



CIRCULAR ED 212-2

January 1996

DEPARTMENTAL REGULATIONS RESPECTING BREWERIES

These Regulations were made by the Minister of National Revenue pursuant to the *Excise Act*. Consolidated Regulations of Canada Chapter 566 amended by SOR/79-949, SOR/80-8, SOR/80-285, SOR/85-1161, SOR/91-129, SOR/94-380 and SOR/95-572.

Short Title

1. These Regulations may be cited as the *Brewery Departmental Regulations*.

Interpretation

2. In these Regulations,

"Act" means the Excise Act; (*Loi*)

"light" or "near beer", [Revoked, SOR/80-285, s. 1];

"package" means any container in which beer is placed for shipment, sale or consumption; (*paquet*)

"process stock" means beer in any process of manufacture prior to duty assessment; (*stock en voie de fabrication*)

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"production day" means, in respect of a brewery, a period not exceeding 24 consecutive hours during which beer is produced; (*journée de production*)

"production period", [Revoked, January 31, 1991].

Supervision

3. (1) Subject to subsection (2), an excise officer shall be present in every brewery to supervise the following operations:

- (a) gauging and recording the capacities of vessels and packages;
- (b) determining the quantities of beer for duty assessment;

(c) determining the quantities of duty paid beer returned to process stock for repackaging; and

(d) destroying quantities of process stock.

(2) An excise officer is not required to be present in a brewery to supervise the operations in subsection (1) where the operations are carried out in a manner approved by the Department and are subject to controls and accounting procedures acceptable to the Department.

Particulars to be Recorded

4. For the purposes of section 31 of the Act, the particulars required to be recorded in every brewery are as follows:

(a) the quantities of raw materials and packaging materials used, brought into or removed from the brewery;

(b) the quantity of each type of beer fermented, transferred to storage or otherwise disposed of;

(c) the quantity of any material added to beer after fermentation;

(d) the quantity of each type of beer transferred to a tank from which it is to be packaged;

(e) the quantity of each type of beer packaged;

(f) the details of disposition of the packaged beer; and

(g) where beer has been exported from Canada, documentary evidence of the export, and

(h) in respect of the beer, any allowance made under subsection 170(2) of the Act, any drawback of excise duty granted and any excise duty credited to the brewer.

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Computation of Duty

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5. The excise duty on beer shall be charged and computed on the quantities of beer produced during each production day and may be reduced by an amount equal to the amount of duty imposed on

(a) beer for which the brewer is entitled to a drawback pursuant to section 173 of the Act or a refund pursuant to subsection 174(2) of the Act; or

(b) beer returned to process stock.

Drawback

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6. A brewer shall be allowed a drawback of the excise duty paid on beer that has been shipped for export if he has made a declaration pursuant to subsection 173(2) of the Act setting out

- (a) the quantity of beer exported;
- (b) the consignee; and
- (c) the details of the documentary evidence of the export.

Returns

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7. The return required by section 175 of the Act shall be made each month and shall set out the following particulars:

- (a) the quantity of beer produced;
- (b) the quantity of beer exported;
- (c) the quantity of beer on which excise duty was paid that has been destroyed or returned to process stock; and
- (d) the amount of excise duty paid on beer.

This supersedes circular ED 212-2, dated April 30, 1986.

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