



**Saskatchewan
Finance**

Revenue Division
2350 Albert Street
Regina, Saskatchewan
S4P 4A6

Information Bulletin

March 31, 2004

TO: FIRST NATIONS AND ON-RESERVE RETAILERS

RE: TOBACCO TAX EXEMPTION AND REFUND

As a result of the March 31, 2004 Budget, the tax on cigarettes increases from 16.0¢ per cigarette to 17.5¢ per cigarette and the tax on loose tobacco increases from 16.0¢ per gram to 17.5¢ per gram.

The new rates are effective April 1, 2004. However, tobacco products purchased by status Indians from an on-reserve store that has entered into a Tobacco Tax agreement with the Province, will continue to be tax free.

Since the Tobacco Tax has increased, on-reserve retailers are required to take an inventory of their tobacco products at the close of business on March 31, 2004 and report the quantity of cigarettes and grams of loose tobacco that they have on hand to Saskatchewan Finance. This is necessary so that your refunds are calculated properly.

Please fax your tobacco inventory count to Saskatchewan Finance, Revenue Division, at 306-787-6653 by April 5, 2004, in order to avoid a delay in the processing of your next refund. An inventory form is available at the following location:

<http://www.forms.gov.sk.ca/fi/getformharness.asp?formname=fifninventory.xft&preference=pdf>

If you have any questions, please call 1-800-667-7587 and ask for Lori Lavoie (extension 1286), or write to the above address.