



Government
— of —
Saskatchewan

Minister of Finance
Legislative Building
Regina, Canada S4S 0B3

MAY 07 2021

George Smitherman
President and CEO
Cannabis Council of Canada



Dear George Smitherman:

Thank you for your letter regarding the application of our recently announced Vapour Products Tax (VPT) to cannabis products.

As you know, effective September 1, 2021, a new 20% VPT will apply on the sale of all vapour liquids, products, and devices in Saskatchewan. This new VPT is aimed at preventing youth and non-smokers from beginning to use vapour products, and encouraging traditional cigarette smokers to switch to slightly less harmful alternatives. Our Government is proud of the vapour regulations that came into force on February 1, 2020, which excluded those under the age of 18 from purchasing vapour products, prohibited display of these products in retail businesses, and introduced restrictions on advertising of vapour products.

Since *The Vapour Products Tax Act* was drafted and tabled in the Legislative Assembly earlier this year, this Government has considered new information from the federal Government, the Saskatchewan Liquor and Gaming Authority and the cannabis industry. Taking into account this new information, we have passed a House amendment revising the definition of “e-substance”. Vapour products and devices (which can be used with any e-liquid product) sold in any retail store (including cannabis shops) will continue to be subject to the VPT. However, cannabis products, including e-liquids, will not be subject to this tax.

Our Government appreciates receiving your views on this issue.

Sincerely,

Donna Harpauer