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# Completing an Excise Duty Return – Wine Licensee

From: **Canada Revenue Agency**

Excise Duty Memorandum EDM10-1-6

February 2023

This version replaces the one dated July 2022. This memorandum was revised to make the information more helpful and easier to understand.

This memorandum provides line-by-line instructions on how to complete [Form B265, Excise Duty Return – Wine Licensee](#), which must be filed by wine licensees under the Excise Act, 2001.

Except as otherwise noted, all statutory references in this publication are to the provisions of the Excise Act, 2001. The information in this publication does not replace the law found in the Act and its regulations.

If this information does not completely address your particular situation, you may refer to the Act or relevant regulation, or contact your CRA regional excise office for additional information. The offices are listed at [Contact Information – Excise and Specialty Tax Directorate](#).

## General

As a wine licensee, you must file [Form B265, Excise Duty Return – Wine Licensee](#), and, if applicable, pay excise duty for each reporting period. For information on the responsibilities and requirements related to producers and packagers of wine, refer to [Excise Duty Memorandum EDM4-1-1, Producers and Packagers of Wine](#).

If you qualify as a small producer of wine, you are exempt from paying excise duty. However, if you packaged wine that you did not produce and you did not immediately enter that wine into an excise warehouse, excise duty is payable on that wine and you will need to calculate the amounts of excise duty. This information must be entered on page 1 of Form B265. For information on how to determine if you are a small producer of wine, refer to [Excise Duty Memorandum EDM4-1-2, Small Producers of Wine](#).

When completing Form B265, include only the information that applies to the reporting period for which you are filing and complete only the lines of the return that apply to you. Dollar amounts should be rounded to the nearest cent.

# Filing your return

You can file your return either:

- electronically using the “File a return” function in [My Business Account](#)
- by mail at:

Canada Revenue Agency  
Prince Edward Island Tax Centre  
275 Pope Rd  
Summerside PE C1N 6E7

## Instructions for page 1

### Identification box

Enter the complete legal name and mailing address of your business.

### Box 1 – Account number

Enter your 9-digit business number (BN) and 4-digit program account number.

### Box 2 – Period covered (YYYY-MM-DD)

Enter the start and end dates of the reporting period for which this return is being filed.

### Box 3 – Due date (YYYY-MM-DD)

Enter the due date for this return. The due date is the last day of the month following the reporting period entered in box 2. When the due date falls on a Saturday, a Sunday or a public holiday recognized by the Canada Revenue Agency (CRA), your return is considered on time if the CRA receives it or if it is postmarked on or before the next business day.

### Line 4 – Wine containing more than 7%

In the “Quantity (Litres)” column, enter the total litres of wine containing more than 7% absolute ethyl alcohol by volume on which excise duty is payable.

To calculate the amount of excise duty payable, multiply the quantity of wine you entered by the effective rate of excise duty for wine containing more than 7% absolute ethyl alcohol by volume, and enter the result under “Duty payable”.

### Line 5 – Wine containing more than 1.2%, but not more than 7%

In the “Quantity (Litres)” column, enter the total litres of wine containing more than 1.2% but not more than 7% absolute ethyl alcohol by volume on which excise duty is payable.

To calculate the amount of excise duty payable, multiply the quantity of wine you entered by the effective rate of excise duty for wine containing more than 1.2% but not more than 7% absolute ethyl alcohol by volume, and enter the result under “Duty payable”.

**Line 6 – Wine containing not more than 1.2%**

In the “Quantity (Litres)” column, enter the total litres of wine containing not more than 1.2% absolute ethyl alcohol by volume on which excise duty is payable.

To calculate the amount of excise duty payable, multiply the quantity of wine you entered by the effective rate of excise duty for wine containing not more than 1.2% absolute ethyl alcohol by volume, and enter the result under “Duty payable”.

**Line 7 – Total (line 4 to line 6)**

Add the amounts from lines 4 to 6 of the “Duty payable” column and enter the total.

**Line 8 – Refunds (B256 attached)**

Enter the total refund claimed on line 8 only if you are attaching Form B256, Excise Act, 2001 – Application for Refund.

You may reduce the excise duty payable for the current reporting period by the amount of the refund claimed on Form B256, provided that form is attached to this return.

If you have filed a separate refund claim, do not record the amount of that claim on this return.

If you expect a refund from a previous reporting period but have not yet received it, do not include that information on this return.

**Line 9 – Net payable (line 7 minus line 8)**

Subtract the amount on line 8 from the amount on line 7. Enter the result on line 9.

**Line 10 – Amount due**

Enter the amount from line 9.

**Line 11 – Payment / Credit due**

Enter the amount from line 10.

