The Danish tax on the extraction of raw materials and on imported raw materials (”Råstofafgiften”)

Senior Manager Jørgen Holm Damgaard
The Danish Ministry of Taxation
Background and Purpose

• The taxable commodities, for example clay and chalk

• The tax on raw materials entered into force in 1978

• Earmarked to cover state expenditure on mapping and development in connection with raw materials

• However, since 1990 the tax has been passed on to the Treasury
Background and Purpose

- To reduce the consumption of raw materials
- To promote recycling of construction waste
- To fund the State’s environmental activities
- Is combined with a waste tax
Revenue and Waste Statistics

• The tax currently accounts for 0.7 EURO/m3 of raw material

• Revenue in Euro – See table

• Proportion of green taxes and GDP – See table

• Waste Statistics – See table
Tax Structure

• All raw materials found in Denmark – See Law Annex 1

• Imports of the type of raw materials extracted in Denmark (Law Annex 2)

• Imports of goods competing with Danish raw materials - eg. Cement – (Law Annex 2)
Tax Structure

• Tax payers: Enterprises which extract or import raw materials etc.

• Reimbursement Scheme for exports

• No charge for less than 200 m3 per year
Tax Structure

Exemptions:

• Beach Claims

• Seabed Materials

• Landfills

• Over Soil and mulch delivered free of charge
Tax Structure

• The balance between Danish raw materials and imported raw materials etc.

• The case of Cement