

TOBACCO TAX

NOTICE

TTN: 130

March 2013

TOBACCO TAX RATE DECREASES

Introduction

Effective 12:01 a.m. Monday April 1, 2013 the Prince Edward Island tobacco tax on tobacco products will decrease. The decrease will apply to cigarettes, tobacco sticks and bulk tobacco pursuant to the [Tobacco Tax Act](#) R.S.P.E.I. 1988, Cap. T-3.11.

The following rates come into effect at 12:01 a.m. Monday April 1, 2013:

- (A) The tax on **cigarettes** is decreased to 22.50 cents per cigarette from 25.40 cents per cigarette.
- (B) The tax on **tobacco sticks** is decreased to 22.50 cents per cigarette from 25.40 cents per stick.
- (C) The tax on **all tobacco products other than cigarettes, cigars and tobacco sticks** is decreased to 17.50 cents per gram from 19.30 cents per gram.

There is no change in the tobacco tax rate on cigars.

Reporting requirements - Retailers

- Tobacco retailers may calculate and the tobacco tax refund due on their tobacco inventory on-hand, excluding cigars, at 12:01 a.m. Monday April 1, 2013. This will include all cigarettes, tobacco sticks, fine cut tobacco and other tobacco products except cigars under the control of the retailer and includes inventory in store display areas, store rooms and any other location where tobacco products are stored.
- A "Wholesale/Retail Tobacco Tax Refund" form is attached to this notice for your convenience.
- The "Wholesale/Retail Tobacco Tax Refund" form must be filed by April 30, 2013.
- The Department may perform random audits of tobacco retailers to ensure the accuracy of the tobacco inventory on-hand reported as of close of business on March 31, 2013.
- The Department may review retailer sales records for a period before and after the tobacco tax decrease to ensure compliance with this policy.

Reporting requirements - Wholesalers

- Tobacco wholesalers are required to collect the new rates of tax on all sales and deliveries effective 12:01 a.m. Monday April 1, 2013. If a wholesaler has invoiced the old rate of tax for sales or deliveries after that time, the wholesaler is required to issue an adjusting invoice with the new tax rates.
- Tobacco wholesalers, who maintain tax paid inventories, may calculate the tobacco tax refund due on their inventory on-hand, excluding cigars, at 12:01 a.m. Monday April 1, 2013.
- A “Wholesale/Retail Tobacco Tax Refund” form is attached to this notice for your convenience.
- The “Wholesale/Retail Tobacco Tax Refund” form must be filed by April 30, 2013.
- The Department may perform random audits of tobacco wholesalers to ensure the accuracy of the tobacco inventory on-hand reported as of close of business on March 31, 2013.
- The Department may review wholesale sales records for a period before and after the tobacco tax decrease to ensure compliance with this policy.

Further Information:

Copies of the [Tobacco Tax Act](#), [Revenue Administration Act](#) and [Regulations](#) are available on our website at www.taxandland.pe.ca. Inquiries regarding this Tobacco Tax Notice may be emailed to taxandland@gov.pe.ca or directed to:

Taxation and Property Records Division
Finance, Energy and Municipal Affairs
PO Box 1330
Charlottetown, PE
C1A 7N1

Telephone: (902) 368-6577
Fax: (902) 368-6164

This notice is prepared for information purposes only, and should not be considered a substitute for the statutes. Should there be any conflict between the contents of this notice and the statutes, the statutes shall prevail.



Finance, Energy and
Municipal Affairs
Taxation and
Property Records

CANADA

Mail to:

Finance, Energy and Municipal Affairs,
Taxation and Property Records
PO Box 1330, Charlottetown, PE C1A 7N1

Deliver to:

95 Rochford Street
Shaw Building, 1st Floor
Charlottetown, PE C1A 3T6
or: any Access PEI Centre

Tel: (902) 368 5703 Fax: (902) 368 6164

Email: taxandland@gov.pe.ca

Web Site: www.taxandland.pe.ca

Wholesaler/Retail Tobacco Tax Refund

(Pursuant to the Prince Edward Island Tobacco Tax Act R.S.P.E.I. 1988)

Freedom of Information and Protection of Privacy

Personal information on this form is collected under the authority of Section 31(c) of the *Freedom of Information and Protection of Privacy Act* and Section 4(1) of the *Tobacco Tax Act*. The information will be used for the purposes of tax administration and enforcement. Questions on the collection and use of this information can be directed to the Manager, Corporate and Tax Administration Services, PO Box 2000, Charlottetown, PE C1A 7N8 (902) 368-5137.

Name:

Mailing Address:

City/Town/Village:

Province:

Postal Code:

Telephone: ()

Tobacco Vendor License:

Calculate below the tobacco tax refund on tobacco inventory on-hand at the close of business on Sunday, March 31, 2013. Attach copies of all supporting documentation. For additional instructions, please see the Tobacco Tax Notice - TTN:130.

	Tobacco Tax Decrease	Tobacco Inventory On-hand	Tobacco Tax Refund
Per cigarette	\$0.029	No. of cigarettes:	\$
Per tobacco stick	\$0.029	No. of sticks:	\$
Per gram fine cut or other tobacco product	\$0.018	No. of grams:	\$
Total tobacco tax refund on tobacco inventory on-hand			\$

Certification

I hereby certify that the information contained in this form is a full and complete statement of all tobacco inventory on-hand at the time of the tobacco tax change.

Date

Signature

For Office Use Only

Account Number:

Processed By: