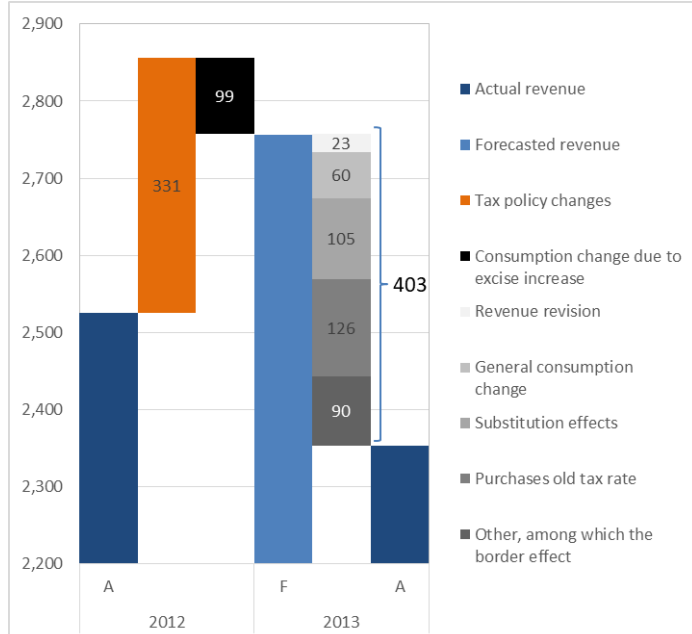


Actual and forecasted revenues from taxation of tobacco products

Figure 18: Development of the tobacco tax revenue (in € million) in the Netherlands (2012-2013)



Source: *Miljoenennota 2013; Grenseffectenrapportage inzake alcohol en tabak (2013)*

However, compared to expectations, there was a **€403 million shortfall** in actual tobacco taxation revenues collected compared to forecasts. Of the **€403 million** shortfall in revenues, the Dutch Financial Secretary estimated that approximately **€60 million** was associated with a reduction in consumption levels, **€105 million was associated with a switch to FCT within the Netherlands**, **€126 million** was associated with producers releasing product into the Dutch market ahead of the effective date for duty increases, and **€90 million associated with cross border trade**.¹

Detailed information from the Dutch government on the forecast and actual tobacco taxation receipts in 2012 and 2013 is provided in Figure 18. Based on actual tobacco taxation receipts in 2012 (**dark blue**), the 2013 budget forecast is generated (**light blue**) based on expectations of enhanced taxation receipts from duties (**orange**), minus changes in consumption (**black**).

The analysis suggests that increases in taxation duties were expected to raise an additional **€232 million** for the Dutch government in 2013. This consisted of an additional **€331 million** in gross taxation receipts offset by approximately **€99 million** resulting from changes in consumption levels and patterns.

¹ The remaining **€23 million** was associated with a methodological revision to the data. Source: Grenseffectenrapportage, 2013