

Wine Tax Information Sheet

Effective July 2010



Alcohol and Gaming Regulation and Public Protection Act, 1996

WINES AND WINE COOLERS FROM WINERY RETAIL STORES

Purchasers of wine and wine coolers from Ontario winery retail stores, whether the winery retail store is located on-site or off-site of the winery, are subject to the following taxes, which are included in the price of the product:

Wine basic tax:

- 6.1% of the “retail price” of the wine or wine cooler, if the wine or wine cooler is an “Ontario wine” or an “Ontario wine cooler”, or
- 16.1% of the “retail price” of the wine or wine cooler otherwise,

Volume tax:

- 29 cents per litre for wine, or
- 28 cents per litre for wine coolers, and

Environmental tax: 8.93 cents per non-refillable container.

For the purposes of the wine taxes,

Ontario wine means wine that is Ontario wine for the purposes of the *Liquor Licence Act*, which means:

- (a) wine produced in Ontario from grapes, cherries, apples or other fruits grown in Ontario, the concentrated juice of those fruits or other agricultural products containing sugar or starch and includes Ontario wine to which is added herbs, water, honey, sugar or the distillate of Ontario wine or cereal grains grown in Ontario,
- (b) wine produced by the alcoholic fermentation of Ontario honey, with or without the addition of caramel, natural botanical flavours or the distillate of Ontario honey wine, or
- (c) wine produced from a combination of,
 - (i) apples grown in Ontario or the concentrated juice thereof to which is added herbs, water, honey, sugar or the distillate of Ontario wine or cereal grains grown in Ontario, and
 - (ii) the concentrated juice of apples grown outside of Ontario, in such proportion as is prescribed.

Ontario wine cooler is Ontario wine or a beverage containing Ontario wine that contains not more than 7 per cent alcohol by volume.

Retail price of wine or a wine cooler is the amount fixed by the Liquor Control Board of Ontario (or the winery if the LCBO has not fixed a price) for the wine or wine cooler, less the sum of,

- (a) the amount of any deposit on the container containing the wine or wine cooler that is required to be collected or remitted under the Ontario deposit return program;
- (b) all taxes imposed under Part IX of the *Excise Tax Act* (Canada) (i.e., HST) in respect of the purchase of the wine or wine cooler; and
- (c) all taxes imposed under the *Alcohol and Gaming Regulation and Public Protection Act, 1996*, in respect of the purchase of the wine or wine cooler.

Disclaimer: The contents of this publication do not replace the law found in the *Alcohol and Gaming Regulation and Public Protection Act, 1996*, and related regulations.

For more information, please visit ontario.ca/finance