

July 7, 2006

**Tariff Notice TN-16**  
**Excise Act and Excise Act 2001 Changes**

On June 22, 2006, Bill C- 13, an Act to implement certain provisions of the *Budget* received Royal Assent. Therein certain rates of excise duty and additional duty imposed under the Excise Act 2001 and Excise Act were raised effective July 1, 2006.

Please refer to the table below, which identifies tobacco and alcohol goods under their tariff classification numbers. Raised excise duty rates and additional duty rates are bolded.

Additional information on this topic is available by contacting your nearest Canada Revenue Agency regional excise duty office (<http://www.cra-arc.gc.ca/E/pub/em/edm1-1-2/README.html>).

For further information concerning this notice, please contact Paulette Michel, Senior Program Officer, at (613) 954-6907 or Ron Gerold, Manager, Duty Deferral Unit at (613) 948-7085.

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Cigars	2402.10.00.10 2402.10.00.90	<b>\$16.60/</b> 1000 cigars	E21: <b>\$0.066</b> (S)	E1: <b>66%</b> (V)	
Cigarettes	2402.20.00.10 2402.20.00.20		E2: <b>\$0.41025</b> / five or fraction of five cigarettes		
Tobacco sticks	2402.20.00.10 2402.20.00.20		E22: <b>\$0.0605</b> / stick		
Raw leaf tobacco	2401.10.10.00 2401.10.91.00 2401.10.99.10 2401.10.99.20 2401.10.99.30 2401.10.99.90 2401.20.10.00 2401.20.90.10 2401.20.90.91 2401.20.90.92 2401.20.90.93 2401.20.90.99 2401.30.00.00	<b>\$1.572/</b> KGM			
Manufactured tobacco Other	2403.10.00.10 2403.10.00.20 2403.10.00.90 2403.91.10.00 2403.91.20.00 2403.91.90.00 2403.99.10.00 2403.99.90.10 2403.99.90.90	<b>\$55.90/</b> KGM			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Beer made from malt	2203.00.00 tariff item				
Of an alcoholic strength by volume not exceeding 1.2% vol	2203.00.00.10		\$2.591/ hectolitre		
Of an alcoholic strength by volume exceeding 1.2% vol but not exceeding 2.5%	2203.00.00.20			<b>\$15.61/</b> hectolitre	
Of an alcoholic strength by volume exceeding 2.5% vol	2203.00.00.31 2203.00.00.32 2203.00.00.39				<b>\$31.22/</b> hectolitre
Sparkling wine of an alcoholic strength not exceeding 22.9% vol.	2204.10.10.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Other sparkling wine	2204.10.90.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Wine of an alcoholic strength by volume not exceeding 13.7% vol.	2204.21.10.10 2204.21.10.91 2204.21.10.92 2204.21.10.99		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Other wine with an alcoholic strength by volume exceeding 13.7% vol. but not exceeding 22.9%	2204.21.21.00 2204.21.22.00 2204.21.23.10 2204.21.23.90 2204.21.24.10 2204.21.24.20 2204.21.24.90 2204.21.25.10 2204.21.25.20 2204.21.25.90 2204.21.26.10 2204.21.26.20 2204.21.26.30 2204.21.26.90 2204.21.27.10 2204.21.27.20 2204.21.27.90 2204.21.28.00 2204.21.31.10 2204.21.31.20 2204.21.31.30 2204.21.31.90	<b>\$0.62</b> /litre			
Other wine of an alcoholic strength exceeding 22.9% vol.	2204.21.32.10 2204.21.32.20 2204.21.32.30 2204.21.32.90	<b>\$11.696</b> /litre of absolute ethyl alcohol			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Grape must of an alcoholic strength by volume not exceeding 22.9% vol.	2204.21.41.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Grape must of an alcoholic strength exceeding 22.9% vol.	2204.21.49.00	<b>\$11.696</b> /litre of absolute ethyl alcohol 11,696 \$/litre			
Wine of an alcohol strength by volume not exceeding 13.7% vol.	2204.29.10.10 2204.29.10.20 2204.29.10.90		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Wine of an alcoholic strength by volume exceeding 13.7% but not exceeding 22.9%	2204.29.21.00 2204.29.22.00 2204.29.23.00 2204.29.24.00 2204.29.25.00 2204.29.26.00 2204.29.27.00 2204.29.28.00 2204.29.31.00	<b>\$0.62</b> /litre			
Wine of an alcoholic strength by volume exceeding 22.9% vol.	2204.29.32.00	<b>\$11.696</b> /litre of absolute ethyl alcohol			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Grape must of an alcoholic strength by volume not exceeding 22.9% vol.	2204.29.41.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Grape must of an alcoholic strength by volume exceeding 22.9% vol.	2204.29.49.00	<b>\$11.696</b> /litre of absolute ethyl alcohol			
Other grape must of an alcoholic strength by volume not exceeding 22.9% vol.	2204.30.10.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Other grape must of an alcoholic strength by volume exceeding 22.9% vol.	2204.30.90.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			
Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances of an alcoholic strength not exceeding 18.3% vol.	2205.10.10.10 2205.10.10.20 2205.10.10.30 2205.10.10.90		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances of an alcoholic strength exceeding 18.3% but not exceeding 22.9% vol.	2205.10.20.00	<b>\$0.62/</b> litre			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances of an alcoholic strength by volume exceeding 22.9% vol.	2205.10.30.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			
Other- of an alcohol strength by vol. not exceeding 18.3%	2205.90.10.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Other- of alcohol strength by vol. exceeding 18.3% but not exceeding 22.9% vol.	2205.90.20.00	<b>\$0.62/</b> litre			
Other -of an alcoholic strength by vol. exceeding 22.9% vol.	2205.90.30.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			



