

Distillery Permit Requirements in Canada

I. FEDERAL REGULATIONS GOVERNING ALCOHOL PRODUCTION IN CANADA.

The federal requirements for obtaining a distilling permit in Canada are, in some ways, quite similar to the requirements in the United States. In Canada, the law requiring people to obtain a license to distill spirits is called the Excise Act, 2001 (the "**Act**").

To be eligible to receive a license under the Act an applicant must be over the age of 18 and must be able to show that he or she has sufficient financial resources to conduct the business in a responsible manner.

Additionally, the applicant must **NOT**:

- Be the subject of a receivership (similar to bankruptcy in the United States);
- Have failed in the past 5 years to comply with any Act of Parliament or of a provincial legislature dealing with taxation or control of tobacco or alcohol regulations; nor,
- Have acted to defraud Her Majesty over the past 5 years. Every eligible person who wishes to obtain a license under the Act must submit a completed application form L63, License and Registration Application Excise Act, 2001 to any Canada Revenue Agency ("**CRA**") tax services office. (See

Attachment A for sample L63.) The website for the agency is: <http://www.cra-arc.gc.ca/menu-eng.html>.

Along with completing the license application, the applicant must

produce the following documents to the CRA for consideration:

- A business industry overview;
- Operating plan
- Human resources plan;
- Financial plan or source of funds;
- Sale and marketing plan; and
- Statement of personal net worth for proprietorships. Additionally, the applicant must provide the CRA with an acceptable bond. The CRA website has additional information about bond requirements including a list of acceptable bonds and the names of acceptable bonding companies. There is no fee associated with filing an application with the CRA. Interested parties can obtain additional information about filing permit applications either by reviewing the excise duty memoranda available on the CRA website (Search: <http://www.cra-arc.gc.ca/menu/EXMS-e.html>) or by contacting their region's excise duty manager. (See **Attachment B** for regional excise duty managers' contact information).

II. PROVINCE AND TERRITORY SPECIFIC REGULATIONS.

In addition to the above-noted federal regulations, parties interested in opening a distillery will need consider provincial or territorial liquor manufacturing regulations. The following information should help perspective clients with that endeavor.

Alberta: To manufacture spirits in Alberta you must obtain a Class E License from the Alberta Gaming and Liquor Commission. For more information, visit: <http://www.aglc.ca/pdf/liquor/5233.pdf>.

British Columbia: To manufacture spirits in British Columbia, you must have a manufacturer's license form the Liquor Control and

Licensing Branch. To obtain additional information, call the Liquor Control and Licensing Branch at 1-866-209- 211 or visit <http://www2.gov.bc.ca/gov/content/home>.

Manitoba: Manitoba requires each liquor seller or manufacturer to have a valid license issued by the Liquor and Gaming Authority of Manitoba. To obtain additional information, interested individuals can contact the Liquor License Department by calling 204-474-5619 or 1-888-898-6522 or visiting www.LGAmanitoba.ca.

New Brunswick: To manufacture spirits in News Brunswick you must obtain a Distillery License through the Department of Public Safety. For more information, contact the Department of Public Safety at:

Department of Public Safety Safety Services Division Licensing Services P.O. Box 6000

Fredericton, NB E3B 5H1

Telephone: 506-453-7472 Fax: 506-453-3044

Newfoundland and Labrador: To manufacture spirits in Newfoundland Labrador, you must first obtain a manufacturer's license from the Newfoundland Labrador Liquor Corporation. For more information, contact the corporation at corporateservices@nliquor.com or 709-724-1159.

Northwest Territories: To manufacture spirits in the Northwest Territories, you must first obtain a manufacturing license through the NWT Liquor Licensing Board. Additional information can be obtained by visiting: <http://www.fin.gov.nt.ca/services/liquor/liquor-licensing-board> or by contacting the board at 867-874-8715 or 1-800-351-7770.

Ontario: To manufacturer and sell spirits in Ontario, distillers must apply for a manufacturer's license pursuant to Ontario's Liquor

License Act. Interested individuals can also obtain information regarding the Liquor License Act and its regulation through the following:

Call: Write:

Visit:

416-326-5300 or 1-800-668-9938

Publications Ontario 50 Grosvenor Street Toronto, ON M7A 1N8

www.e-laws.gov.on.ca or www.publications.serviceontario.ca

Nova Scotia: If you are interested in distilling spirits in Nova Scotia, you must submit a written proposal to the Nova Scotia Liquor Corporation (NSLC). You can submit the proposal or application online at <https://securepay.mynslc.com/permits>. You can also obtain an instructional checklist for applying for a distillery permit at <https://www.mynslc.com/en/About-NSLC/Doing-Business-With-Us/Permits>. For questions, you may contact Carol Andrews, the Nova Scotia Permits and Regulatory Affairs supervisor, at 902-450-5914 or via email at Carol.Andrews@myNSLC.com.

