



Tax-Included Pricing and Requirements for Beer Vendors, Wineries and Certain Authorized Grocery Stores

The beer basic tax rates were scheduled to increase by an adjustment factor on December 1, 2020. The Minister of Finance signed an amendment to O. Reg 257/10, made under the Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996 to delay the date of the next scheduled adjustment to March 1, 2022. As a result, the current beer basic tax rates will continue to apply until February 28, 2022.

The Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996 was amended in 2016 to include phased higher basic rates of tax on:

- sales of non-Ontario wine from on-site and off-site winery retail stores, and
- a wine boutique operator's wine purchased from the wine boutique.

The last of four phased increases were legislated to occur on June 1, 2020 as follows: 1% increase for blended wine purchased in winery retail stores; 4% increase for blended wine purchased in wine boutiques; 1.5% increase for 100% Ontario wine purchased in wine boutiques.

Given the economic challenges being faced by Ontario businesses and consumers as a result of the current public health crisis, the government decided that it is in the public interest to suspend these tax increases until December 31, 2020 and to propose legislative amendments before the end of 2020 so that the Legislature can consider, as it has done in previous years, the appropriateness of further suspending or cancelling these tax increases.

On April 22, 2020, the government issued an Order-in-Council to grant remission to purchasers liable to pay wine tax of the difference between the tax payable under the rates that will take effect on June 1, 2020 and the rates that were in effect immediately before that date on taxable purchases made between June 1, 2020 and December 31, 2020, inclusive.

On November 5, 2020, the government introduced legislation (Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020), which, if passed, would cancel these increases. If the legislation is passed, the increases scheduled to occur on January 1, 2021 would not take place and the **wine basic tax rates set on April 1, 2018** would remain in effect.

Beer vendors, wineries and grocery stores with wine boutiques must make available to purchasers, by an approved method, information about the amount of taxes included in the price. This page addresses this requirement as well as the approved methods of providing such information.

This page provides general information. It is not exhaustive and does not replace the law found in the Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996, and related regulations.

Tax-included pricing

The retail price (i.e., purchases at a retail store and not licensed establishments) of a particular beer or wine is the same whether it is purchased at a Liquor Control Board of Ontario (LCBO) store or one of its agency stores, The Beer Store, a brewery retail store, a winery retail store or a grocery store wine boutique. However, beer and wine taxes do not apply to all beer and wine sold in Ontario.

For example:

- foreign imported beer is not subject to the beer tax
- domestic and imported beer purchased from the LCBO (other than a southern agency store), or from a person who purchased from the LCBO (other than a southern agency store), is not subject to the beer tax
- wine purchased from the LCBO, or from a person who purchased from the LCBO, is not subject to the wine tax, nor is wine purchased at a licensed establishment.

Tax-included retail pricing requirements

All winery retail stores, and authorized grocery stores with wine boutiques, must include all wine tax payable in their pricing.

Similarly, all beer vendors must sell their beer at a price that includes all beer tax payable.

Beer vendors include:

- The Beer Store
- establishments licensed under the Liquor Licence Act by the Alcohol and Gaming Commission of Ontario to sell liquor to the public (e.g., bars and restaurants)
- (southern) agency stores of the LCBO, and
- authorized beer manufacturers that sell beer from their brewery retail store.

List of microbrewers

As the beer basic tax rate that applies to the beer depends on whether the beer was manufactured by a microbrewer or not, the ministry will post a list containing the names of beer manufacturers that are microbrewers, and the brands of beer they manufacture for each sales year, at [ontario.ca/beerbrands](https://www.ontario.ca/beerbrands).

A sales year is a 12-month period commencing March 1st. If March 1st is a Saturday or Sunday, the sales year commences the following Monday.

Information for purchasers

Beer and wine taxes contained in invoices

Beer vendors, wineries and authorized grocery stores with wine boutiques may provide the amount of the beer and wine taxes payable on the invoices issued to purchasers.

Beer and wine taxes not contained in invoices

Where an invoice is not provided detailing the amount of beer and wine taxes payable,

1. Beer vendors must post in a prominent location of the premises where the beer is sold, or provide to purchasers, an information sheet specifying:
 - the current beer tax rates (basic, volume and environmental) applicable to draft and non-draft beer made by an Ontario beer manufacturer or an Ontario microbrewer, and
 - a reference to the ministry's website at [ontario.ca/finance](https://www.ontario.ca/finance) for further information, including the [list of beer manufacturers](#) considered microbrewers for the sales year.

If the beer vendor also sells draft beer made at a brew pub by the holder of a liquor sales licence with a brew pub endorsement for that brew pub, the information sheet must also specify the current beer tax rates applicable to draft beer made at a brew pub.

2. Wineries and authorized grocery stores with wine boutiques must post in a prominent location where the wine is sold, or provide to purchasers, an information sheet specifying:
 - the current wine tax rates (basic, volume and environmental) applicable to wine
 - information on what is considered Ontario wine under the Act
 - information on how the retail price of the wine is determined under the Act, and
 - a reference to the ministry's website at [ontario.ca/finance](https://www.ontario.ca/finance) for further information.

Information sheets for beer vendors, wineries and authorized grocery stores with wine boutiques approved by the ministry:

- [Beer Tax Information Sheet - Purchases made from March 1, 2018 until February 28, 2022](#)
- [Wine Tax Information Sheet - Winery Retail Stores \(not Wine Boutiques\)](#)
- [Wine Tax Information Sheet - Wine Boutiques](#)

Note: The information sheet for beer vendors will be updated by the ministry each year to reflect the annual adjustment of the beer basic tax rates.

Request an interpretation

To obtain an interpretation on a specific situation not addressed, please send your request by:

- email: Program.Advisory@Ontario.ca
- fax: 905-436-4471
- mail: Ministry of Finance, Advisory Services, 33 King Street West, 3rd Floor, Oshawa ON L1H 8H5

For more information

Visit [ontario.ca/finance](https://www.ontario.ca/finance) or contact the Ministry of Finance at 1-866-ONT-TAXS (1-866-668-8297) or 1-800-263-7776 for teletypewriter (TTY).

The Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996, and Ontario's other public statutes and regulations may be obtained online at [ontario.ca/e-laws](https://www.ontario.ca/e-laws).

To obtain the most current version of this document, visit ontario.ca/finance and enter 3011 in the find page field at the bottom of the webpage or contact the ministry at 1 866 668-8297 (1 800 263-7776 for teletypewriter).