**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Sparkling cider of an alcoholic strength by volume not exceeding 22.9% vol.	2206.00.11.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Other sparkling cider	2206.00.12.00	<b>\$0.62</b> /litre			
Other cider of an alcoholic strength by volume not exceeding 22.9% vol.	2206.00.18.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11 : <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12 : <b>\$0.62</b> /litre
Other cider of an alcoholic strength exceeding 22.9% vol.	2206.00.19.00	<b>\$11.696</b> /litre of absolute ethyl alcohol			
Prune wine of an alcoholic strength by volume not exceeding 22.9% vol.:	2206.00.21 tariff item				
Of an alcoholic strength by volume exceeding 0.5% vol but not exceeding 1.2% vol	2206.00.21.10		E10 : \$0.0205/litre		

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Of an alcoholic strength by volume exceeding 1.2% vol but not exceeding 7.0% vol	2206.00.21.20			E11 : <b>\$0.295/litre</b>	
Of an alcoholic strength by volume exceeding 7.0% but not exceeding 22.9% vol	2206.00.21.30				E12: <b>\$0.62/litre</b>
Prune wine of alcohol strength by volume exceeding 22.9% vol.	2206.00.22.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			
Perry, sparkling of an alcoholic strength by volume not exceeding 22.9% vol.	2206.00.31.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295/litre</b>	Of an alcoholic strength exceeding 7% E12: <b>\$0.62/litre</b>
Perry, sparkling of an alcoholic strength exceeding 22.9% vol.	2206.00.39.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Other wine, sparkling of an alcoholic strength by volume not exceeding 22.9% vol.	2206.00.41.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre
Other wine, sparkling of an alcoholic strength by volume exceeding 22.9% vol.	2206.00.49.00	<b>\$11.696</b> /litre of absolute ethyl alcohol			
Sake and other wine, not sparkling, of an alcoholic strength by volume not exceeding 13.7% vol.	2206.00.50.11 2206.00.50.19 2206.00.50.90		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205 /litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength exceeding 7% E12: <b>\$0.62</b> /litre

