

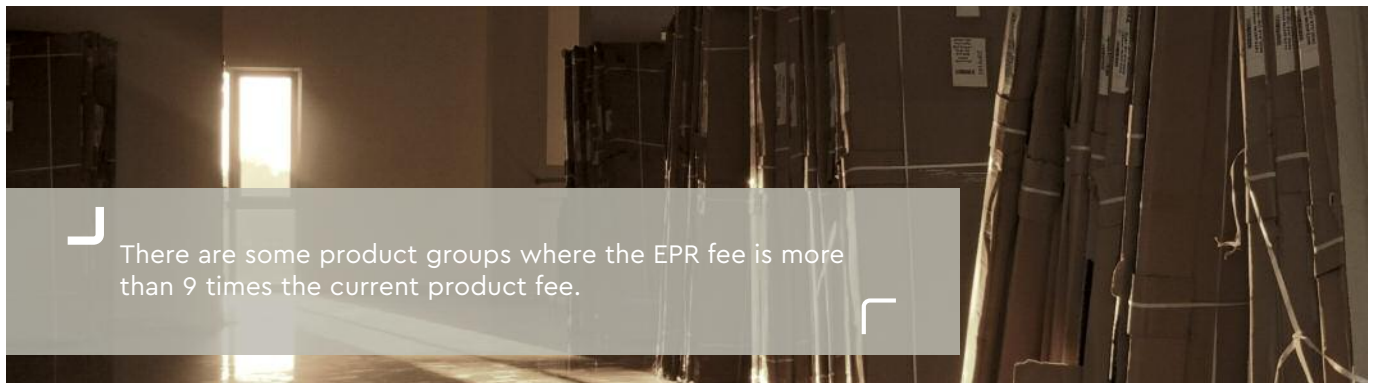
WTS Klient Newsflash

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EPR fees now published for Hungary!

Extended producer responsibility fees many times higher than product fees

Once registered with MOHU and the National Waste Management Authority (NWA), the majority of the companies falling under the extended producer responsibility system (EPR) were waiting with bated breath for Minister of Energy Decree 8/2023 which was published in Hungary on 2 June 2023. This is because the decree finally clarifies the amounts of the extended producer responsibility fees, the EPR fees.



There are some product groups where the EPR fee is more than 9 times the current product fee.

EPR fees many times higher than product fees

Yet after reading through the EPR fee decree, they will have been saddened to see that the EPR fees are several times higher than the product fee rates. There are some product groups where the difference is 2/3-fold, but there are also some product groups where the EPR fee is more than 9 times the current product fee (e.g. paper and cardboard packaging), and there is only one exception where the EPR fee is equal to the product fee, and that is wood packaging (19 HUF/kg).

The EPR fees are **payable from 1 July**, and since the **product fees will also remain after 1 July**, we can rightly ask how the payment obligations of those affected will change after this date in Hungary. For products that are subject to both the product fee

and the EPR fee, the legislation allows us to **deduct the EPR fee from the product fee payable** from 1 July. Since the EPR fees are almost always higher than the product fee, overall this means there will be no product fee payable for these products, but the much higher EPR fee will be there instead, i.e. the payment obligation will increase.

Sample calculation for EPR fees

Let's look at an example. A company in Hungary purchases small computer equipment in cardboard packaging from abroad, and sells it – with the packaging – to its Hungarian customers. One piece of equipment weighs 3 kg, and the associated packaging is 0.5 kg. Both the packaging and the computer equipment are considered circular products, and are also subject to product fees. For each piece of

equipment the company's **product fee liability so far was HUF 180.50** (3 kg x HUF 57/kg [product fee for electronic equipment] + 0.5 kg x HUF 19/kg [product fee for paper packaging]). **From 1 July, an EPR fee of HUF 869.50 will be charged** for each piece of equipment and its packaging (3 kg x HUF 261/kg [EPR fee for electronic equipment] + 0.5 kg x HUF 173/kg [EPR rate for paper packaging]), and since the EPR fees exceed the product fee rates, the product fee for the equipment does not have to be paid. The total payment obligation will increase from HUF 180.50 to HUF 869.50 from 1 July.

Although the computer equipment in the above example will no longer be subject to the product fee, please remember that the other product fee obligations will not cease after 1 July, so **product fee records will still have to be kept and returns will still have to be submitted every quarter.**

Other obligations in EPR system

In addition to paying the higher EPR fees, from 1 July this company will also have to **keep records in the EPR system and report quarterly data to the National Waste Management Authority.** Furthermore, the

invoice on the sale of the computer equipment in Hungary will have to **include** the following **clause**: "The seller is liable for paying the extended producer responsibility fee."



Tax consulting

Due to the higher EPR fees and the new obligations related to the EPR system, it is important that the next step for the companies affected should be to review their processes, identify their circular products, set up their records system and prepare their billing software for including the invoice clause by 1 July. If you need specialist help with this [do not hesitate to contact us.](#)

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