

PART II**REVISED REGULATIONS OF SASKATCHEWAN****CHAPTER T-15.001 REG 1***The Tobacco Tax Act, 1998*

Section 34

Order in Council 693/1998, dated November 25, 1998

(Filed November 26, 1998)

Title**1** These regulations may be cited as *The Tobacco Tax Regulations, 1998*.**Interpretation****2(1)** In these regulations, “**Act**” means *The Tobacco Tax Act, 1998*.**(2)** In the Act and in these regulations:

(a) “**interprovincial transporter**” means the operator or registered owner of a vehicle who engages in the transportation of tobacco for a consideration and who operates for that purpose:

(i) one or more commercial vehicles inside and outside Saskatchewan;

(ii) railway equipment on rails in connection with or as part of a public transportation system inside and outside Saskatchewan; or

(iii) aircraft, if the operator is approved as a carrier of goods or passengers under the *Aeronautics Act* (Canada) or the *National Transportation Act, 1987* (Canada);

and includes a consignee or consignor of tobacco who is not the holder of an authorization to mark tobacco;

(b) “**vehicle**” includes any form of conveyance that is propelled by an internal combustion engine or turbine and includes any trailer, compartment, enclosure or receptacle contained in, on or attached to the conveyance.

Enforcement officers**3** For the purpose of clause 2(e) of the Act, an employee of the Government of Canada or the government of another province or territory of Canada is prescribed an enforcement officer if:

(a) the employee is assigned by that other government to assist in the administration of the Act and these regulations; and

(b) the minister notifies the other government in writing that the minister approves the assignment.

Prescribed tobacco**4** For the purposes of clause 2(i) of the Act, “**prescribed tobacco**” means cigars, raw leaf tobacco, pipe tobacco, snuff or chewing tobacco.**Payment of tax by growers****5** For the purposes of clause 3(1)(b) of the Act, a person growing tobacco in Saskatchewan for commercial purposes shall pay tax to the Crown at the time that the person sells or provides the tobacco to another person in Saskatchewan.

Refunds by minister**6(1)** In this section:

- (a) **“eligible recipient”** means a recipient who sells marked tobacco to a consumer in Zone A, Zone B or Zone C and is registered with the minister for the purposes of receiving a refund pursuant to this section;
 - (b) **“tobacco tax differential”** means an amount, determined by the minister, that is equal to the difference between the prevailing tobacco tax rates in Saskatchewan and in Alberta;
 - (c) **“Zone A”** means the area within the following communities that is situated within Saskatchewan:
 - (i) Lloydminster;
 - (ii) Onion Lake;
 - (d) **“Zone B”** means a location in Saskatchewan that is not in Zone A and that is a distance of 24 kilometres or less by public highway from the nearest tobacco retail dealer in Alberta;
 - (e) **“Zone C”** means a location in Saskatchewan that is a distance of more than 24 kilometres but not more than 48 kilometres by public highway from the nearest tobacco retail dealer in Alberta.
- (2) In accordance with subsection 5(3) of the Act, the minister may pay a refund of tax to an eligible recipient with respect to each package of marked tobacco sold by the eligible recipient where the package of marked tobacco was sold to a consumer in Zone A, Zone B or Zone C.
- (3) The amount of a refund pursuant to this section is equal to:
- (a) in the case of a package of marked tobacco sold by an eligible recipient in Zone A, 100% of the tobacco tax differential;
 - (b) in the case of a package of marked tobacco sold by an eligible recipient in Zone B, 50% of the tobacco tax differential;
 - (c) in the case of a package of marked tobacco sold by an eligible recipient in Zone C, 25% of the tobacco tax differential.

Requirement to mark tobacco

7 If tobacco is imported into Saskatchewan by a person required to pay a deposit pursuant to section 8 of the Act and the deposit is paid to the Crown on that tobacco:

- (a) the importer must ensure that the tobacco is marked, and
- (b) the minister may cause the tobacco to be marked in accordance with section 8(7) of these regulations.

Marking of tobacco packages

8(1) A package containing tobacco that is required to be marked by the Act must be marked in accordance with this section.