If the amount is negative, a credit is due.

If the amount is positive, a payment is due. If you have not already paid it, enter this amount and make your payment online, by mail or in person at a financial institution. If you have already paid it, enter “0”.

**Certification**

Enter the name, title and telephone number of an authorized representative. The authorized representative must sign and date the return.

**Instructions for page 2**

Where necessary, enter in the appropriate box any changes related to your licence:

- name of licensee

- mailing address
- address for books and records
- contact name and title
- telephone number
- language of future correspondence
- the effective date of the above changes
- the date when the business closed and the reason for closure

### Additional material required

Check any of the applicable boxes if you require additional:

- remittance vouchers
- pre-addressed return envelopes
- remittance envelopes

## Instructions for page 3

You must report inventories of bulk wine in your possession, regardless of who owns them. Do not report inventories of bulk wine that you own but do not have in your possession.

### Identification box

Enter the complete legal name of your business.

### Box 1 – Account number

Enter your 9-digit BN and 4-digit program account number.

### Box 2 – Period covered (YYYY-MM-DD)

Enter the start and end dates of the reporting period for which this return is being filed.

### Inventory table

The inventory of bulk wine is reported in litres of wine for each of the following:

- wine containing more than 7% absolute ethyl alcohol by volume
- wine containing more than 1.2% but not more than 7% absolute ethyl alcohol by volume
- wine containing not more than 1.2% absolute ethyl alcohol by volume

### Line A – Opening inventory

For each column, enter the total opening quantity of wine. The opening inventories on line A of this return must equal the closing inventories on line E of the previous return.

### Additions to bulk wine inventory

**Wine produced**

For each column, enter the total quantity of bulk wine produced. For information on the meaning of **produce**, refer to [Excise Duty Memorandum EDM4-1-1](#).

**Wine received from wine licensees**

For each column, enter the total quantity of bulk wine received from wine licensees.

**Wine received from licensed users**

For each column, enter the total quantity of bulk wine received from licensed users.

**Imported wine**

For each column, enter the total quantity of bulk wine that you imported.

**Packaged wine returned to bulk wine inventory**

For each column, enter the total quantity of packaged wine returned to bulk inventory.

**Line B – Total additions**

For each column, add the quantities of bulk wine added to your inventory and enter the total on line B.

**Reductions to bulk wine inventory****Removed for delivery to wine licensees**

For each column, enter the total quantity of bulk wine removed for delivery to wine licensees.

**Removed for delivery to licensed users**

For each column, enter the total quantity of bulk wine removed for delivery to licensed users.

**Exported wine**

For each column, enter the total quantity of bulk wine that you exported.

**Removed to packaging activities: Packaged**

For each column, enter the total quantity of bulk wine removed for packaging.

**Removed to packaging activities: Packaged – exempt**

For each column, enter the total quantity of bulk wine removed for packaging exempt from excise duty (for example, 100% Canadian wine made from honey or apples or wine produced and packaged by a small producer).

**Removed to packaging activities: Packaged in marked special containers**

For each column, enter the total quantity of bulk wine removed for packaging in marked special containers.

**Wine removed for other purposes: Non-duty-paid (specify)**

For each column, enter the total quantity of non-duty-paid bulk wine removed for other purposes and specify the purpose for removal (for example, “taken for analysis in an approved manner” or “destroyed in an approved manner”).

**Wine removed for other purposes: Duty-paid (specify)**

For each column, enter the total quantity of duty-paid bulk wine removed for other purposes and specify the purpose for removal (for example, “taken for use” or “unaccounted losses”).

**Line C – Total reductions**

For each column, add the quantities of bulk wine removed from your inventory and enter the total on line C.

### Line D – Inventory adjustment (+ or –)

For each column, enter the necessary inventory adjustment. Adjustments may be necessary to balance the physical inventory with the book inventory. The closing inventory in your books must match the closing physical inventory for the reporting period.

### Line E – Closing inventory (A + B) – C ± D

For each column, add the quantity on line A and the total on line B, subtract the total on line C, add or subtract the inventory adjustment on line D, and enter the result on line E. This closing inventory is the opening inventory for the following reporting period.

### Small producer threshold

If you qualify as a small producer of wine for this reporting period, indicate **Yes**. If you do not qualify as a small producer of wine for this reporting period, indicate **No**.

## Further information

For all **technical publications** related to the Excise Act, 2001 and its regulations, go to [Excise duties technical information under the Excise Act, 2001](#).

To make a **general** or **technical enquiry** on excise duties or to request a **ruling** or **interpretation** related to excise duties, go to [Contact Information – Excise and Specialty Tax Directorate](#).

#### Date modified:

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