

Excise Duty Memoranda Series

10.1.9 Completing an Excise Duty Return – Tobacco Dealer

August 2003

Overview	This memorandum provides line-by-line instructions on how to complete form B271, <i>Excise Duty Return – Tobacco Dealer</i> , required to be filed monthly by tobacco dealers under proposed amendments to the <i>Excise Act, 2001</i> (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.
Proposed amendments	This memorandum reflects the proposed amendments to the <i>Excise Act, 2001</i> , which the Minister of Finance announced on June 24, 2003. Any commentary in this memorandum should not be taken as a statement by the CCRA that such amendments will in fact be enacted in their current form.

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General

Licensed tobacco dealer
para 14(1)(e)

1. A licensed tobacco dealer is a person, other than a tobacco licensee, who is authorized to purchase for resale, sell, or offer for sale, raw leaf tobacco upon which excise duty is not imposed under the Act. The responsibilities of a tobacco dealer are discussed in detail in Excise Duty Memorandum 7.1.2, *Tobacco Dealers*.

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La version française de ce document est intitulée *Comment remplir une déclaration des droits d'accise – Commerçant de tabac*.



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2. Although licensed tobacco dealers are not normally required to pay excise duty, they are nevertheless required to complete this excise duty return in respect of each fiscal month.
 3. 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.
 4. Additional information with respect to the filing of monthly returns, remitting excise duty, and paying the correct amount of excise duty is provided in Excise Duty Memorandum 10.1.1, *Returns and Payments*.

Line-by-line instructions

Identification of licensee

- Identification 5. The top left portion of this return is used to identify the licensed tobacco dealer. A licensee must complete this section by entering the complete legal name, trading name (if different from the legal name) and mailing address of the licensee.
- Field 1 – Business Number** 6. Enter your 9-digit Business Number (BN), 2-letter (RD) program identifier, and 4-digit program account number.
- Field 2 – Period covered** 7. 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** 8. 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 – raw leaf tobacco

- Line A – Opening balance** 9. The opening balance of this return must equal the last fiscal month's closing balance.

Additions to inventory

- Domestic 10. Enter the total quantity of domestic raw leaf tobacco received.
- Imported 11. Enter the total quantity of imported raw leaf tobacco received.
- Line B – Total additions** 12. Add the above quantities of raw leaf tobacco (i.e., additions to inventory) and enter the sum on line B.

Reductions to inventory

- Domestic 13. Enter the total quantity of domestic shipments of raw leaf tobacco.
- Exported 14. Enter the total quantity of export shipments of raw leaf tobacco.

Line C –
Total reductions 15. Add the above quantities of raw leaf tobacco (i.e., reductions to inventory) and enter the sum 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 the sum of lines C and 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.

Penalties

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

Retention of information

Keeping records
s 206 23. 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.

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24. 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.cca-adrc.gc.ca/tax/technical/act2001-e.html>