

Parliament Adopts Draft Bill for Amending Certain Tax Laws

As mentioned in our former newsletter, the Minister for National Economy submitted a proposal in March 2016 to amend certain tax laws, including proposed amendments to Act XXII of 2014 on Advertisement Tax (“Ad. Tax”), as well as Act CIII of 2011 on Public Health Product Tax (“PHPT”).

The draft bill was approved by the Parliament on 7 June 2016; the new law was published on 15 June 2016, while the provisions amending the “Ad. Tax” and the “PHPT” shall enter into force on 1 January 2017.

When amending the “Ad. Tax”, the draft bill concerned solely a supplementation regarding procedural regulations of judicial review where foreign publishers’ failed to meet reporting obligations; in such cases, judicial review of the decision shall comprise solely of providing documentary evidence and the court shall bring a decision without a hearing. In comparison to the original text, the newly amended “PHPT” shall provide a more specified, clarified definition for the term *herbal drink* – based on the final text, the quantity of herbs contained in the herbal drink shall be determined as being equivalent to 15% herbal moisture content.