

SOFIA INITIATIVE ON ECONOMIC INSTRUMENTS
DATABASE OF ENVIRONMENTAL TAXES AND CHARGES

BULGARIA 1999

Instrument	Objective of tax / charge	Tax base	Tax Rate	Total Revenue	Revenue collection authority	Use of Revenue	Comments
Energy taxes/charges							
Motor fuel taxes/charges							
Excise tax	revenue raising taxes	Leaded petrol	403 BGL/kl; 206 EUR/kl	77 mil BGL; 39.3 mil EUR 75.3 mil BGL; 38.5 mil EUR n.a.	tax authorities	central budget	
		Unleaded petrol	369 BGL/kl; 188 EUR/kl				
		Diesel	93 BGL/kl; 47 EUR/kl				
CO ₂ tax							
VAT	revenue raising taxes	Leaded petrol	20%	118.9 mil BGL; 60.8 mil EUR 39 mil BGL; 20 mil EUR 120.8 mil BGL; 61.8 EUR n.a.	tax authorities	central budget	
		Unleaded petrol	20%				
		Diesel	20%				
		LPG (propellant)	20%				
Other Energy Products							
Excise tax							
Fuel product charge	earmarked environmental charges	Light fuel oil Heavy fuel oil	12.3 BGL/kl; 6.3 EUR/kl 22 BGL/t; 11.3 EUR/t	46.8 mil BGL; 23.9 mil EUR	Ministry of Environment and Waters	National Environmental Fund	

VAT	revenue raising taxes	Light fuel oil	20%	14.7 mil BGL; 7.5 mil EUR	tax authorities	central budget	
		Heavy fuel oil	20%	31.3 mil BGL; 16 mil EUR			
		Coal	20%	133,217 BGL; 68,107 EUR			
		Natural gas	20%	135.1 mil BGL; 69 mil EUR			
		Electricity	20%	332 mil BGL; 169.7 mil EUR			
		District heating	20%	27.9 mil BGL; 14.3 mil EUR			
Air Emission Charges							
Emission charges							
Emission non-compliance fee	compliance/ earmarked environmental charge	Sulfur dioxide Nitrogen dioxide	5.0-6.0 BGL/t; 2.6-3.1 EUR/t 120 BGL/t; 61.0 EUR/t	160,198 BGL; 81,901 EUR	regional inspectorates of the Ministry of Environment and Waters	70 % National Environmental Fund 30% municipal environmental funds	In 1998, the authority to collect unpaid fines was given to the tax administration and collection efficiency has risen from about 50% in 1995 to 90% in 1999. There are 14 other chargeable pollutants.
Transport Related Taxation							
Sales tax	revenue raising taxes	Insurance assessment	2%		local tax authorities	municipal budget	
Import duty	revenue raising taxes	value of vehicle	10%	15.6 mil BGL; 8 mil EUR	customs authorities	central budget	
Annual vehicle tax	revenue raising taxes	cars (based on engine capacity) buses <22 seats buses >22 seats	0.1-2 BGL/kW; 0.05-1.02 EUR/kW 50 BGL; 26 EUR 100 BGL; 51 EUR	24.2 mil BGL 12.4 mil EUR	municipal tax authorities where the vehicle is	municipal budget	

		Trucks (weight)	5 BGL/ton; 2.56 EUR/ton		registered		
Registration charge	administration cost recovery	vehicle	2 BGL; 1.02 EUR		Ministry of Internal Affairs	central budget	
Commuting							
Company car tax	revenue raising	vehicle	100 BGL; 51 EUR		Ministry of Internal Affairs	central budget	
Others							
Air Transport							
noise charge							
Agricultural Inputs							
Pesticides							
Fertilisers							
Waste Related Product Charges							
Batteries/ accumulator							
Carrier bags							
Disposable containers/ packaging							
Tires							
CFCs and/or halons							
Light bulbs							
Lubricants							
Refrigerators							
Waste							
Municipal waste user charges	cost recovery	based on property value or type of container			municipal tax authority	municipal budget	
Waste disposal charge/tax							

