



Denaturing of ethyl alcohol used to manufacture cosmetics and perfume

Recommendations and opinions

Following discussions on 31 October 2014 in the Indirect Taxation Expert Group, the Commission can confirm the outcome of the Member States' votes on the non-binding Recommendations related to the denaturing of ethyl alcohol used to manufacture cosmetics and perfume.

- On **Recommendation 2/2014 on the use of methanol as a denaturant** in cosmetics, perfumes and personal hygiene, 22 Member States were in favour, 1 against and 5 abstained. This text is adopted.

This Recommendation seeks to end the use of the chemical agent methanol as a denaturant in cosmetics, perfumes and personal hygiene products, due to the health risks (accidental or otherwise) it poses if consumed.

You can find the [full text here](#)

- On **Recommendation 3/2014 on the use of a chemical analytical marker** as a minimum denaturing procedure in cosmetics, perfumes and personal hygiene products, 16 Member States were in favour, 9 against and 3 abstained. This text is adopted.

This Recommendation proposes that at least one of two chemical denaturants (IPA and TBA) be used to denature cosmetics, perfumes and personal hygiene products, with an alcohol level above 20% (5% for mouthwash). This would ensure that customs laboratories throughout Europe would always be able to identify (even traces of) a chemical analytical marker and, as such, clearly identify that it is alcohol that has been illegally reverted back from denatured products (such as perfumes or mouthwash) to drinking alcohol.

You can find the [full text here](#)

In addition, three Opinions were voted, relating to more general rules for excise goods:

- On **Opinion 1/2014 on the interpretation of "used for the manufacture of any product not for human consumption"** in Article 27 (1) (b) of Directive 92/83/EEC, 18 Member States voted in favour, 7 against and 3 abstained. This text is adopted.

This Opinion clarifies that the finished product in which denatured alcohol has been used is in a recognisable finished form. For example, perfume in a 50cl flacon, screen-wash in a 5 litre retail container, clearly labelled and marketed/sold as such

You can find the [full text here](#)

- On **Opinion 2/2014 on the interpretation of "production, processing and holding of excise goods"** in Article 15 (2) of Directive 2008/118/EC, 12 Member States were in favour, 12 against and 4 abstained. This text did not receive the simple majority needed for adoption.

You can find the [full text here](#)

- On **Opinion 3/2014 on the interpretation of the terms "excise duty on excise goods which have been released for consumption" and "remitted"** in Article 11 of Directive 2008/118/EC, 16 Member States were in favour, 8 against and 4 abstained. This text is adopted.

You can find the [full text here](#)

While Opinion 2 was not carried in this vote, the Commission would nonetheless underline that the EU legislation is very clear.

Article 15 (2) of the Horizontal Directive /2008/118/EC states: That the production, processing and holding of excise goods, where excise duty has not been paid, shall take place in a tax warehouse.

Article 27 (1) (b) of Excise Duty "structures" Directive 92/83/EEC states that the exemption is granted by the denaturation (i.e. the process described above) of alcohol which is then used in the manufacture of a product not intended for human consumption (including that used in the manufacture of cosmetics and perfumes).