

Liquor Consumption Tax and/or Vapour Products Tax Return Instructions

Ministry of Finance
Revenue Division
PO Box 200
Regina, SK S4P 2Z6
Toll Free: 1-800-667-6102
Phone: (306)787-6645
SaskTaxInfo@gov.sk.ca

The tax return is designed to help you calculate and remit Liquor Consumption Tax (LCT) and/or Vapour Products Tax (VPT) and provide you with a record of your calculations. Both tax types are reported using the same return form.

For a copy of the tax return form please see: [LCT/VPT Return Form](#).

It has two main parts:

Remittance Form: The top tear-off Remittance Form is where you record tax figures to send in with your payment. The tax return is for tax collected or payable during the reporting period.

You can also file your return and make your payment through your bank by using the online electronic filing service. More information is provided at the end of this document.

Change Notification: To notify us of a name change, address change or business closure, please fill out the tear-off notice attached to the bottom of the form.

REMITTANCE FORM

Filing Period: Vendors and registered consumers are required to file a tax return on either a monthly, quarterly, or annual basis depending on the amount of tax collected or payable.

Filing Frequency	Tax Collected or Payable
Annual	0 to \$4,800 per year
Quarterly	\$4,800 to \$12,000 per year
Monthly	over \$12,000 per year

Due Date: The due date for LCT/VPT returns **filed and paid** electronically is the last day of the month following the end of the reporting period.

Electronic filing of your return means submitting your return through SETS located at sets.saskatchewan.ca, or online business services offered by your financial institution (e.g. Telpay or CanAct).

Electronic payment can be made online using SETS, Electronic Funds Transfer (EFT), through your personal or business online banking services, or through wire transfer.

The due date for non-electronic filing (e.g. paper filing) of returns and payments, is the 20th day of the month following the end of the reporting period.

If the return due date falls on a weekend or statutory holiday, then payment and remittance is due on the next business day.

Note: Returns and payments must be received in our office by the due date. Penalty and interest charges are applied to late and outstanding returns and tax payments to ensure that taxes are reported, collected, remitted, or paid on time. A tax return must be completed for each reporting period.

Reported figures: The figures noted below are reported in three separate sections on the remittance form:

Liquor Consumption Tax (Boxes A to F)

- A Liquor Consumption Tax Collected on Sales for Off-Site Consumption
- B Resale Levy Collected
- C Liquor Consumption Tax Collected on Sales for On-Site
- D Total Liquor Consumption Tax Collected
- E Tax on Own Liquor Consumption
- F Total Liquor Consumption Tax Payable

Vapour Products Tax (Boxes I to K)

- I Vapour Products Tax Collected on Sales
- J Tax on Own Vapour Products Consumption
- K Total Vapour Products Tax Payable

Total Tax Due and Remittance Amount (Boxes G and H)

- G Total Liquor Consumption Tax and/or Vapour Products Tax Balance Owing
- H Total Remittance Enclosed

Nil Return: You are required to complete and send in your tax return even if no tax is payable. In this case, when completing your remittance form, if no tax is payable for this period, enter zero in **Box G**.

Penalty and Interest: Penalty and interest charges are applied to late and outstanding returns and tax payments to ensure that taxes are reported, collected, remitted, or paid, on time.

- **Penalty:** Penalty provisions help foster a fair and competitive environment for all Saskatchewan businesses.
- **Interest:** Interest at the prime interest rate plus 3 per cent is charged from the date the tax was to have been remitted. Interest rates are set every six months. Interest generally applies to all tax assessments, late payments or underpayments of taxes collected or payable. Interest is calculated on the principal amount that was unpaid or paid late. Interest is not applied to penalty charges.

Please refer to Information Bulletin [GENERAL-1, Penalty and Interest Charges](#), [LCT-1, Liquor Consumption Tax Act](#) and [VPT-1, Vapour Product Tax](#) for further details.

COMPLETING THE RETURN

This return is used for submitting tax collected or payable on consumption for both LCT and VPT. If you are only licensed for one of these tax types, please do not enter figures for the other tax type when completing the return.

Liquor Consumption Tax (Boxes A to F)

Liquor Consumption Tax Collected on Sales for Off-Site Consumption: Off-sale transactions are recorded on this section of the return; this includes sales by Retail Store Permit holders such as retail stores, off-sale establishments and manufacturer's off-sale.

This amount equals the total tax collected on retail sales of alcohol products which are to be consumed off-site as listed in your records, less any internal credit adjustments for LCT. Examples of internal credit adjustments include tax you paid on the purchase of resale items, tax you refunded to customers on cancelled sales and returned items, spillage and breakage. You must retain documentation to support your calculation of credit adjustments. Please note that tax credits can only be applied to reduce the tax payable to zero. The Liquor Consumption Tax Collected on Sales for Off-Site Consumption collected amount (total tax less credit adjustments) reported in **Box A** of the remittance form cannot be less than zero.