Waste non-compliance fees							Non-compliance fees are established for each municipality, revenues go to the municipal budget and no summarisation for all countries.
Deposit refund schemes							
Nuclear waste management							
Electricity generated by nuclear power	cost-recovery	levy per kwh of electricity produced	based on formula ¹	introduced in 1999—no revenue reported		Radioactive Waste Security Fund	Subsidies from the state budget continue in the energy sector. Those plants with state budgetary support are not required to pay fees for radioactive waste management
Other producers of nuclear waste	cost-recovery	based on half-life time from 1 month to 30 years and activity from 3.7 MBq to 3.7 TBq	15-3840 BGL; 7.67-1963 EUR	introduced in 1999—no revenue reported		Radioactive Waste Security Fund	
Water							
Instruments for Managing Water Quality							
Water consumption charge	cost-recovery		Average: 0.47 BGL/m ³ ; 0.24 EUR/m ³		municipal tax authorities	municipal budget for municipality owned water	The price of 1 m ³ water is calculated on the basis of total expenses for production and supply but

¹ $3 \times A \times B / 100$ where:

A is average price (BGL/kwh without taxes) of electricity for previous quarter

B is electricity produced from nuclear power plant (kwh)

						companies; or water supply companies	without investment for extension of water supply services. It is different for each municipality.
Sewage treatment charge	cost-recovery						included in the water consumption charge. Sewage charge represents about 18% of charge.
Water effluent charge/tax							
Water pollution non-compliance fee	compliance/ earmarked environmental charge	varies according to unit of polluting substance, concentration of polluting substances, or volume of waste waters and the time of emitting.	0.12-1620 BGL/kg; 0.061-828 EUR/kg	1,014,592 BGL; 518,708 EUR	regional inspectorates of the Ministry of Environment and Waters	70 % National Env. Fund 30% Municipal env. fund	
Others							
Natural Resource Mining							
Mining taxes	revenue raising taxes	m ³ quarry, sand, gravel, clay pit	0.03-0.9 BGL/m ³ ; 0.015-0.46 EUR/m ³		Local tax authorities	municipal budget	
Instruments for Biodiversity and Nature Protection							
Hunting charges	resource management	annual permit for foreigners big game (kg)	45 BGL; 23 EUR 10-300 BGL; 5.11-153.4 EUR		Local Hunting association	Bulgarian Forest Fund	
Fishing charges	resource management	commercial fishing annual fishing permit	20-1500 BGL; 10.22-766.9 EUR 12.5 BGL; 6.4 EUR		Local Hunting association	Bulgarian Forest Fund	

Natural park entrance charges							
Nature protection non-compliance charges	Compliance/ earmarked environmental charge	- Hunting Violations - Fishing Violations - Violation of Protected areas	0.8-5000 BGL; 0.41-556 EUR 1-400 BGL; 0.51-204.5 EUR 1-1000 BGL; 0.511-511.25 EUR			80% central budget 20% Bulgarian Forest Fund or National Env. Fund	
Tree cutting charges	Compliance/ earmarked environmental charge		Determined by violation		Ministry of Agriculture, Forestry and Land Reform	Bulgarian Forest Fund	

Bulgarian Environmental Funds:

Bulgarian National Environmental Protection Fund: established in 1992. The National Fund receives approximately 60% of its revenue from environmentally motivated non-compliance fines described above. The Environmental Protection Act also foresees revenues for the Fund coming from pollution charges for pollution below permissible levels, but such provisions have not been adopted.

municipal environmental funds: manage environmental revenues at the local level. There are currently 243 municipal environmental funds. These funds are independent from the general budget, but their current financial status is generally not good.

Bulgarian National Trust ECOFund: is not referred to in this database. The ECOFund was established in 1995 based on “debt-for-nature” swap with Switzerland.