATION (EU) 2018/886 - EFFECTS ON THE SPECIAL PROCEDURES AUTHORIZATIONS

With *communiqué* of 31/07/2018, the Customs Agency announced that, following the entry into force of the commercial policy measures introduced by Regulation no. 2018/886 - concerning commercial policy measures relating to certain products originating in the USA - and amending Regulation (EU) no. 2018/724 on the goods covered by the Regulation, the European Commission, with the note TAXUD/A2/SPE/GdMPAres (2018), stated that the special procedures concerning goods subject to anti-dumping duty must be applied. Of note, as regards inward processing:

- for new requests concerning goods covered by these measures, arts. 166 (1)(b) and (c), 167(1)(s) UCC-DA must be applied. Therefore, in the event that the applicant chooses the tax regime provided under art. 85 UCC, an examination of the economic conditions will have to be carried out within the EU;
- authorizations already issued relating to goods covered by Regulation (EU) no. 2018/886 will be subject to an examination only if evidence exists that the essential interests of Union producers are likely to be adversely affected (see arts. 259(2) and (3) UCC-IA).

With regard to the special procedures for the use of equivalent goods, the customs authorities should examine whether there is an obligation to revoke or amend SPE authorisations (see Article 28(1) UCC), which prohibits the use of equivalence in the presence of anti-dumping duties on goods placed under the scheme.



2.8

NOTE No. 94642/RU OF 5 SEPTEMBER 2018 - TIR OPERATIONS. PROCESS RE-ENGINEERING AT THE CUSTOMS OFFICES OF DEPARTURE/ENTRY AND DESTINATION/EXIT. COMMUNICATION TO IRU OF SHIPMENT'S ARRIVAL AT DESTINATION. EXTENSION AND OPERATING INSTRUCTIONS

With note no. 94642/RU of 5 September 2018, the Customs Agency provided a summary of the procedure to be followed in the carrying out of TIR operations (*Transports Internationaux Routiers*), and set out operating instructions related to the re-engineered processes in the management of TIR carnets at customs offices of departure/entry and destination/exit.

On 1 January 2009 it became mandatory for customs offices of departure/entry and destination/exit throughout the European Union customs territory to use the NCTS (New Computerized Transit System) for the electronic tracking and automated control of TIR operations.

The Agency has also automated communication to the IRU's Real-Time SafeTir control system in relation to the total or partial completion of the TIR shipment to destination, so that the customs offices no longer need to use the "G-TIR".

2.9

NOTE N. 36475/RU OF 5 SEPTEMBER 2018 - PAYMENTS OF CUSTOMS RIGHTS THROUGH PagoPA. EXTENSION AND OPERATING INSTRUCTIONS

The Customs Agency has provided operating instructions, in Note no. 36457/RU of 5 September 2018, *vis-à-vis* the payment of customs duties through the on-line system payments to public bodies and public service operators (PagoPA). This new payment method is available from 17 September 2018 in relation to customs declarations/operations that are "ready to collect" within the PUD (Single Customs Portal), in the U2S mode (user-to-system). In order to be able to use the PagoPA services, it is necessary that the "Manager" explicitly authorizes one or more Physical Persons in possession of level 27 SPID (Digital Public Identity System) or CNS (National Services Card) credentials - to be the "Representative" (this is the individual who accesses the PagoPA services after having been authorised by the "Manager").

Excise duties and consumption taxes

GUIDANCE

1.1

Note no. 73179 of 2 July 2018 - New digital services for the identification and authorization of those intending to store Energy Products at Third Party Facilities - Operating Instructions

With Note no. 73179 of 2 July 2018, the Customs and Monopoly Agency provided clarification on the storage of energy products at third-party facilities, also known as "*ancillary storage*". The taxation authority has issued operating instructions on the use of on-line services by taxpayers required to meet the new obligations set by the qualification system introduced in the 2018 Budget Law.

It is provided under the Budget Law that those wishing to store energy products in the facilities of third-party "*traders*", must be identified and monitored by the taxation authority, and, more specifically, by the Customs and Monopolies Agency (art. 1(945) – art. 1(959) Law 205/2017). Therefore, those wishing to utilize third-party storage facilities must submit the authorization application on-line. Traders may now carry out the following services on-line: presentation and management of authorisation applications (filling out the application form), communication management (transmitting the communication at least 30 days prior to the storage activity), application and communication searches (viewing the list of their applications and/or communications, obtaining information on the relative status), management of consent deeds (searching for information as to the identification code of a trader by the depositaries/recipients, in order to issue of deed of consent) and, search for deed of consent (the depositary/recipient are able to view the list of their own deeds of consent).