Nunavut: We were unable to find much information about applying for a distillery permit in Nunavut, but suggest that interested parties contact the Nunavut Liquor Commission at 867-975-5095 for information.

Prince Edwards Islands: To manufacture spirits on Prince Edward's Island, you must first obtain a manufacturer's license. Additional information relating to the required license including a Manufacturer's Policy Manual can be obtained at: <http://liquorpei.com/>.

Quebec: In Quebec, interested parties must complete an Application for an industrial permit, small-scale production permit, small-scale beer producer's permit or a warehouse permit (this is one permit) to

obtain a distiller's license. For more information, contact the Régie des alcools, des courses et des jeux either at <https://www.racj.gouv.qc.ca> or via telephone at 514-873-3577 or 1-800-363-0320. (Note: much of the information available on the website is in French).

Saskatchewan: The Saskatchewan Liquor and Gaming Authority processes liquor permit applications for manufacturers. A manual containing licensing requirements is available at <http://www.sлга.gov.sk.ca/Prebuilt/Public/Liquor%20Permittee%20Manual.pdf>. Interested parties can also contact the Saskatchewan Liquor and Gaming Authority at 306-787-5563 or 1-800-667-7565 or via email through the following website <http://www.saskliquor.com/SaskLiquorWeb/ContactUs.aspx>.

Yukon: All Yukon spirit manufacturers must have a liquor manufacturer's license approved by the Yukon Liquor Board. If you plan to sell Yukon-manufactured products directly to the public from your facility, you must also apply for a Liquor Manufacturer's Retail License. For more information, contact Yukon's Licensing & Social Responsibility branch by telephone at 867-667-5245 or 1-800-661-0408 Ext. 5245 or via email at yukon.liquor@gov.yk.ca.

III. ADDITIONAL GENERAL INFORMATION.

The information above should assist in starting a distillery. However, we suggest that you also contact an attorney licensed in your province or territory as they will have to navigate both federal and local rules and regulations to obtain a distiller's permit.

This application form is for use by all spirits, wine and tobacco manufacturers, users, warehousing and registration applicants. Use this form if you are the head office of a new or renewing applicant for an excise duty licence or registration number. Instructions for completion and links to technical memoranda and regulations are available on the back of the application.

Note: All information provided in the application is subject to verification and may include criminal record and financial check.

Section A – Type of application					
<input type="checkbox"/> New application ¹	<input type="checkbox"/> Amendment	<input type="checkbox"/> Renewal	Language of communication	<input type="checkbox"/> English	<input type="checkbox"/> French
			Business number required?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
Section B – Identification of business (For a corporation, enter the name and address of the head office.)					
Legal name		Operating / trading / partnership name		Excise duty account number	
				R D	
Business address (This must be a physical address, not a post office box.)					Postal code
Mailing address (If different from business address.)			City	Province	Postal code
Section C – Client ownership type					
<input type="checkbox"/> Sole proprietorship (individual)	<input type="checkbox"/> Partnership	All corporations must provide a copy of the certificate of incorporation or amalgamation. Are you incorporated?			Fiscal year end
		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other Specify _____			MM DD
Section D – Information relating to individuals, partners, directors or officers					
Complete this part to provide information about the individual, partner(s), corporate director(s), or officer(s) of your business. (If you need more space, include the information on a separate sheet.)					
First name		Last name			Work telephone number
Position or title		Date of birth (YYYY-MM-DD)	Social insurance number		Work fax number
Business address					Postal code
Mailing address					Postal code
Section E – Additional premises					
If more than one premises, please complete the area below. (If you need more space, include the information on a separate piece of paper.)					
Name of premises			Business address		
Mailing address			Licence or registration type	Telephone number	Fax number
Section F – Licences and registrations					
Indicate type of licence(s) required					
<input type="checkbox"/> Spirits	<input type="checkbox"/> Wine	<input type="checkbox"/> User	<input type="checkbox"/> Tobacco	<input type="checkbox"/> Tobacco dealer	<input type="checkbox"/> Excise warehouse
		<input type="checkbox"/> Special excise warehouse	<input type="checkbox"/> Duty-free shop		
Indicate type of registration required					
<input type="checkbox"/> Ferment-on-premises		<input type="checkbox"/> User	<input type="checkbox"/> Alcohol	<input type="checkbox"/> Specially denatured alcohol	
Section G – Security (for spirits licences or tobacco licences only)					
Enter the type and the amount of security provided					
Type of security	<input type="checkbox"/> Cash	<input type="checkbox"/> Certified cheque	<input type="checkbox"/> Surety bond	<input type="checkbox"/> Transferable non-certified Government of Canada Bond	<input type="checkbox"/> Other _____
Bond/Surety company name			Bond number (if applicable)	Amount of security	
Section H – Financial institution(s) (Only licence applicants should complete this section)					
Enter the name and address of the branch(es) of the financial institutions(s) used by the applicant. If needed, use a separate piece of paper.					
Name			Address		
Branch number		Institution number		Account number	
Section I – Contact person					
Complete this area to identify an employee of your business as your contact person in all matters pertaining to your excise duty accounts. To authorize a representative who is not an employee of your business, complete form RC59, <i>Business Consent Form</i> .					
First name		Last name		Position or title	
Telephone number		Fax number		E-mail address	
Section J – Certification					
As an authorized person I, _____, certify that the information given on this form and any document attached is, to the best of my knowledge, correct and complete.					
Signature of authorized person			Position or title		Date (YYYY-MM-DD)

