System of taxation on tobacco products.
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System of taxation on tobacco products.

1. Tobacco products destined for sale to the public in the monopoly territory for which consumption and VAT amounts are applied.

2. For the purposes of this Act tobacco products are considered to be:

   a) Cigars and cigarillos;

   b) Cigarettes;

   c) Smoking tobacco:

   1) fine-cut tobacco for rolling cigarettes;

   2) Other smoking tobacco \((1^a)\);

   d) Snuff;

   e) Chewing tobacco.

Tobacco products in the previous paragraph are as follows:

   a) cigars or cigarillos are deemed products formed by a filling, wrapped or covered and, optionally, wrapped in an under-wrapping, which can be smoked as they are, they include:

   1) products made entirely of natural tobacco;

   2) products with an outer wrapper of natural tobacco;

   2 - a ) fine-cut tobacco for rolling cigarettes, smoking tobacco is determined in numbers 1) and 2) where more than 25 percent of the tobacco weight particles have a cut width of less than one millimetre \((1^b)\). 

   3) rolls of tobacco filled with a mixture of wrought tobacco and with an outer wrapper of typical cigar colour covering the product, including any filter but excluding the tip in cigars that are provided and have an outer wrapping both being of reconstituted tobacco, having a unit weight, excluding filter or mouth piece, no less than 1.2 grams and whose spiral shaped wrapping, forms an acute angle of at least 30 degrees longitudinal along the axis of the cigar \((1^c)\); 

   4) rolls of tobacco filled with a mixture of wrought tobacco and with an outer wrapper of the typical cigar colour, of reconstituted tobacco, entirely covering the product, including any filter but excluding mouth piece in cigars that have them, having a unit weight, excluding filter or mouthpiece, of not less than 2.3 grams and measurable circumference over at least one third of the length not less than 34 mm \((1^d)\); 

   b) cigarettes products formed by a casing containing tobacco, which can be smoked as they are and which are not cigars or cigarillos under sub paragraph a);

   c) smoking tobacco:
1) tobacco that has been cut or otherwise split, twisted or pressed into blocks that can be smoked without further industrial processing;

2) tobacco refuse products put up for retail sale, not listed in sub paragraphs a) and b) and that can be smoked;

d) snuff tobacco powder or grains specially prepared to be sniffed, but not smoked; and

e) chewing tobacco products presented in coils, rods or strips, in cubes or in tablet, put up for retail sale and specially prepared to be chewed, not smoked.

Cigarillos include products referred to in sub paragraph a) of the preceding paragraph, weighing less than 3 grams.

Natural cigars and cigarillos include those made with entirely natural tobacco, i.e. leaf and fragment of leaves that have retained microscopically integral from the original structure of the leaf tissues.

3. cigars and cigarillos include products consisting in part of substances other than tobacco, but otherwise fulfill the criteria referred to in sub paragraph a) of the second paragraph of Article 2, provided that those products have respectively:

1) a wrapper of natural tobacco;

2) a wrapper and under wrapper of tobacco, both of reconstituted tobacco;

3) a wrapper of reconstituted tobacco. 

Cigarettes and tobacco products include products made wholly or partially by substances other than tobacco but otherwise conforming to the criteria referred to in sub paragraphs b) and c) The second paragraph Article 2.

Notwithstanding the previous paragraph, containing no tobacco products is not considered tobacco when they are used exclusively for medical purposes.

Are considered to be snuff and chewing tobacco products consisting in part of substances other than tobacco but otherwise conforming to the criteria stated in letters d) or e) of the second paragraph of Article 2.

4. The sales and imports of tobacco referred to in Article 1 Value added tax is payable once, at the rate of 18 percent on the retail price, the net amount of the same tax.