1.2

Note no. 73285 of 5 July 2018 - Electronic transmission of payments for the supply of gasoline and diesel fuel - Operating Instructions

With Note no. 73285 of 5 July 2018, the Customs and Monopoly Agency issued operating instructions relative to on-line services for the transmission of payments for the supply of gasoline and diesel fuel.

In order to prevent and combat tax evasion and fraud in the energy products sector, the tax authority has

introduced a series of obligations aimed at an on-line control of supply chain transactions. As from 1 July 2018, there is an obligation to electronically store and transmit data relating to the daily payments relating to the supply of gasoline or diesel fuel, used as motor fuels (art. 1(909)(8)(b) Law 205/2017). Subjects required to meet such obligations are managers of highly automated petrol and diesel road distribution systems in which the refuelling takes place purely by way of prepaid self-service, which are equipped with automated procedures for remote sensing of systems data, terminals for payment by means of banknotes and electronic money (ATMs, credit cards, prepaid cards, etc.) and computer systems for the remote management of the data for the loading and unloading of fuel. The data is to be transmitted on the last day of the month after the reference date. Other categories of operators which will be obliged to communicate in this manner will be identified in subsequent orders. Specific on-line services are provided for those required to comply, and detailed instructions for these services are contained in the Operational Manual available on the Single Customs Portal (PUD).

1.3

Circular 6/D of 26 July 2018 - Wine Tax Sector. Art 37(1-bis) Legislative Decree 504/95. Accounting for authorized warehouse operators. Provision of a single deadline for the fulfilment of obligations

A number of trade associations have requested that the various deadlines and requirements to be met by tax warehouses storing wine, *vis-à-vis* excise tax rules and the rules specific to wine products, be unified. In light of these requests, the Customs and Monopolies Agency published Circular 6/D on 26 July 2018, stating that, pursuant to art. 8(1) Ministerial Decree 153/2001, which contains specific provisions for wine tax warehouses, authorized warehouse operators must submit an annual summary of production and product handling, no later than the fifteenth day following the end of the year to which it refers. In concrete terms, the Circular states, the year closes on 31 July, which is the end of the European Community “*wine year*”, therefore the deadline would be 15 August. Instead the Commission Implementing Regulation (EU) 2018/274 of 11 December 2017, set the deadline for submission of the stock declaration at 10 September. In the case of records maintained electronically, a period of 30 days has been provided in which to register the operations.

Therefore, in order to create a single fulfilment deadline, this Circular establishes that the wine tax warehouses are to present the summary report of production and processing, together with the materials balance sheet and energy balance sheet, as required by art. 7(4)(b) and (c) Ministerial Decree 153/2001, to the Customs Offices annually on 10 September.



1.4

Circular 7/D of 27 July 2018 – Art. 35(1) Legislative Decree 504/1995 as amended by Law 25/2016. Manufacturing of Radler beers. Requirements for production control and verification of “Radler beers”

Circular 7/D of 27 July 2018 points out that with art. 4-ter(1)(l)(1) Decree Law 193/2016 (converted, with amendments, by Law 225/2016) the previous definition of degree-Plato for the purpose of ascertaining the excise duty on beer was amended to provide that, in making such a determination, “*sugars contained in non-alcoholic beverages added to the produced beer*” are excluded.

This new definition requires a different method to be used to ascertain the degree-Plato for “*Radler beers*”. These are a type of beer obtained by adding non-alcoholic beverages (for example: citrus syrups, sodas, fruit juices, etc.) to a beer produced in the factory (the “*basic beer*”). Radler beers obtained from such mixing are then conditioned, measured, and registered in the books of the tax warehouse according to trade name and excise tax level. Therefore, in the factories in which these beverages are produced, it is necessary to keep and account for them separately from those to which non-alcoholic beverages are not added (i.e. “*ordinary*” beers).

An authorized warehouse operator who intends to produce Radler beers is required to submit to the local customs office an appropriate application together with several attachments, including the recipe for each Radler beer and a technical report showing the nominal production potential, at least thirty days before the start of the activity.

For each Radler beer, the volume to be taxed is determined using the same instruments and the same procedure followed for “*ordinary*” beers, while for the purpose of ascertaining the excise duty on each Radler beer, the volume is multiplied by the relative degree-Plato, excluding added sugars.

Pursuant to art. 1(1)(a) Law 262/2006, on-line communication is to be made of accounting data relative to each Radler beer, indicating the degree-Plato of the particular lot, determined as above. The total degree-Plato of the Radler beer is, in any case, to be reported in the books of the warehouse operator.

This Circular also governs Radler beers which have been produced in other Member States and imported to Italy. When brought into a tax warehouse or a registered national recipient in the beer sector, they must

be accompanied by the e-AD, indicating the nominal degree-Plato for each type of Radler beer, taking into account the added sugars.

1.5

3rd Quarter 2018 – Diesel fuel benefits for use by road transport - software availability - Note no. 103738/RU of 25 September 2018

In Note no. 103738/RU of 25 September 2018, the Customs Agency provided updates in relation to requests for refunds of excise duty on diesel fuel used in road haulage, for the third quarter of 2018. Those entitled to this benefit are indicated in the new art. 24-ter Legislative Decree 504/1995 (TUA), introduced by art. 24-ter Legislative Decree 504/1995 Law 255/2016, and the Offices responsible for processing such requests were identified in Circular of 20 June 2000, no. 125/D.

Pursuant to art. 24-ter TUA, this tax benefit is equivalent to Euro 214.18 per thousand litres of product, in relation to consumption between 1 July and 30 September 2018. If the refund is requested by way of compensation, it may be used from the 61st day following the filing of the declaration by including it in the payment form F24 with a tax code 6740. The refund application may be filed on paper or electronically and be made as a substitute declaration of affidavit no later than 31/10/2018. Claims arising from consumption in the second quarter of 2018 may be used in compensation by 31 December 2019, date on which the deadline for the submission of the refund applications of surpluses not used in compensation, to be submitted by 30 June 2020.

Regulatory Authority for Energy, Networks and Environment (ARERA)

RESOLUTIONS

1.1

Approval of proposals to modify the regasification code prepared by the company GNL Italia S.p.A., as well as approval of the fees for flexibility services

Resolution of 05 July 2018 - 376/2018/R/gas

This Resolution approves the proposal to update the re-gasification code presented by GNL Italia, which implements the provisions of the TIRG, introducing, *inter alia*, market mechanisms based on auction procedures for the provision of re-gasification capacity to users, as well as provisions on flexibility services. The details of the changes made are indicated in Attachments A and B to the Resolution.

1.2

Approval of a change in the pricing methodology prepared by the company TAP AG, approved by resolution of the Authority 495/2013/R/gas

Resolution of 12 July 2018 - 382/2018/R/gas

With this Resolution, passed in the context of Strategic Objective OS 3 "Review of the structure of gas prices, methods of capacity allocation and the management of related services, from a market perspective", the Authority, together with the regulatory bodies of Albania and Greece (ERE and RAE) – approved various changes to the pricing methodology of the company TAP AG, already approved by resolution 495/2013/R/gas.

1.3

Update for the month of August 2018, of the economic conditions for the supply of gas other than natural gas as a result of the variation of the raw material supply costs

Resolution 26 July 2018 - 403/2018/R/gas

This Resolution provides an update for the month of August 2018, of the economic conditions for the

supply of gas, other than natural gas, as a result of the variation in the costs of raw materials. Of note, the Authority decided to fix, for the month of August 2018, the value of the QEPROMC element, referred to in art. 23 TIVG to 9.135341 euro/GJ, which corresponds to 0.914174 euro/m³ for LPG supplies with a reference calorific value of 0.100070 GJ/m³ (0.050240 GJ/kg).

1.4

Approval of a proposal to update the network code of the company Snam Rete Gas S.p.A.

Resolution 26 July 2018 - 404/2018/R/gas

This Resolution approves a modification to the network code, transmitted by Snam Rete Gas by way of letter dated 26 July 2018 and included as Attachment A to the Resolution, aimed at making access to the entry capacity at interconnection points in the exemption scheme more efficient.

1.5

Approval of a proposal to begin operation of the TAP gas pipeline

Resolution 26 July 2018 - 405/2018/R/gas

Approval is given, with this Resolution, to a procedure providing greater flexibility in defining the date in which the entry capacity for the TAP gas pipeline will be made available in Italy.

