

Regulatory briefing

Italian vape trade fears the possible consequences as tax on e-liquids goes up

Written by [Antonia di Lorenzo](#) | 11th January 2022 | [Regulatory briefing](#) | [Tax](#) | Geographies:

Tax on vaping products in Italy went up on 1st January after the Chamber of Deputies passed the 2022 Budget on 30th December. The decision confirms increases introduced by the [previous budget](#) while also confirming the end of a temporary Covid-related tax relief measure.

Vapour products [will now be taxed](#) at a rate of €0.173719 per ml for nicotine-containing e-liquids and €0.130289 per ml for those without nicotine, plus 22% VAT, regardless of the retail price.

From January 2023, rates are expected to rise to around €0.21 per ml for nicotine-containing and €0.17 per ml for nicotine-free e-liquids.

Previously nicotine e-liquids were taxed at €0.130289 and non-nicotine e-liquids at €0.086860 per ml, but a temporary tax relief measure brought in by the Italian Senate as part of decree-law 73/2021 on Covid-related measures lowered this to €0.086860 and €0.043430 per ml respectively until the end of the year.

In December, some senators from coalition members the Lega party signed an amendment to the budget bill to [soften the tax increase on e-cigarettes](#), but no agreement was reached.

Under that [proposal](#), the rates should have stood at approximately €0.11 and €0.06 per ml for nicotine-containing and nicotine-free e-liquids respectively from January 2022. From January 2023, the amendment would have established a rise to around €0.13 and €0.08 per ml.

‘Brutal but not dramatic’

However, Umberto Roccatti, president of the industry association Anafe Confindustria (Associazione Nazionale Produttori Fumo Elettronico), told ECigIntelligence that the failure to pass the lighter measure was not “a move against vaping, but because there was no financial backing to go ahead with the proposal”.

According to Roccatti, the new measures will have a “brutal impact on the vaping sector but not dramatic”. “Consumers will not stop vaping, but these measures may lead to an increase in smuggling,” he said.

If no other measure comes into force during the year, he believed that a further increase in excise duties from next year might be dramatic for the industry, taking consumers away from vaping. “However, we are optimistic that the situation will get back to normal during the year,” he added.

Carmine Canino, president of the Italian National Association of e-cigarette consumers (ANPVU), said that such a high tax on vaping products would harm public health in Italy and force people to return to smoking.

“The rate should be proportional to the risks of the product, and e-cigarettes, which are 95% less harmful than smoking, must not become a luxury product,” he added.

This year’s budget bill (Legge di bilancio), tabled by economy and finance minister Daniele Franco, was introduced in the Senate and passed to the Chamber of Deputies (Camera dei Deputati). The process of introducing the budget in Italy [differs from year to year](#). One year, the discussion opens in the Chamber of Deputies and afterwards passes to the Senate, the next year the process is reversed.

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