5. for the purposes of consumer tax, different groups of tobacco products the following base rates have been established, as a percentage of the sale price to the public:

\[
\begin{align*}
\text{a) cigarettes} & : 57 \\
\text{b) cigars and cigarillos natural} & : 24 \\
\text{c) other cigars and cigarillos} & : 48 \\
\text{d) smoking tobacco} & : 56 \\
\text{e) chewing tobacco} & : 27 \\
\text{f) snuff} & : 27
\end{align*}
\]

6. Cigarettes of the most popular price category are determined in accordance with the following article 9, the consumption tax of which Article 1 is calculated by applying the basic rate to the retail price.

The amount thus obtained is called the base amount \(1/6\).

For the other cigarette excise specified in Article 1 is the sum of two elements:
a) a specific fixed amount fixed equal to 5 percent of the total amount of base tax b and value added tax on cigarettes percept of the most popular price class;

b) an amount arising from the application of a proportionate rate for the price of retail corresponding to the percentage rate of the basic amount, less the specific fixed under letter a), the retail price of cigarettes of the most popular price.

For the purposes of the application of the amount for consumption, a product included within that of point b) of the second paragraph of Article 2 is considered as two cigarettes where the length, excluding filter or mouthpiece is between nine and eighteen centimetres, as three cigarettes where the length, excluding filter and mouthpiece is between eighteen and twenty-seven centimetres, and so on.

7. Products belonging to other groups of tobacco, the consumption tax in Article 1 are calculated by multiplying the selling price to the public at the rate determined for the respective group of membership.

8. Premium retailers in Article 24 of the Act of 22 December 1957, n. 1293, are set at eight per cent of the retail price of tobacco.

9. By decree of the Minister of Finance the scales of the retail price have been fixed per conventional kilogram for tobacco products. Per conventional kilogram means two hundred cigars or four hundred thousand cigarettes or cigarillos.

For cigarettes, the tables in the first paragraph shall be determined by reference to cigarettes of most popular price determined every six months, according to data collected at 1 January and 1 July each year.

On first application, for cigarettes, the tables in the first paragraph shall be determined by reference cigarettes of the most popular price based on data collected at the entry into force of this Act.

In the determination of the tables in the preceding paragraphs all amounts are rounded to one Lira.

The Decree of the Minister of Finance published in the Official Gazette of the Italian Republic.

10. Retail prices of tobacco products already member fees remain unchanged at entry date which will remain in force as in this Act, until changed in the manner provided Article 2 of the Act 13 July, 1965, n. 825.

