

C3 POSITION STATEMENT:

Reforming of the Excise Stamp Framework for Cannabis

*C3 calls for harmonization to a **single national excise stamp** for cannabis.*

The Cannabis Council of Canada (C3) advocates for reforming the current cannabis excise stamp framework, which imposes significant costs and administrative burdens on licensed producers (LPs). The existing system is outdated, leading to inefficiencies, high operational costs, and economic strain on the cannabis industry.

The cannabis excise stamp is a regulatory tool indicating tax compliance. Each province/territory has a unique stamp design. LPs must purchase and apply these stamps to each product unit, maintain records, and report to the CRA.

The current excise stamp system, originally designed for tobacco, is poorly suited for cannabis products, leading to increased labour, waste, and costs. Producers spend around \$100 million annually on stamps, straining finances and raising product costs. Additionally, compliance and reporting requirements impose a heavy administrative burden, diverting resources from production. Provincial-specific stamps limit product reallocation, restricting supply chain flexibility.

A national excise stamp would alleviate financial pressures on cannabis producers, streamline processes, and maintain regulatory goals. C3 is eager to collaborate with Health Canada to implement these reforms for a more sustainable cannabis industry.