

Excise Duty Memoranda Series

2.4.1 Obtaining a Registration

March 2003

Overview	The <i>Excise Act, 2001</i> (the “Act”) requires a person to obtain a registration in order to be authorized to perform certain activities that are restricted under the Act. This memorandum provides an overview of the registration process and the requirements of persons who wish to be registered.
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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 to contact any Canada Customs and Revenue Agency (CCRA) tax services office for additional information.
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General

Is a registration required?

1. Every person who possesses, supplies, receives, buys, sells, uses, imports, exports, or performs any other activity involving tobacco or alcohol should ensure that they are in compliance with any restrictions that may be imposed on that activity under the Act. The Act imposes restrictions on several tobacco and alcohol-related activities and, in many cases, a person may only be permitted to undertake these activities if they possess the appropriate registration issued by the CCRA.

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Canada Customs
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2. A listing of all registrations provided for under the Act is available in Excise Duty Memorandum 2.3.1, *Registration Types*. Readers are encouraged to refer to this memorandum to determine if a registration is required in their particular circumstances.

Registration conditions

- Specified activities 3. Each registration issued under the Act relates to specified activities and authorizes a person to perform only those activities specifically provided for by that registration.
- Compliance with the Act s 24 4. A registrant is required to carry on all activities authorized under their registration in compliance with the Act and its Regulations.
- Conditions imposed by CCRA ss 23(3) 5. The CCRA has the authority to specify the activities that may be carried out under a registration and the premises where these activities may be carried out, as well as to impose any conditions on these activities that are considered appropriate in the circumstances.

How to apply for a registration

- Regulations Respecting Excise Licences and Registrations* ("Regulations") ss 3(1) 6. Every person who wishes to obtain a registration under the Act must submit a completed application form L63, *Licence and Registration Application Excise Act, 2001*, to any CCRA tax services office.
- Signatures 7. An authorized individual of the person must sign the completed application form L63. If the person is a corporation or an association or organization that has duly elected or appointed officers, the president, vice-president, secretary or treasurer (or other equivalent officers) of the organization are deemed to be so duly authorized. Applications submitted by a corporation must also bear the corporate seal. A proprietor or a partner must sign applications submitted by a sole proprietorship or partnership, respectively.
- List of premises para 23(3)(a) Regulations ss 3(1) 8. A registration issued under the Act authorizes a person to carry on the specific activities provided for under that registration. A person who has been issued a registration may carry on those activities at a single location, or at several locations authorized by the CCRA. Accordingly, all applications for a registration must be accompanied by a list of the premises that the person wishes the CCRA to designate for the purposes of the registration.
- No fees 9. There are no application fees or other costs involved in obtaining a registration under the Act.

Eligibility for registration

- Other requirements Regulations para 2(2)(a) and (b) 10. The CCRA will not issue a registration under the Act if the person making the application
- (a) is the subject of a receivership in respect of their debts,

- (b) has failed in the past five years to comply with any Act of Parliament (other than the *Excise Act, 2001*) or of a provincial legislature that deals with the taxation or control of tobacco or alcohol or any regulations made under it, or
- (c) has acted to defraud Her Majesty in the past five years.

Effect and duration of registration

11. A registration is effective from the date indicated on the registration approval notice and remains in effect until cancelled or suspended by the CCRA.

Change in status

Changes that must be reported
Regulations s 6

12. A person who possesses a registration issued under the Act must report any of the following changes in writing to any CCRA tax services office or the Summerside Tax Centre:
- (a) a change of name or legal entity;
 - (b) the discontinuance of the operations covered by the registration;
 - (c) a change in any other information provided on the registration application, including officers and directors; or
 - (d) a change of business address or the address where the books and records are maintained.

Name change

13. In the case of a name change, a person must complete and submit form L63, *Licence and Registration Application Excise Act, 2001*, as soon as possible after the change occurs, indicating in the appropriate box on the form that the application relates to an amendment of an existing registration. However, a new registration and RD program account number will not be issued.

Change of legal entity

14. Where a change of legal entity occurs (e.g., a proprietorship incorporates or a corporation merges with another corporation), an application for a new registration must be made.

Assistance

15. For assistance in reporting any of the above-noted changes contact Business Enquiries at 1-800-959-5525.

Facilities, personnel and equipment

Regulations
s 13

16. As a condition of holding a registration under the Act, all registrants must provide, at each premises designated in the registration
- (a) adequate space for the examination of goods or records by an officer,
 - (b) the personnel and equipment necessary to ensure that the goods or records can be examined by an officer, and
 - (c) the personnel necessary to provide information to an officer, for audit purposes, with respect to the operations, inventory system and records of the person.

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Refusal to issue a registration

CCRA discretion
ss 23(1) 17. The decision to issue a registration rests with the CCRA. The CCRA will not issue a registration if it is not in the best interests of the public to do so.

Cancellation or suspension of registration

ss 23(2) 18. The CCRA has the authority to suspend or cancel a registration in certain circumstances.

Suspension
Regulations
ss 10(1) 19. The CCRA may suspend a registration if, at any time, the person to whom the registration has been issued

- (a) fails to notify the CCRA of any changes to their registration information as required in paragraphs 12 through 14 of this memorandum, or fails to provide adequate facilities, personnel or equipment as required in paragraph 16 of this memorandum, or
- (b) fails to meet any of the conditions of their registration.

Cancellation
Regulations
ss 12 (1) 20. The CCRA may cancel a registration if, at any time, the person to whom the registration has been issued

- (a) requests in writing that the registration be cancelled,
- (b) becomes bankrupt,
- (c) no longer meets the eligibility requirements to possess the registration,
- (d) ceases to carry on the business or activities for which the registration was issued,
- (e) is the subject of a receivership in respect of their debts,
- (f) fails to comply with any Act of Parliament (other than the *Excise Act, 2001*) or of a provincial legislature that deals with the taxation or control of tobacco or alcohol or any regulations under it, or
- (g) acts to defraud Her Majesty.

Notice of suspension
Regulations
ss 10(2) 21. If the CCRA suspends a person's registration, a written notice will immediately be sent to the person confirming the suspension and providing the grounds for the suspension.

Recourse
Regulations ss 10(3) 22. A person who has received notice that their registration has been suspended may, within 90 days from the date of suspension, provide information or make representations to the CCRA regarding why the registration should be reinstated.

Reinstatement
Regulations s 11 23. When the CCRA is satisfied that the grounds for the suspension of the registration no longer exist, the registration will be reinstated.

Notice of cancellation
Regulations
ss 12(2) 24. Before cancelling a registration (unless doing so at the request of the registrant), the CCRA will provide the person 90 days' notice of the proposed cancellation, along with all relevant information concerning the grounds for the proposed action.

Recourse
Regulations ss 12(3)

25. A person who has received notice of the proposed cancellation of their registration may, within 90 days from the date of the notice, make representations to the CCRA regarding why the registration should not be cancelled.

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/exciseduty-e.html>**