



# Excise Act, 2001

Quick Reference Guide for Law Enforcement

## DID YOU KNOW?

- The Excise Act, 2001 regulates the production, possession and taxation of alcohol (wine and spirits) and tobacco products at the manufacturing level.
- Concurrent with the proposed legalization of cannabis via the Cannabis Act, amendments have been proposed to the Excise Act, 2001 to create a cannabis taxation and regulatory framework.
- Canada Revenue Agency (CRA) is the lead agency in the administration of the Excise Act, 2001.
- Members of the Royal Canadian Mounted Police are designated by the Minister to enforce the Excise Act, 2001.

## Key Considerations

As of May 2018, changes to Excise Act, 2001 are proposed, but have not been granted Royal Assent

- Cannabis distributed for both medical and recreational markets through the legitimate supply chain will be required to bear an Excise duty paid stamp.
- The Excise Act, 2001 will not apply to cannabis products that are; produced by an individual for their personal use (i.e. 4 plants rule under Cannabis Act), produced by an individual or other designated person for the individuals personal medical purposes.
- Possession of unstamped cannabis will be an Excise Act, 2001 offence (\*exception, if the cannabis was produced by individual for their personal purposes);
- Production of cannabis without a licence from CRA will be an Excise Act, 2001 offence (\*exception – produced by individual for their personal or medical purposes);
- There will be other Excise Act, 2001 offences with respect to the production, stamping, possession, import, export, distribution, storage and sale of cannabis that are similar to those currently in force for tobacco. Officers are encouraged to review Sections 158.02 to 158.34 of the Excise Act, 2001 for production, responsibility and stamping provisions with respect to cannabis.
- The Excise Act, 2001, in addition to Criminal and Financial penalties, enables for the immediate seizure and forfeiture of any property utilized in the commission of an Excise Act, 2001 offence. To wit Section 267;  
“Subject to the reviews and appeals provided for under this Act, anything by means of or in relation to which a contravention under this Act was committed is forfeit to Her Majesty from the time of the contravention.”

Enforcement provisions are in Section 214 of the Act.  
<http://laws-lois.justice.gc.ca/eng/acts/E-14.1>