

Excise Duty Memoranda Series

10.1.5 Completing an Excise Duty Return – Special Excise Warehouse Licensee

August 2003

Overview

This memorandum provides line-by-line instructions on how to complete form B264, *Excise Duty Return – Special Excise Warehouse Licensee*, required to be filed monthly by special excise warehouse licensees under the *Excise Act, 2001* (the “Act”). It also provides information on when and where to file the return.

Disclaimer

The information in this memorandum does not replace the law found in the Act and its Regulations. It is provided for your reference. As it may not completely address your situation, you may wish to refer to the Act or its Regulations, or contact any Canada Customs and Revenue Agency (CCRA) tax services office for additional information.

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General

Special excise warehouse licensees 20

1. A special excise warehouse licence authorizes a person (i.e., a special excise warehouse licensee) to store and distribute unstamped, non-duty-paid manufactured tobacco or cigars manufactured by a tobacco licensee who has authorized the special excise warehouse licensee to be the sole distributor of those goods on their behalf to accredited representatives, for their personal or official use. Tobacco licensees and special excise warehouse licensees are the only persons authorized to distribute Canadian manufactured tobacco or cigars to accredited representatives.

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La version française de ce document est intitulée *Comment remplir une déclaration des droits d'accise – Exploitant agréé d'entrepôt d'accise spécial*.



Canada Customs
and Revenue Agency

Agence des douanes
et du revenu du Canada

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- Accredited representatives 2. Accredited representatives include foreign diplomats, consular officers and senior officials of international organizations currently living in Canada.
- What products can be stored? 3. Canadian manufactured tobacco includes cigarettes, tobacco sticks, and other manufactured tobacco. Manufactured tobacco includes every article that is manufactured in whole or in part from raw leaf tobacco by any process, but excludes cigars and packaged raw leaf tobacco. However, a special excise warehouse licensee may also store and distribute Canadian-made cigars if authorized to do so by the tobacco licensee who manufactured them.
4. The responsibilities of a special excise warehouse licensee are discussed in detail in Excise Duty Memorandum 8.1.2, *Special Excise Warehouses*.
5. Include on this excise duty return only information that applies to the fiscal month for which you are filing, and only complete the lines of the return that apply to you. Indicate NIL on the lines that do not apply to you.

Line-by-line instructions

Identification of licensee

- Identification 6. The top left portion of the return is used to identify the special excise warehouse licensee. Enter the complete legal name, trading name (if different from the legal name), and mailing address of the licensee.
- Field 1 – Business Number** 7. Enter your 9-digit Business Number (BN), 2-letter (RD) program identifier, and 4-digit program account number.
- Field 2 – Period covered** 8. Enter the fiscal month covered by this return. The dates should be entered in the order year / month / day.
- Field 3 – Due date of return** 9. The due date for an excise duty return is the last day of the fiscal month following each fiscal month of a licensee. Enter this date for the fiscal month for which you are filing. The due date should be entered in the order year / month / day.

Opening balance – manufactured tobacco and cigars manufactured in Canada

- Line A – Opening balance** 10. The opening balance of this return must equal the last fiscal month's closing balance. Enter amounts for "Opening Balance" under the applicable columns on line A.

Additions to inventory

- Receipts of products 11. For each column, enter the quantity of each product received from tobacco licensees.
- Line B – Total additions** 12. Add the above quantities (i.e., all additions to warehouse inventory) and enter the sums on line B.

Reductions to inventory

- Accredited representatives 13. For each column, enter the quantity of each product delivered to accredited representatives.
- Returns to excise warehouse 14. For each column, enter the quantity of each product returned to the excise warehouse of the tobacco licensee who manufactured the product.
- Line C –**
Total reductions 15. Add the above quantities (i.e., all reductions to warehouse inventory) and enter the sums on line C.

Inventory adjustments

- Line D –**
Inventory adjustments (+ or -) 16. Adjustments may be necessary to balance the physical inventory with the book inventory. The closing or book inventory must agree with the physical inventory for the fiscal month. All adjusting entries are subject to audit and must be entered as “Inventory adjustments” on line D.

Closing Balance

- Line E –**
Closing balance (A+B) – C±D 17. The closing balance is the sum of lines A and B, minus line C, plus or minus any adjustments on line D: (A+B) – C±D. This closing balance will become the opening balance for the following fiscal month.

Client contact name / telephone number

18. Enter the complete name and telephone number of a person who may be contacted concerning this excise duty return.

Certification

19. An authorized representative must print their name and title, sign and date the return and provide a current telephone number.

Where to file

20. You may file your excise duty return by mailing it to the following address:
Canada Customs and Revenue Agency
Summerside Tax Centre
Other Levies Division
275 Pope Road, Suite 101
Summerside PE C1N 6E7
21. You may also file your excise duty return by delivering it to any CCRA tax services office.

Payments on declarations

22. If you are declaring a loss of any type (e.g., due to fire or theft) and wish to make

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a payment to the CCRA, please contact your local excise duty office for further instructions.

Penalties

23. Failure to submit a completed return to a CCRA office by the filing due date may result in a penalty being charged.

Retention of information

Keeping records
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24. You should retain a copy of this return for your records, as the return and any other information used to prepare it are subject to audit and must be retained for verification purposes.

25. Additional information on the requirement to maintain books and records is available in Excise Duty Memorandum 9.1.1, *General Requirements for Books and Records*.

All of the memoranda in the Excise Duty Memoranda Series will be available on the CCRA Web site at <http://www.ccra-adrc.gc.ca/tax/technical/act2001-e.html>