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Sake and other wine, not sparkling, of an alcoholic strength by volume exceeding 13.7% vol. but not exceeding 22.9% vol.	2206.00.61.00 2206.00.62.00 2206.00.63.00 2206.00.64.10 2206.00.64.90 2206.00.65.00 2206.00.66.00 2206.00.67.00 2206.00.68.00 2206.00.71.00	<b>\$0.62/</b> litre			
Sake and other wine, not sparkling, of an alcoholic strength by volume exceeding 22.9% vol.	2206.00.72.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Ginger beer and herbal beer	2206.00.80.00		Of an alcoholic strength by volume not exceeding 1.2% vol E10: \$0.0205/litre	Of an alcoholic strength exceeding 1.2% vol but not exceeding 7% vol E11: <b>\$0.295</b> /litre	Of an alcoholic strength by volume exceeding 7% vol E12: <b>\$0.62</b> /litre
Mead	2206.00.91.00		Of an alcoholic strength not exceeding 1.2% E10: \$0.0205/litre	Of an alcoholic strength exceeding 1.2% but not exceeding 7% E11: <b>\$0.295</b> /litre	Of an alcoholic strength by volume exceeding 7% vol E12: <b>\$0.62</b> /litre
Other fermented beverages of an alcoholic strength by volume not exceeding 22.9% vol.  Of an alcoholic strength by volume exceeding 0.5% vol but not exceeding 1.2% vol	2206.00.92 tariff item  2206.00.92.10		E10:\$0.0205 /litre		

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Of an alcoholic strength by volume exceeding 1.2% vol but not exceeding 7.0% vol	2206.00.92.20			E11: <b>\$0.295</b> /litre	
Of an alcoholic strength by volume exceeding 7.0% vol but not exceeding 22.9% vol	2206.00.92.30				E12: <b>\$0.62</b> /litre
Other fermented beverages of an alcoholic strength by volume exceeding 22.9% vol.	2206.00.93.00	<b>\$11.696</b> /litre of absolute ethyl alcohol			

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Undenatured ethyl alcohol of an alcoholic strength by volume of 80% or higher	2207.10.10.00 2207.10.90.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			
Specially denatured ethyl alcohol Denatured ethyl alcohol	2207.20.11.00 2207.20.12.00	None			
Other, denatured ethyl alcohol	2207.20.19.00		E35: <b>\$11.696/litre</b> of absolute ethyl alcohol		
Other, denatured spirits	2207.20.90.00		E35: <b>\$11.696/litre</b> of absolute ethyl alcohol		

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Undenatured ethyl alcohol of an alcoholic strength by vol. of less than 80% vol.	2208.20.00.10 2208.20.00.90 2208.30.00.11 2208.30.00.19 2208.30.00.21 2208.30.00.29 2208.30.00.30 2208.30.00.40 2208.30.00.91 2208.30.00.99 2208.40.10.10 2208.40.10.90 2208.40.20.00 2208.50.00.10 2208.50.00.90 2208.60.00.00 2208.70.00.00 2208.90.10.00 2208.90.21.00 2208.90.29.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			
Angostura bitters	2208.90.30.00	None			
Packaged spirituous fruit juices of an alcoholic strength by volume not exceeding 7% vol.	2208.90.41.00	<b>\$0.295/</b> litre			



**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Other spirituous fruit juices of an alcoholic strength by volume not exceeding 14.3% by volume	2208.90.49.00	<b>\$11.696/</b> litre of absolute ethyl alcohol			
Other fruit brandies	2208.90.92.00		Not more than 7% of absolute ethyl alcohol E36: <b>\$0.295/litre</b>	Greater than 7% of absolute ethyl alcohol E35: <b>\$11.696/litre</b> of absolute ethyl alcohol	
Other, packaged, of an alcoholic strength by volume not exceeding 7%	2208.90.98.00	<b>\$0.295/</b> litre			
Other	2208.90.99.00		Not more than 7% of absolute ethyl alcohol E36: <b>\$0.295/litre</b>	Greater than 7% of absolute ethyl alcohol E35: <b>\$11.696/litre</b> of absolute ethyl alcohol	

**TOBACCO AND ALCOHOL CUSTOMS DUTY EQUIVALENT TO EXCISE DUTY  
BUDGET 2006 CHANGES (Bolded) EFFECTIVE JULY 1, 2006**

<b>Product</b>	<b>Classification number</b>	<b>Excise duty</b>	<b>Excise duty 1</b>	<b>Excise duty 2</b>	<b>Excise duty 3</b>
Vinegar and substitutes for vinegar obtained from acetic acid	2209.00.00.00	None			

Note: Special duty on spirits remains unchanged at \$0.12 per litre of absolute ethyl alcohol.