(2) Subject to subsections (3) to (7), every package containing tobacco products that is intended to be sold or provided to a recipient must have a teartape that is marked with a distinguishing mark that meets the following specifications:

- (a) the distinguishing mark must read **“CANADA DUTY PAID-DROIT ACQUITTE-SASKATCHEWAN”**;

- (b) the width of the distinguishing mark must be not less than 4.5 millimetres;
 - (c) the background colour of the distinguishing mark must be pantone beige 466, 100%;
 - (d) the colour of the text of the distinguishing mark must be in process black, 100%;
 - (e) the text of the distinguishing mark must be in Helvetica eight point.
- (3) A package mentioned in subsection (2) that contains loose tobacco products may, in place of the distinguishing mark mentioned in subsection (2), be marked with a stamp required under the *Excise Act* (Canada) that meets the following specifications:
- (a) the distinguishing mark must read **“SASK DUTY PAID”**;
 - (b) the background colour of the distinguishing mark must be pantone beige 466, 100%;
 - (c) the colour of the text of the distinguishing mark must be in process black, 100%;
 - (d) the text of the distinguishing mark must be in Helvetica eight point.
- (4) Every carton that is intended to be sold or provided to a recipient must be marked with a distinguishing mark that meets the following specifications:
- (a) the distinguishing mark must read **“SASK”**;
 - (b) the width of the distinguishing mark must be not less than 2.9 centimetres;
 - (c) the height of the distinguishing mark must be not less than 1.4 centimetres;
 - (d) the distinguishing mark must be surrounded by a border that is a thickness of 1.5 point;
 - (e) the background colour of the distinguishing mark must be pantone beige 466, 100%;
 - (f) the colour of the text of the distinguishing mark and its border must be in process black, 100%;
 - (g) the text of the distinguishing mark must be in Helvetica 10 point, upper case lettering.
- (5) The distinguishing mark mentioned in subsection (4) must be affixed or imprinted on each end sticker that seals the end flaps of the carton or, if the carton is a cardboard box, at each end of the box.
- (6) Every case that contains cartons that are marked in accordance with subsection (4) must be marked with a distinguishing mark that meets the following specifications:
- (a) the text of the distinguishing mark must read **“SASK”**;
 - (b) the distinguishing mark must be affixed or imprinted on the top of any two opposite face sides of the case;

- (c) the text of the distinguishing mark must be 38.1 millimetres in height, upper case lettering;
 - (d) the colour of the text of the distinguishing mark must be in process black, 100%.
- (7) Each package containing the following tobacco products mentioned in those sections of the Act must be marked with a distinguishing mark that has been approved by and issued under the authority of the minister:
- (a) tobacco on which a deposit has been paid pursuant to section 8 of the Act;
 - (b) tobacco that is returned to a person pursuant to subsection 25(2) of the Act.

Requirements re marking tobacco

9 The minister may require a person authorized to mark tobacco to obtain supplies to be used for the purposes of marking tobacco from a supplier whose products:

- (a) have been inspected by the minister and have been approved by the minister as meeting the requirements of the Act and these regulations; and
- (b) are of sufficient quality to deter counterfeiting.

Prescribed period for retaining evidence

10 For the purposes of subclause 11(1)(b)(iv) of the Act, the prescribed period for which a licensed importer shall retain evidence of the removal of unmarked tobacco is six years from the date that the unmarked tobacco was ultimately removed from Saskatchewan.

Return of seized tobacco

11(1) For the purposes of subsection 25(2) of the Act, the minister may return unmarked tobacco to a person from whom the tobacco was seized if:

- (a) the person applies to the minister for its return in accordance with subsection (2); and
 - (b) the amount of tobacco seized does not exceed 1,000 cigarettes or 1,000 grams of loose tobacco.
- (2) For the purposes of subsection (1), the person from whom unmarked tobacco was seized may request the return of the tobacco by:
- (a) applying to the minister in writing within 60 days after the date of the seizure of the tobacco for the return of the tobacco; and
 - (b) paying to the minister at the time of the application all taxes payable on the tobacco pursuant to the Act and *The Education and Health Tax Act*.
- (3) Where the minister receives an application and tax remittance from a person in accordance with subsection (2) and the minister is satisfied that the tobacco is not required as evidence in any pending or potential legal proceedings, the minister may:
- (a) mark the tobacco in accordance with subsection 8(7); and
 - (b) return the tobacco to the person who has requested its return.

(4) A person who applies to a provincial court judge for the return of seized tobacco pursuant to subsection 25(3) of the Act shall serve the minister with written notice of the application at least three clear days before the application is to be heard by the provincial court judge.

(5) The notice mentioned in subsection (4) must include:

- (a) the date, location and time of the filing of application;
- (b) a summary of the reasons being advanced by the applicant for the return of the seized tobacco; and
- (c) the date and time when, and the location where, the application is to be heard.

Notices of change to licence holder's circumstances

12(1) A person who holds a licence shall immediately notify the minister in writing of the following facts:

- (a) the holder has ceased to comply with any terms or conditions imposed on the person's licence;
- (b) the holder has ceased to carry on the business for which the licence was issued;
- (c) the holder has changed the name or address of the business or any branch of the business;
- (d) the holder has increased or decreased the number of locations within Saskatchewan at or through which the holder transacts business;
- (e) the holder has altered the operation of the business in any way other than that described in clauses (a) to (d) that is likely to affect the holder's licence.

(2) Where the minister receives a written notice pursuant to subsection (1) and considers it appropriate, the minister may:

- (a) amend the terms and conditions of the holder's licence to reflect the new circumstances; or
- (b) in writing, direct the holder to surrender the holder's licence to the minister.

(3) On receipt of a written direction pursuant to subsection (2), a holder of a licence shall immediately surrender his or her licence to the minister.

Replacement licence

13 Where a holder's licence is lost or destroyed, the holder shall immediately apply to the minister in writing for a replacement licence.

Licences not transferable

14 No licence issued pursuant to the Act is:

- (a) transferable; or
- (b) to be used by a person other than the person named in the licence or that person's authorized agent.

R.R.S. T-15 Reg 2 repealed

15 *The Tobacco Tax Regulations, 1986* are repealed.

Coming into force

16(1) Subject to subsection (2), these regulations come into force on the day on which section 1 of *The Tobacco Tax Act, 1998* comes into force.

(2) If these regulations are filed with the Registrar of Regulations after section 1 of *The Tobacco Tax Act, 1998* comes into force, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 83/98*The Labour Standards Act*

Section 15

Order in Council 690/1998, dated November 25, 1998

Board Order, dated November 24, 1998

(Filed November 26, 1998)

Title

1 These regulations may be cited as *The Minimum Wage Board Amendment Order, 1998*.

R.R.S. c.L-1 Reg 7, section 2 amended

2 Subsections 2(1) and (2) of *The Minimum Wage Board Order, 1997* are repealed and the following substituted:

“(1) On and after January 1, 1999, every employee shall be paid at a rate of wages that is not less than \$6 per hour.

“(2) Subject to subsection (3), on and after January 1, 1999, every employee who is required to report for duty, other than for overtime, shall be paid a minimum sum of \$18, whether or not the employee is required to be on duty for three hours on that occasion”.

Coming into force

3 These regulations come into force on the expiration of 14 days from the day on which they are printed in the Gazette.

SASKATCHEWAN REGULATIONS 84/98*The Saskatchewan Assistance Act*

Section 14

Order in Council 691/1998, dated November 25, 1998

(Filed November 26, 1998)

Title

1 These regulations may be cited as *The Employment Supplement Amendment Regulations, 1998*.

R.R.S. c.S-8 Reg 3, section 40 amended

2(1) Section 40 of *The Employment Supplement Regulations* is amended in the manner set forth in this section.

(2) Subsection (2) is amended by striking out “If” and substituting “Subject to subsection (3), if”.

(3) The following subsection is added after subsection (2):

“(3) Where, in the opinion of the program manager, exceptional circumstances exist, the program manager may reduce the rate at which overpayments are recovered from a client”.

Coming into force

3 These regulations come into force on the day on which they are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 85/98

The Revenue and Financial Services Act

Section 85

Order in Council 692/1998, dated November 25, 1998

(Filed November 26, 1998)

Title

1 These regulations may be cited as *The Revenue Collection Administration Amendment Regulations, 1998 (No. 2)*.

R.R.S. c.R-22.01 Reg 2, new Part VIII.01

2 Part VIII of *The Revenue Collection Administration Regulations* is repealed and the following substituted:

“PART VIII.01

The Tobacco Tax Act, 1998

“Interpretation of Part

58.01 In this Part:

- (a) **‘consumer’** means a consumer as defined in *The Tobacco Tax Act, 1998*;
- (b) **‘licensed importer’** means a licensed importer as defined in *The Tobacco Tax Act, 1998*;
- (c) **‘marked tobacco’** means marked tobacco as defined in *The Tobacco Tax Act, 1998*;
- (d) **‘recipient’** means a recipient as defined in *The Tobacco Tax Act, 1998*;
- (e) **‘retail dealer’** means a recipient who sells tobacco to a consumer or who maintains a stock of tobacco for the purpose of sale to consumers;
- (f) **‘unmarked tobacco’** means unmarked tobacco as defined in *The Tobacco Tax Act, 1998*.

“Application of Part

58.02 This Part applies only to tax to be paid, collected or remitted pursuant to *The Tobacco Tax Act, 1998*.

“Required records

58.03 Every collector and retail dealer shall keep records that, in the opinion of the minister, are necessary to:

- (a) disclose an accurate account of the disposition of all marked tobacco and unmarked tobacco that the collector or retail dealer has or has had in his or her possession at any time, whether the collector or retail dealer acquires the tobacco from another person or was the manufacturer of the tobacco; and
- (b) properly complete all forms that are required to be filed pursuant to the Act, these regulations, *The Tobacco Tax Act, 1998* and *The Tobacco Tax Regulations, 1998*.

“Declaration and remittance on change in rate of tax

58.04 Following a change in the rate of tax, the minister may require any collector to:

- (a) immediately make a tobacco inventory declaration in the manner and containing the information that is required by the minister; and
- (b) not later than the 20th day of the month following the change in the rate of tax, remit to the minister any additional tax payable on the collector's tobacco inventories.

“Required time of certain remittances

58.05(1) For the purposes of section 4 of *The Tobacco Tax Act, 1998*, a recipient who imports tobacco into Saskatchewan and is required to provide notice of the importation to the minister in accordance with section 8 of *The Tobacco Tax Act, 1998* shall immediately remit the tax payable to the minister when the tobacco enters Saskatchewan.

(2) For the purposes of section 4 of *The Tobacco Tax Act, 1998*, a recipient who grows tobacco in Saskatchewan for commercial purposes shall remit the tax payable to the Crown on or before the 20th day of the month following the date of becoming liable to pay tax.

“Collector's returns and remittance

58.06(1) Subject to subsection (2), a collector shall file a return and remittance of tax once in each month.

(2) The period to which a return and remittance of tax is to relate is:

- (a) one month; or
- (b) any other period that is required by the minister.

(3) A collector shall ensure that the collector's return includes a schedule detailing the collector's tobacco transactions, showing separately marked tobacco and unmarked tobacco.

(4) Both the return and the schedule mentioned in subsection (3) are to contain any information and be in any form that the minister requires.

(5) A collector shall file a required return and remittance of tax not later than the 20th day following the end of the month to which the return and remittance relates.

(6) Unless the filing of a consolidated return is approved by the minister, the collector shall file a separate return for each of the collector's places of business.

(7) A collector shall file a return pursuant to this section whether or not the collector has collected any tax.

(8) A return or a remittance of tax is deemed to be received by the minister on the date shown on the department's records.

"Reports by importers other than licensed importers"

58.07 A person required to make a report required pursuant to section 8 of *The Tobacco Tax Act, 1998* shall include in the report:

- (a) the name and address of the person importing the tobacco;
- (b) the name and address of the person from whom the tobacco was acquired;
- (c) the quantity and a description of tobacco being imported; and
- (d) a copy of the invoice.