1.6

Public procedures to identify suppliers of last resort and default distribution service suppliers, starting from 1 October 2018

Resolution 26 July 2018 - 407/2018/R/gas

With this Resolution, ARERA approved the document entitled “*Criteria and methods to identify suppliers of last resort and default distribution service suppliers for end users of natural gas during thermal year 2018-2019*”, included as Attachment A to the Resolution. Thus, the Authority has regulated the selection process to identify these entities, as from 1 October 2018, and updated the rules for the provision of those services.

1.7

Application of an administrative fine for violations in invoicing the tariff component “municipal fees” under the gas distribution service

Resolution 2 August 2018 - 414/2018/R/gas

In this Resolution it was decided to impose an administrative fine on Italgas Reti S.p.A. for violations related to the billing methods of the tariff component “municipal fees”, in its gas distribution service.

1.8

Update for the month of September 2018, of the economic conditions for the supply of gas other than natural gas as a result of the variation of the raw material supply costs

Resolution 30 August 2018 - 441/2018/R/gas

This Resolution provides an update for the month of September 2018, of the economic conditions for the supply of gas, other than natural gas, as a result of the variation in the costs of raw materials. The Authority has fixed, for the month of September 2018, the value of the QEPROPMC element, referred to in art. 23 TIVG to 9.586310 euro/GJ, which corresponds to 0.959302 euro/m³ for LPG supplies with a reference calorific value of 0.100070 GJ/m³ (0.050240 GJ/kg).

1.9

Approval of the changes to the rules governing the regasification capacity allocation platform (PAR), organized and managed by *Gestore dei mercati energetici S.p.a. (GME)*

Resolution 13 September 2018 - 447/2018/R/gas

The amendments to the regasification capacity allocation platform, transmitted by GME to the Authority by communications dated 21 June 2018 and 9 July 2018, are consistent with the provisions of the TIRG and with the related application procedures defined in the regasification codes of OLT and GNL Italia. Therefore, with this Resolution, ARERA approved these urgent amendments made by GME to the PAR Regulation, as they are essential for the correct performance of annual and multi-year auctions, included as Attachment A to the Resolution.

1.10

Urgent provisions applicable to ILVA S.p.a. for thermal year 2018-2019

Resolution 13 September 2018 - 448/2018/R/gas

This Resolution contains urgent orders regarding the provision of the default transport service and the transfer of the transportation capacity applicable to the company ILVA S.p.a. Specifically, ARERA resolved:

1. with reference to thermal year 2018/2019, to extend the transitional exemption rules applicable to ILVA, as per art. 4 Resolution 417/2015/R/gas, specifying that all references to “*interim provider*” contained in that article must be understood as referring to the major transport company, as it is the entity operating the default transport service during the period and that, therefore, the mechanism to cover the risk of non-payment is governed by art. 10 Resolution 249/2012/R/gas;
2. to postpone, to 17 September 2018, the deadline specified in Chapter 5, § 5.2.2(c) of the Gas Transport Network Code, limited to the request for transportation capacity at the redelivery points owned by ILVA and related exit points.

1.11

Approval of the inspections program of natural gas distribution companies, concerning the safety improvements of the service, with reference to the data for 2017

Resolution 20 September 2018 - 455/2018/E/gas

Having deemed it necessary to carry out inspections of natural gas distribution companies, and having identified those that receive the most significant incentives but which have not yet been inspected for the purposes of recognition of incentives and in phase of regulation, also taking into account their distribution over the country, with this Resolution, ARERA approved a program of inspections of natural gas distribution companies, regarding safety improvements of the service, with reference to 2017 data, to be carried out according to the terms and conditions better specified in Attachment A to the Resolution.

1.12

Notice to fulfil the obligations to communicate safety and continuity data and the commercial quality of the gas distribution service, related to the year 2017

Resolution 20 September 2018 - 458/2018/E/gas

With this Resolution, ARERA has given notice to certain gas distribution companies - listed in Table “A”

attached to the Resolution - to fulfil their obligations, pursuant to arts. 28 and 64 of Resolution 574/2013/R/gas, to communicate through the Authority's on-line system, the 2017 data relating to commercial quality and safety and continuity, no later than 15 October 2018.

1.13

Approval of a proposal to update the documentation attached to the conditions for the transfer and exchange of natural gas at the Virtual Trading Point

Resolution 20 September 2018 - 461/2018/R/gas

This Resolution approves a proposal to update the documentation attached to the conditions for the transfer and exchange of natural gas at the Virtual Trading Point (VTP), related to the automatic renewal of the contract for access to the VTP system by the Third Party and Traders market, so that it can be applied in the next thermal year, 2018-2019. The proposal was transmitted by Snam Rete Gas in communication dated 19 September 2018 and is included as Attachment A to the Resolution.

