

Tax Information

Bulletin 5028

Bulletin: 5028 R1
Date: October 18, 2010
Subject: NOTICE TO TOBACCO WHOLESALERS REVENUE ACT REGULATIONS

This Bulletin is to provide information in respect to recent changes to the *Revenue Act Regulations* that relate to tobacco wholesalers.

Wholesale Tobacco Vendor Records

Every wholesale vendor shall keep at the vendor's place of business, records and books of account in such form and containing such information as will enable the accurate determination of the taxes collectable under the *Revenue Act*.

Every Wholesale vendor shall, until written permission for their disposal is received from the Commissioner, retain every such record or book of account and every account or voucher necessary to verify the information in any such record or book of account.

The records relating to a sale, transfer or delivery of tobacco by a wholesale vendor shall state the following:

- The date of sale, transfer or delivery and the type and quantity of tobacco;
- The name and address of the retail vendor to whom the tobacco was sold, transferred or delivered; and
- The invoice number and the vendor permit number held by the retail vendor to whom the tobacco was sold, transferred or delivered if that retail vendor is required to hold a permit.
- Every sale, transfer or delivery of tobacco from a wholesale vendor shall be evidenced by a serially numbered invoice which shall be given to the retail vendor to whom the tobacco is sold, transferred or delivered and a duplicate copy shall be retained by the wholesale vendor.
- Every wholesale vendor shall consolidate records of all sales, transfers or deliveries of tobacco on a monthly basis and shall include in the consolidation all sales, transfers or deliveries of tobacco from outside the Province to the vendor's purchasers in the Province.
- A wholesale vendor who has a place of business within the Province may elect to produce the wholesale vendor's records for inspection, audit and examination at a place outside the Province at the wholesale vendor's expense, including reimbursement of the Province for all reasonable transportation, accommodation and associated expenses the Province may incur in carrying out the inspection, audit or examination.

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- A wholesale vendor who has no place of business within the Province may produce the wholesale vendor's records for inspection, audit and examination at the place specified in the application for a wholesale vendor's permit.

Suspension and Cancellation of Tobacco Permits Resulting from Violation of the *Revenue Act* and Offences Under the *Income Tax Act (Canada)* and *Excise Tax Act (Canada)*

The Commissioner may cancel, suspend or refuse to issue or renew a wholesale vendor's permit of a person who contravenes the *Revenue Act (Act)* or regulations, breaches any agreement entered into pursuant to the Act or regulations, fails to comply with any condition or restriction required by the Commissioner or fails to furnish security required by or pursuant to Part IV of the Act, except that, if a person who holds a wholesale vendor's permit is convicted of an offence under the Criminal Code (Canada), the *Excise Tax Act (Canada)* or the *Income Tax Act (Canada)*, the Commissioner shall cancel the permit for such period of time as the Commissioner determines.

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