



**HOUSE USE ONLY**

**CHAIR:**

WITH  / WITHOUT

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2nd SESSION, 66th GENERAL ASSEMBLY  
Province of Prince Edward Island  
71 ELIZABETH II, 2022

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**(Bill No. 61)**

**An Act to Amend the Tobacco Tax Act**

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Hon. Darlene Compton  
Minister of Finance

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GOVERNMENT BILL

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Andrea MacRae  
Acting Queen's Printer  
Charlottetown, Prince Edward Island





## AN ACT TO AMEND THE TOBACCO TAX ACT

**BILL NO. 61**

**2022**

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BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

- 1. Clause 1(1)(w) of the *Tobacco Tax Act R.S.P.E.I. 1988, Cap. T-3.11*, is amended by the deletion of the words “and includes snuff” and the substitution of the words “including snuff and tobacco meant to be heated but not burned”.**
  
- 2. Subsection 2(1) of the Act is amended**
  - (a) in clauses (a) and (d), by the deletion of the words “27.52 cents” and the substitution of the words “29.52 cents”; and**
  - (b) by the repeal of clause (c) and the substitution of the following:**
  - (c) 40.00 cents per gram or part of a gram of tobacco purchased in a form other than a cigarette, tobacco stick or cigar;**
  
- 3. Subsection 7(1) of the Act is repealed and the following substituted:**
  
- 7. Refusal**
  - (1) The Commissioner may refuse to issue a license or permit to an applicant under subsection 4(2), where
    - (a) the applicant has been convicted of an offence
      - (i) under this Act or the regulations or the *Revenue Administration Act* or regulations made pursuant to it, or
      - (ii) in relation to tobacco under any other Act of the Legislature or the Parliament of Canada, or regulations made pursuant to it; or
    - (b) in respect of a prior license or permit issued to the applicant under this Act during the previous five years,
      - (i) the applicant, in the opinion of the Commissioner, failed to comply with the terms and conditions imposed on the license or permit, or
      - (ii) the license or permit was cancelled.

**4. Subsection 8(1) of the Act is repealed and the following substituted:**

**8. Suspension or cancellation**

- (1) The Commissioner may suspend, for a specified period of time, or cancel a license or permit issued under subsection 4(2), where the person holding the license or permit
- (a) has, in the opinion of the Commissioner, failed to comply with this Act or the regulations or the *Revenue Administration Act* or regulations made pursuant to it; or
  - (b) has been convicted of an offence in relation to tobacco under any other Act of the Legislature or the Parliament of Canada, or regulations made pursuant to it.

**Specific place of business**

- (1.1) A retail vendor's license may be suspended or cancelled under subsection (1) in respect of a specific place of business to which the license applies.

**5. This Act comes into force on the day following the day it receives royal assent.**



## EXPLANATORY NOTES

**SECTION 1** amends the definition of “tobacco” to specifically mention two forms of tobacco that are not smoked.

**SECTION 2** amends the tax rates on cigarettes, tobacco sticks and tobacco in a form other than a cigarette, tobacco stick or cigar.

**SECTION 3** repeals and replaces subsection 7(1) of the Act to clarify the circumstances in which the Commissioner may refuse to issue a license or permit under subsection 4(2) of the Act.

**SECTION 4** repeals and replaces subsection 8(1) of the Act to clarify the circumstances in which the Commissioner may suspend or cancel a license or permit issued under subsection 4(2) of the Act. It also adds a new subsection 8(1.1) to the Act, which provides for the suspension or cancellation of a retail vendor’s license in respect of a particular place of business to which the license applies. A retail vendor’s license may apply to multiple business locations.

**SECTION 5** provides for the commencement of this Act.

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(Bill No. 61)

**An Act to Amend the Tobacco Tax Act**

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	March 24, 2022
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

**SIGNATURES:**

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Honourable Antoinette Perry, Lieutenant Governor

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Honourable Colin LaVie, Speaker

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Joseph Jeffrey, Clerk

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Hon. Darlene Compton  
Minister of Finance

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GOVERNMENT BILL

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