Resale Levy Collected: This amount equals the total resale levy collected on sales of alcohol to Special Occasion Permit holders for the reporting period. The resale levy is collected in addition to the LCT collected on sales to Special Occasion Permit holders. The Resale Levy (resale levy collected less credit adjustments on permit returns) reported in **Box B** of the remittance form cannot be less than zero.

Liquor Consumption Tax Collected on Sales for On-Site Consumption: Table sales (sales for on-site consumption) are recorded in this section of the return; this includes sales by Commercial Permit holders such as restaurants, brew pubs, clubs, caterers, spas, theatres, manufacturers, etc.

This amount equals the total tax collected on sales of alcohol products which are to be consumed on-site as listed in your records, less any internal credit adjustments not already deducted from LCT collected on sales for offsite consumption (if any). Examples of internal credit adjustments include tax you paid on the purchase of resale items, tax you refunded to customers on cancelled sales, spillage and breakage. You must retain documentation to support your calculation of credit adjustments. The Liquor Consumption Tax Collected on Sales for On-Site Consumption collected amount (total tax less credit adjustments) reported in **Box C** of the remittance form cannot be less than zero.

Total Liquor Consumption Tax Collected: This amount is recorded in **Box D** and equals the Liquor Consumption Tax Collected on Sales for Off-Site Consumption in **Box A**, plus the net Resale Levy Collected reported in **Box B** and the net Liquor Consumption Tax Collected on Sales for On-Site Consumption reported in **Box C**.

Tax on Own Liquor Consumption: You are required to pay tax on the purchase cost of all liquor consumed by business owners or staff. Drinks that are given away to patrons free of charge or for promotional purposes are considered personal consumption and are also subject to tax on cost. The Tax on Own Liquor Consumption (total tax on own consumption, less any internal credit adjustments not already deducted from LCT collected on sales), is reported in **Box E** of the remittance form. The amount reported on the remittance form cannot be less than zero.

Total Liquor Consumption Tax Payable: The Total Liquor Consumption Tax Payable amount is the sum of Total Liquor Consumption Tax Collected in **Box D** plus the Tax on Own Liquor Consumption in **Box E**. The amount reported on the remittance form cannot be less than zero.

Vapour Products Tax (Boxes I to K)

Vapour Products Tax Collected on Sales: This amount equals the total tax collected as listed in your records, less any internal adjustments for VPT credits. Examples of internal credit adjustments include tax you paid on the purchase of resale items and tax you refunded to customers on cancelled sales or other return items. You must retain documentation to support your calculation of credit adjustments. Please note that tax credits can only be applied to reduce the tax payable to zero. The Vapour Products Tax Collected on Sales amount (total tax less credits) as reported in **Box I** of the remittance form cannot be less than zero.

Tax on Own Vapour Products Consumption: You are required to pay tax on the purchase cost of goods taken from inventory for personal consumption and promotional purposes or purchased from a supplier who did not charge you the tax.

Once you have determined the amount of tax payable on goods used in your business, you can offset this amount by applying any internal tax credits not already deducted from tax collected on sales (if any). Please note that tax credits can only be applied to reduce the tax payable to zero. The Tax on Own Vapour Products Consumption as reported in **Box J** of the remittance form cannot be less than zero.

Total Vapour Products Tax Payable: The Total Vapour Products Tax Payable amount is the sum of Vapour Products Tax Collected on Sales in **Box I** plus the Tax on Own Vapour Products Consumption in **Box J**. The amount reported in **Box K** on the remittance form cannot be less than zero.

Total Tax Due and Remittance Amount (Boxes G and H)

Total Liquor Consumption Tax and/or Vapour Products Tax Balance Owing: This amount equals the Total Liquor Consumption Tax Payable in **Box F** plus the Total Vapour Products Tax Payable in **Box K**. The amount reported on the remittance form cannot be less than zero. If you have a negative or credit balance, please check your calculations. If they are correct, you can carry forward the remaining credit balance to your next tax return or you may apply for a refund of this amount by submitting supporting documentation to our office.

Total Remittance Enclosed: Record the amount of payment submitted with your return in **Box H**. If no tax is payable for this period, a “Nil” return must be filed by entering zero. If you are filing late and anticipate having a penalty, you may increase your remittance accordingly. Payments in excess of current tax due will be posted to your account and could help offset carrying charges on balances owing.

CHANGE NOTIFICATION

If you have permanently discontinued or sold your business, you **must** check the “**Business Closed**” box on the front of the remittance form and provide the information requested.

If this section is not completed, you will continue to receive tax returns from us.

If your business has changed its name or address, please provide details of the new information in the appropriate section of the bottom tear-off Change Notification Form.

USE OF THIS GUIDE

This guide was prepared as a means to assist you in the preparation of your tax return. It is not a substitute for legislation. If you require additional information or assistance, please contact us.

Write: Ministry of Finance
Revenue Division
PO Box 200
REGINA SK S4P 2Z6

Telephone: Toll Free 1-800-667-6102
Regina 306-787-6645

Email: sasktaxinfo@gov.sk.ca

Internet: Tax bulletins, forms and information are available at saskatchewan.ca/business-taxes.

Government website: Saskatchewan.ca