

ANNEX II

Reduced rates of taxation and exemptions from such taxation referred to in Article 18(1)

8. ITALY:

- for differentiated rates of excise duty on mixtures used as motor fuels containing 5 % or 25 % of biodiesel until 30 June 2004. The reduction in excise duty may not be greater than the amount of excise duty payable on the volume of biofuels present in the products eligible for the reduction. The reduction in excise duty shall be adjusted to take account of changes in the price of raw materials to avoid overcompensating for the extra costs involved in the manufacture of biofuels;
- for a reduction in the rate of excise duty used as fuel by road transport operators, until 1 January 2005, which cannot be less than EUR 370 per 1 000 l as from 1 January 2004;
- for waste hydrocarbon gases used as fuel;
- for a reduced rate of excise duty to water/diesel emulsions and water/heavy fuel oil emulsions from 1 October 2000 until 31 December 2005 provided that the reduced rate is in accordance with the obligations laid down in this Directive, and in particular with the minimum rates of excise duty;
- for methane used as fuel in motor vehicles;
- for the national armed forces;
- for ambulances;
- for local public passenger transport vehicles;
- for fuel used in taxis;
- in certain particularly disadvantaged geographical areas, for reduced rates of excise duty on domestic fuel and LPG used for heating and distributed through the networks of such areas, provided that the rates are in accordance with the obligations laid down in this Directive, and in particular the minimum rates of excise duty;
- for consumption in the regions of Val d'Aosta and Gorizia;
- for a reduction in the rate of excise duty on petrol consumed on the territory of Friuli-Venezia Giulia, provided that the rates are in accordance with the obligations laid down in this Directive, and in particular the minimum rates of excise duty;
- for a reduction in the rate of excise duty on mineral oils consumed in the regions of Udine and Trieste, provided that the rates are in accordance with the obligations laid down in this Directive;
- for an exemption from excise duty on mineral oils used as fuel for alumina production in Sardinia;
- for a reduction in the rate of excise duty on fuel oil, for the production of steam, and for gas oil, used in ovens for drying and 'activating' molecular sieves in Reggio Calabria, provided that the rates are in accordance with the obligations laid down in this Directive;
- for air navigation other than that covered by Article 14(1)(b) of this Directive;
- for waste oils which are reused as fuel, either directly after recovery or following a recycling process for waste oils, and where the reuse is subject to duty.