1.14

Provisions relating to the consultation of the natural gas transportation network ten-year development plans and approval of minimum requirements for the preparation of plans and for cost-benefit analysis of works

Resolution 27 September 2018 - 468/2018/R/gas

This Resolution introduces new provisions concerning the consultation methods of the natural gas transportation network ten-year development plans and approval of minimum requirements for the preparation of plans, in terms of completeness and transparency of the information and cost-benefit analyses, necessary for assessments to be made by the Authority. This very detailed Resolution, is based on the document "*Minimum requirements for the preparation of the gas transportation network ten-year development plans and cost-benefit analysis of works*", also subject to approval by ARERA and set out in Attachment A to the Resolution.

1.15

Update for the month of October 2018, of the economic conditions for the supply of gas other than natural gas as a result of the variation of the raw material supply costs

Resolution 27 September 2018 - 476/2018/R/gas

This Resolution provides an update for the month of October 2018, of the economic conditions for the supply of gas, other than natural gas, as a result of the variation in the costs of raw materials. The Authority has fixed, for the month of October 2018, the value of the QEPROPMC element, referred to in art. 23 TIVG to 10.088818 euro/GJ, which corresponds to 1.009588 euro/m³ for LPG supplies with a reference calorific value of 0.100070 GJ/m³ (0.050240 GJ/kg).

1.16

Updates to the economic conditions for the supply of natural gas for consumer protection relative to the fourth quarter 2018. Updates to the UG3 component. Changes to the TIVG

Resolution 27 September 2018 - 477/2018/R/gas

This Resolution provides updates, for the quarter from 1 October 2018 to 31 December 2018, of the economic conditions for the supply of natural gas under the consumer protection legislation and has amended the TIVG. ARERA has decided that:

1. for the second quarter 2018 the values of the $PFOR,t$ element and the $CMEM,t$ component referred to in Article 6 of TIVG are those set out in Table 1 attached to the Resolution;
2. for the second quarter 2018 the value of the $QTVt$ element referred to in Article 8 of TIVG is equal to 0.015072 euro/GJ; and that
3. as from 1 October 2018, Table no. 8 of TIVG is to be substituted by the following:

Table no. 5 – QTFi Element

Fee area	euro/GJ
North-west	1.370307
North-east	1.201491
Central	1.361173
Central-south east	1.300349
Central-south west	1.241832
South	1.156151

1.17

Definition of the incentive parameters referred to in art. 9 TIB (Consolidated Settlement Act), valid from 1 October 2018

Resolution 27 September 2018 - 480/2018/R/gas

With this Resolution, ARERA defines in detail the numerical parameters of the incentives referred to in art. 9 TIB (Consolidated Settlement Act) for the period 1 October 2018 - 31 December 2019 (third incentive period), as better identified in Table 1 attached to the Resolution.

1.18

Monitoring of the wholesale natural gas market. Approval of the agreement between the *Gestore dei mercati energetici S.p.A* and *Snam Rete Gas S.p.A*.

Resolution 27 September 2018 - 481/2018/R/gas

With this provision, ARERA approves the updated convention arrangement between *Gestore dei mercati energetici* and *Snam Rete Gas*, which has become necessary given the new services offered by GME. Under the new arrangement regasification companies can transmit pertinent monitoring data to the major transport company.

1.19

Provisions for the management of peak shaving services via regasification, in the winter period of the 2018/2019 thermal year

Resolution 27 September 2018 - 484/2018/R/gas

With this Resolution, ARERA has set out provisions for the management of peak shaving services by

regasification companies and the balancing officer during the winter period of the 2018/2019 thermal year, pursuant to the Decree of the Minister of Economic Development 18 October 2017. The following provisions are of note:

1. Approval of the method for determining the value referred to in art. 1(1)(c)(i) Decree 18 October 2017, Attachment A to the Resolution;
2. Grant of a mandate to the Director of the Authority's Energy Wholesale and Environmental Sustainability Directorate to determine that value and, prior to the conclusion of each procedure, to communicate it to the Ministry of Economic Development of Labour, having first informed the Board of the Authority;
3. That the reference value referred to in art. 1(1)(h) Decree 18 October 2017 is set at a value equivalent to the daily quotations average (average of the minimum and maximum values) linked to the 4 monthly forward OTC product of April 2019, as reported by ICIS-Heren at the PSV hub in January 2019;
4. That, as a result of each award procedure, the amounts to be paid to the assignees are to be communicated by the regasification companies to the Authority, the Energy and Environmental Services Fund (*Cassa per i servizi energetici e ambientali* – “Cassa”) and *Snam Rete Gas*;
5. That, by 15 April 2019, after notifying the Authority, the *Cassa* will pay to *Snam Rete Gas* the amounts referred to in point 4 above. These are to be deposited into the fund to cover charges for the balancing of the gas system, as referred to in paragraph 8.1 TIB;
6. That by 30 April 2019 *Snam Rete Gas* acknowledges the relative amounts due to each successful tenderer, as determined by the award procedures and made available by the Fund pursuant to point 5 above.

1.20

Further provisions concerning the regulation of the default transport service in relation to regional transport networks, as of 1 October 2018

Resolution 27 September 2018 - 486/2018/R/gas

Following the failure to carry out the procedures to identify the FTT, this Resolution sets out further provisions concerning the regulation of the default transport service on regional transport networks, as of 1 October 2018.

In relation to gas withdrawals on the regional transport networks during thermal year 2018-2019, ARERA decided, with reference to the settlement service, that:

- a. if it is not possible to identify the settlement official responsible for withdrawals according to the conditions set out in point c. below, *Snam Rete Gas* is to publish on its website its willingness to perform the balancing service in relation to withdrawals of gas on regional transport networks for thermal year 2018-2019;
- b. each regional transport company can advise *Snam Rete Gas*, within the timeframe established by the latter, but in any case no less than 2 (two) working days from the publication referred to in point a. above, of its willingness to use the balancing services of *Snam Rete Gas* for the sampling of gas on regional transport networks, with reference to the end user supply points connected to the transport network of the individual regional transport company;
- c. the services performed by *Snam Rete Gas* pursuant to point a. above, are regulated by the provisions governing the FTT in Section 5 Resolution 249/2012/R/gas, with the exception of:
 - i. the economic conditions applicable to customers;
 - ii the mechanism covering the risk of non-payment, in relation to which the rules governing the SdDT in Sections 2, 3 and 4 of Regulation 249/2012/R/gas are to apply.

1.21

Provisions on the centralised management of measurement data within the Integrated Information System, with reference to the gas sector

Resolution 27 September 2018 - 488/2018/R/gas

This detailed Regulation contains provisions for the centralised management of measurement data within the Integrated Information System, with particular reference to the gas sector.

1.22

Approval of proposals to update the Network Code of the company *Snam Rete Gas S.p.A.*

Resolution 9 October 2018 - 499/2018/R/gas

This Resolution approves, as far as the Authority has power to do so, proposals to update the network code referred to in Resolution 220/2018/R/gas, transmitted by *Snam Rete Gas* on 8 October 2018 and set out in Attachment A to the Resolution. Such proposals are relative to the provisions contained in Chapter 18 concerning billing the economic items of the settlement.



1.23

Approval of proposals prepared by the company GNL Italia S.p.a. to modify the re-gasification code and of changes to the regulation of the regasification capacity allocation platform (PAR) organized and managed by *Gestore dei Mercati Energetici S.p.a.*

Resolution 9 October 2018 - 500/2018/R/gas

With this Resolution, the Authority approved the proposal to update the regasification code presented by GNL Italia on 28 September 2018 and included as Attachment A to the Resolution. The request by GME on 28 September 2018 for urgent changes to be made to the PAR Regulation, the regasification capacity allocation platform, was also approved (Attachment B). The latter proposal relates to a new capacity product, to be offered using the procedures set out in Article 6 of the TIRG, consisting of a discharge each month after that following the transfer, until the end of thermal year.

CUSTOMS NEWSLETTER | JULY - SEPTEMBER 2018

LEGISLATION, MINISTERIAL GUIDANCE AND CASE LAW AT 30 SEPTEMBER 2018.
THIS NEWSLETTER IS INTENDED AS A SUMMARY OF KEY TAX DEVELOPMENTS AND HIGHLIGHTS MATTERS OF GENERAL INTEREST, AND THEREFORE SHOULD NOT BE USED AS A BASIS FOR DECISION-MAKING.
FOR FURTHER DETAILS AND INFORMATION, PLEASE CONTACT YOUR RELATED PARTNER OR SEND AN EMAIL TO UFFICIOSTUDI@STUDIOPIROLA.COM