11. Are repealed provisions inconsistent with this Act.

12. This Law shall enter into force on the day following its publication in the Official Gazette Journal of the Italian Republic.
(the Official Gazette n. 19 April, 2004, n. 91) entry in the retail price of two brands of tobacco products of EU foreign origin, change in name of certain brands of manufactured tobacco and tar content update of a brand of cigarettes has been enacted With D. Direct. 4 May, 2004 (the Official Gazette 6 May, 2004, n. 105) change in price of certain cigarette brands of foreign origin with EU was enacted D. Direct. 31 May, 2004 (the Official Gazette 16 June, 2004, n. 139) the registration fee of three retail brands cigarette EU foreign origin was enacted. With D. Direct. 10 June, 2004 (the Official Gazette 15 July, 2004, n. 164) and D. Direct. 21 June, 2004 (the Official Gazette n. July 17, 2004, n. 166) the enrolment rate of retail sale of some foreign brands of tobacco from the EU was enacted. With D. Direct. 30 July, 2004 (the Official Gazette n. 4 August, 2004, n. 181) change in price of certain brands of tobacco EU origin was enacted. With D. Direct. 27 July, 2004 (the Official Gazette 17 August, 2004, n. 192) entry in price of certain brands of tobacco products from EU and non EU and the price change of a brand of cigarettes was enacted. With D. Direct. 5 August, 2004 (the Official Gazette 18 August, 2004, n. 193) membership in charge of some national brands of tobacco was enacted. With D. Direct. 5 August, 2004 (the Official Gazette 23 August, 2004, n. 197) the name of certain brands of tobacco was enacted. With D. Direct. 26 August, 2004 (the Official Gazette 1 September, 2004, n. 205) the variation in price of some brands of tobacco produced domestically was enacted. With D. Direct. 10 September, 2004 (the Official Gazette n. 17 September 2004, n. 219) entry price of certain retail brands tobacco from foreign EU and non EU was enacted. With D. Direct. 6 October, 2004 (the Official Gazette 11 October, 2004, n. 239) membership price of some brands of cigarettes from foreign EU was enacted. With D. Direct. 26 October, 2004 (the Official Gazette 3 November, 2004, n. 258) the registration fee retail sale price of certain brands of tobacco from the EU was enacted. With D. Direct. 26 October, 2004 (the Official Gazette 3 November, 2004, n. 258) change in price of certain brands of tobacco production workers from national and EU was enacted. With D. Direct. 10 December, 2004 (the Official Gazette 14 December, 2004, n. 292) has effected the change of name-brand cigarettes, the change in price of some brands of cigarettes from EU to the radiation of various brands of cigarettes and inclusion of two price ranges. With D. Direct. 18 February, 2005 (the Official Gazette 15 March, 2005, n. 61) content of nicotine, tar and carbon monoxide of two brands of cigarettes, the change of name, and the removal of certain brands of tobacco was enacted. With D. Direct. 1 March 2005 (the Official Gazette 22 March, 2005, n. 67) membership rate of retail price of some brands of tobacco produced domestically and from EU was enacted. With D. Direct.14 March, 2005 (the Official Gazette 24 March, 2005, n. 69) modification of the content of nicotine and tar than three cigarette brands and the change of designation of certain cigarette brands was enacted. With D. Direct. 14 March 2005 (the Official Gazette 1 April 2005, no 75) change in the price of a brand of cigarettes of EU origin was enacted With D. Direct. 24 March, 2005 (the Official Gazette n. 30 March, 2005, n. 73) realization of price of certain cigarette brands to national origin was enacted. With D. Direct. 15 April, 2005 (the Official Gazette n. 29 April, 2005, n. 98) registration fee for the general public of various brands tobacco products of EU origin, the change of name and the removal of some brands of tobacco was enacted. With D. Direct. 11 May, 2005 (the Official Gazette 28 May, 2005, n. 123) was prepared inclusion in the retail sale price of various brands of cigarettes from EU and non EU. With D. Direct.20 May, 2005 (the Official Gazette 21 June, 2005, n. 142) enrolment rate of retail sale of two brands of smoking tobacco for cigarettes from EU, the change of name and the removal of certain brands of tobacco was enacted. With D. Direct. 7 June, 2005 (the Official Gazette 21 June, 2005, no 142) modification of content of nicotine and tar of a cigarette brand was enacted. With D. Direct. 16 June, 2005 (the Official Gazette 28 June, 2005, n. 148) change the price of two brands of cigarettes from EU was enacted. With D. Direct. 30 June, 2005 (the Official Gazette 1 July 2005, no 151) price change for various brands of cigarettes from EU and non EU was enacted. With D. Direct. 17 June 2005 (the Official Gazette n. July 6, 2005, n. 155) change in price of various brands of cigarettes from EU and the change in classification of a brand of cigars were enacted. With D. Direct. 6 July, 2005 (the Official Gazette 8 July, 2005, n. 157) change in price of various brands of cigarettes from EU and the inclusion of a price range was enacted. With D. Direct. 13 July, 2005 (the Official Gazette 14 July, 2005, n. 162) change in price of various brands of cigars produced nationally was enacted. With D. Direct. 21 July, 2005 (the Official Gazette 22 July, 2005, n. 169) change in price of various brands of cigarettes from EU was enacted. With D. Direct. 25 July, 2005 (the Official Gazette n. 1 August, 2005, n. 177) were provisions for the fixing minimum retail price of cigarettes were enacted. With D. Direct. 3 August, 2005 (the Official Gazette 18 August, 2005, n.191) the enrolment rate of sale the public to various brands of tobacco in the EU and non EU origin, variations in content nicotine and tar of a cigarette brand and the removal of certain brands of tobacco were enacted.