Instructions for completion

Section A – Type of application

Check the box that best describes this application if it is a new, amended or renewed application. You may also indicate the language of choice, and whether you require a 9-digit business number (BN).

Section B – Identification of business

Enter the legal name, operating/trading or partnership name and the excise duty account number of the business. The legal name (if applicable) is the name of the business that appears on all official documents or legal papers. The trading name is the name that the business client trades under or the name by which suppliers or customers know the business. Enter the physical location and mailing address of the business including the postal code for both.

Section C – Client ownership type

Check the box that best describes your business type. If the business is a partnership, you must provide a partnership agreement. If it is a corporation, you must provide us with a copy of the certificate of incorporation or amalgamation.

Section D – Individuals, partners and officers of the company

Enter the full name, business and mailing address, title, telephone number, date of birth and social insurance number of each proprietor, partner or director. If there is insufficient space, use a separate sheet and attach it to this form.

Section E – Additional premises

If you operate out of more than one business location (premises), please list the name, business and mailing addresses, licence or registration type that is applicable for each premises, telephone and fax numbers. Please use and attach to this L63 form, a separate sheet to list all premises and related type of licence or registration. Separate premises have the option of filing separate excise duty returns. If you wish to have one or more of your premises file a separate return, please indicate this on the list of additional premises. Additional information on filing separate returns is available in Excise Duty Memorandum EDM10.1.1, [Returns and Payments](#).

Section F – Licences and registrations

Licence type required: check the box beside the type of licence(s) required. Licensing applicants should refer to Excise Duty Memoranda EDM2.1.1, [Licence Types](#), EDM2.2.1, [Obtaining and Renewing a Licence](#) and the [Regulations Respecting Excise Licences and Registrations](#).

- **Spirits** – Applicants for a spirits licence should refer to Excise Duty Memorandum EDM3.1.1, [Producers and Packagers of Spirits](#).
- **Wine** – Applicants for a wine licence should refer to Excise Duty Memoranda EDM4.1.1, [Producers and Packagers of Wine](#) and EDM4.1.2, [Small Producers of Wine](#).
- **User** – Applicants for a users licence should refer to Excise Duty Memorandum EDM3.1.2, [Licensed Users](#).
- **Tobacco** – Applicants for a tobacco licence should refer to Excise Duty Memoranda EDM7.1.1, [Manufacturers of Tobacco Products](#).
- **Tobacco Dealer** – Applicants for a tobacco dealers licence should refer to Excise Duty Memorandum EDM7.1.2, [Tobacco Dealers](#).
- **Excise Warehouse** – Applicants for an excise warehouse licence should refer to Excise Duty Memorandum EDM8.1.1, [Excise Warehouses](#).
- **Special Excise Warehouse** – Applicants for a special excise warehouse licence should refer to Excise Duty Memorandum EDM8.1.2, [Special Excise Warehouses](#).
- **Duty-Free Shop** – Applicants for a duty-free shop licence should refer to Excise Duty Memoranda EDM7.1.4, [Duty Free Shop Operators](#).

Registration type required: check the box beside the type of registration(s) required. Registration applicants should refer to Excise Duty Memoranda EDM2.3.1, [Registration Types](#), EDM2.4.1, [Obtaining a Registration](#) and the [Regulations Respecting Excise Licences and Registrations](#).

- **Ferment-on-premises** – Applicants for a ferment-on-premises registration should refer to Excise Duty Memorandum EDM4.1.3, [Ferment-On-Premises Registrants](#).
- **User** – Applicants for a user's registration should refer to Excise Duty Memorandum EDM3.1.3, [Registered Users](#).
- **Alcohol** – Applicants for an alcohol registration should refer to Excise Duty Memorandum EDM3.1.4, [Alcohol Registrants](#).
- **Specially Denatured Alcohol** – Applicants for an SDA/DA registration should refer to Excise Duty Memorandum EDM5.1.1, [Denatured Alcohol and Specially Denatured Alcohol](#).