"Retention of records"

58.08(1) Subject to subsection (2), every collector and retail dealer shall preserve for six years all books, accounts, records and documents required by the Act, these regulations, *The Tobacco Tax Act, 1998* and *The Tobacco Tax Regulations, 1998*.

(2) On the application of a collector or retail dealer, the minister may authorize in writing the destruction of any books, accounts, records or documents on a date earlier than that mentioned in subsection (1).

"Commission"

58.09(1) Subject to subsection (2), the minister may pay to a collector a commission on the collection and remission of tax in an amount equal to:

- (a) 3% of the first \$1,000 tax collected and remitted each month to the minister; and
- (b) 0.25% of any balance of tax collected and remitted in that month to the minister.

(2) In each calendar year beginning on or after January 1, 1999, the maximum commission to which a collector is entitled pursuant to this section is \$10,000.

(3) A collector who is entitled to a commission pursuant to this section shall bear the cost of remitting the tax out of the collector's commission.

(4) No collector is entitled to a commission pursuant to this section if the collector fails:

- (a) to file any return required by this Part with the minister within the times required by this Part; or
- (b) fails to remit tax as required by this Part within the times required by this Part.

(5) Notwithstanding subsection (4), the minister may pay a commission to a collector described in that subsection if the minister has, pursuant to section 58.1 of the Act, waived the interest or penalty otherwise payable by the collector.

(6) For the purposes of subsection (4), a return is deemed to be filed when it is received by the minister pursuant to subsection 58.06(8).

“Interest on overpayment

58.091(1) For the purposes of section 56 of the Act, the prescribed rate of annual interest payable with respect to an overpayment of tax is the prime lending rate of the bank holding Saskatchewan's general revenue fund as determined in accordance with subsection 58.092(2).

(2) The rate of annual interest payable with respect to an overpayment of tax is to be determined at the time that:

- (a) the person to whom the overpayment is refundable:
 - (i) has submitted all the documents or information the minister requires to be satisfied of the person's entitlement to a refund of the overpayment;
 - (ii) has filed all returns that a revenue Act requires that person to file; and
 - (iii) has paid or remitted all tax that a revenue Act requires that person to pay or remit; and
 - (b) in the case of an overpayment that is discovered by an audit conducted pursuant to the Act or *The Tobacco Tax Act, 1998*, the overpayment was made.
- (3) Interest with respect to an overpayment of tax is payable only for the period:
- (a) commencing on the day that is 21 days after the later of:
 - (i) the day the right to the refund of the overpayment came to the knowledge of the minister; and
 - (ii) the day that all of the circumstances prescribed in subsection (2) were met; and
 - (b) ending on the day the refund of the overpayment is paid.
- (4) Notwithstanding subsection (3), where an overpayment is discovered by an audit conducted pursuant to the Act or *The Tobacco Tax Act, 1998*, interest is to be calculated from the day on which the overpayment was made.
- (5) Notwithstanding subsections (1) to (4), interest in an amount of less than \$1 is not payable pursuant to this section.

“Interest

58.092(1) For the purposes of clauses 57(1)(b) and 58(1)(d) of the Act, the prescribed rate of annual interest with respect to unpaid tax is the rate equal to the sum of:

- (a) the prime lending rate of the bank holding Saskatchewan's general revenue fund as determined and adjusted in accordance with this section; and
 - (b) three percentage points.
- (2) The interest rate prescribed by this section shall be determined on June 15 and December 15 in each year and:
- (a) the interest rate as determined on June 15 shall apply to unpaid tax that is owing on or after July 1; and

- (b) the interest rate as determined on December 15 shall apply to unpaid tax that is owing on or after January 1 of the following year”.

Coming into force

3(1) Subject to subsection (2), these regulations come into force on the day on which section 1 of *The Tobacco Tax Act, 1998* comes into force.

(2) If these regulations are filed with the Registrar of Regulations after section 1 of *The Tobacco Tax Act, 1998* comes into force, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

