



This is not an official Translation:

Implementation of the Cabinet Decision No.52 of 2019 on Excise Goods, Excise Tax Rates and the Methods of Calculating the Excise Price

Ministerial Decision No. 1 of 2025 – Issued 3 January 2025 – (Effective from Date of issuance)

Minister of State for Financial Affairs has decided:

- Having reviewed the Constitution,
- Federal Decree-Law No. 7 of 2017 on Excise Tax, and its amendments,
- Federal Decree No. 15 of 2022 on the Ratification of the Common Customs System (Law) for the Gulf Cooperation Council countries and its Executive Regulations,
- Cabinet Decision No. 37 of 2017 on the Executive Regulation of the Federal Decree-Law No. 7 of 2017 on Excise Tax, and its amendments,
- Cabinet Decision No. 52 of 2019 on Excise Goods, Excise Tax Rates and the Methods of Calculating the Excise Price, and
- Ministerial Decision 236 of 2019 on Implementation of the Cabinet Decision No. 52 of 2019 on Excise Goods, Excise Tax Rates and the Methods of Calculating the Excise Price.

Article 1 – Liquids used in Electronic Smoking Devices and Tools

For the purposes of imposing Excise Tax on liquids used in electronic smoking devices and tools and the like, whether or not containing nicotine, the applicable harmonized system codes specified in Chapter Twenty Four of the Common Schedule for Classification and Coding of Goods for the Gulf Cooperation Council Countries in force in the State shall apply.



Article 2 – Electronic Smoking Devices and Tools

For the purposes of imposing the Excise Tax on electronic smoking devices and tools and the like, whether or not containing nicotine or tobacco, the below harmonized system codes specified in Chapter Eighty Five of the Common Schedule for Classification and Coding of Goods for the Gulf Cooperation Council Countries in force in the State shall apply:

Harmonized System Code	Item
85 43 40 10 00 00	- - - Electronic cigarette devices for reusable use
85 43 40 20 00 00	- - - Electronic water pipe "shisha"
85 43 40 30 00 00	- - - Electrically heated devices for cigarettes
85 43 40 90 00 00	- - - Other
85 43 90 91 00 00	- - - - For electronic cigarettes, excluding batteries under item 85 07
85 43 90 92 00 00	- - - - For electronic water pipe "shisha", excluding batteries under item 85 07
85 43 90 93 00 00	- - - - For electrically heated devices for cigarettes, excluding batteries under item 85 07
85 43 90 98 00 00	- - - - For other smoking electronic devices

Article 3 – Excise Price for Concentrates, Powders, Gel and Extracts

1. The Excise Price of concentrates, powders, gel, or extracts that can be transformed into carbonated drinks, energy drinks or sweetened drinks by mixing such goods with another product by the retailer, shall be the higher of the following:
 - a. the price published by the Authority for the Excise Good in a standard price list that it issues, if applicable;



- b. The Designated Selling Price for this Good to the retailer that is identified, and declared by the importer or producer in respect of this excise good before any discounts or offers, after deducting the Tax included therein in accordance with the mechanism provided for in Clause (2) of Article (13) of Cabinet Decision No. 52 of 2019 referred to above.
2. For the purposes of implementing the mechanism referred to in paragraph (b) of clause (1) of this Article, the “Designated Selling Price” is the “Designated Retail Sales Price”.
3. The Excise Price of concentrates, powders, gel, or extracts that can be transformed into carbonated drinks, energy drinks or sweetened drinks, which are not referred to in Clause (1) of this Article, is the Excise Price calculated in accordance with Clause (1) of Article (13) of Cabinet Decision No. 52 of 2019 referred to above.
4. The Taxable Person shall keep the records required to evidence the “Designated Selling Price” of the excise good, and any deductions made thereon and the quantities sold.

Article 4 – Abrogation

1. Ministerial Decision No. 236 of 2019 on Implementation of the Cabinet Decision No. 52 of 2019 on Excise Goods, Excise Tax Rates and the Methods of Calculating the Excise Price shall be abrogated.
2. All provisions violating or conflicting with the provisions of this Decision shall be abrogated.

Article 5 – Publication and Application of the Decision

This Decision shall be published in the Official Gazette and shall come into effect from the date of its issuance.