Section G – Security (for spirits licences or tobacco licences only)

The applicant must check the box that represents the type of security attached and the amount of security provided. Enter the name of the surety company, the bond number (if applicable) and the amount of security that is required to be provided. Information concerning surety bonds is available in Excise Duty Memoranda EDM2.2.2, [Security Requirements for Certain Licensees and for Prescribed Persons Importing Tobacco Products](#), EDM2.2.3, [Government of Canada Bonds and Surety Bonds](#) and EDM2.2.4, [Approved Financial Institutions and Acceptable Bonding Companies](#). A sample of an [Excise Bond for Excise Act, 2001](#) with completion instructions is also available on the CRA Web Site.

Section H – Financial institution(s)

Enter the name and address of the branch(es) of the financial institution(s) used for business transactions. Enter your account number(s) with corresponding branch(es) and institution number(s) for each institution(s). This information is required for purposes of subparagraph (c)(ii) of the Regulations, to indicate whether you have sufficient financial resources to conduct a business in a responsible manner.

Section I – Contact person

Enter the full name, position or title, telephone number, fax number and email address of the employee of your business authorized as the contact person with whom we may deal with respect to your RD Excise Duty account(s). To consent to the release of confidential information to a representative who is not an employee of your business, complete and return the form RC59, [Business Consent Form](#). You may obtain that form by clicking www.cra-arc.gc.ca/EI/pbg/tf/rc59 or by calling us at 1-800-959-3376.

Section J – Certification

We will not process this form unless it is signed and dated by an authorized person of the business. Signing this application certifies that the information given on this form and any document attached is to best of your knowledge, correct and complete.

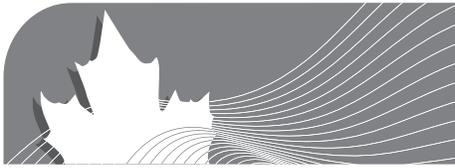
¹ Requirement for additional information

In order to ensure compliance with the various provisions set out in sections 2 and 3 of the [Regulations Respecting Excise Licences and Registrations](#), the following additional information is required from all licence applicants in order to assess your application. Additional information should include but is not limited to a:

- | | |
|-------------------------------|---|
| ✓ Business industry overview; | ✓ Financial plan or sources of funds; |
| ✓ Operating plan; | ✓ Sale and marketing plan; |
| ✓ Human resources plan; | ✓ Statement of personal net worth for sole proprietorships. |

Where to send your application and attachments

Send your completed form and attachments to your regional excise duty office. A complete listing of those offices is available in Excise Duty Memorandum EDM1.1.2, [Regional Excise Duty Offices](#).



Excise Duty Memorandum

EDM1.1.2

March 2014

Regional Excise Duty Offices

[This version replaces the one dated November 2012.](#)

This memorandum lists the Canada Revenue Agency (CRA) regional excise duty offices and provides their mailing addresses, telephone and facsimile numbers.

General

1. Regional excise duty offices serve as the CRA's liaison with licensees, registrants and the general public on all matters relating to the excise duty program.
2. Additional information on the responsibilities of regional excise duty offices is available in Excise Duty Memorandum EDM1.1.1, *The Excise Duty Program*.

Atlantic Region

Excise Duty Manager
P.O. Box 638
Halifax NS B3J 2T5

Phone: 902-426-5748

Fax: 902-426-7177

Ontario Region

Excise Duty – General Information
5800 Hurontario Street
Mississauga ON L5R 4B4

Phone (toll free): 1-866-667-9851

Fax: 905-615-2814

Quebec Region

Excise Duty Manager
Section 492
305 René-Lévesque Blvd. West, P.O. Box 32
Montréal QC H2Z 1A6

Phone: 514-283-7285

Fax: 514-283-6154

La version française de la présente publication est intitulée *Bureaux régionaux des droits d'accise*.



Canada Revenue
Agency

Agence du revenu
du Canada

Canada

Prairie Region

Excise Duty Manager
7th Floor
220-4th Avenue S.E.
Calgary AB T2G 0L1

Phone: 403-231-4124

Fax: 403-292-4075

Pacific Region

Excise Duty Manager
200-1010SM
9755 King George Boulevard
Surrey BC V3T 5E1

Phone: 604-658-8610

Fax: 604-658-8660

All excise duty memoranda are available on the **CRA website** at www.cra.gc.ca/exciseduty, under "Excise Act, 2001 – Technical Information".