

EXCISE

Circular  
No. 327-C, Revised.

DEPARTMENT OF NATIONAL REVENUE  
EXCISE DIVISION  
CANADA

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GENERAL WAREHOUSING REGULATIONS<sup>Inf.</sup>

GOVERNING

GOODS LIABLE TO DUTIES OF EXCISE

Established Under Authority of an Order in Council  
dated September 9th, 1937, and Effective on and  
after October 1st, 1937

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OTTAWA  
J. O. PATENAUDE, I.S.O.  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1937



# CIRCULAR

EXCISE

No. 327-C, Revised

## DEPARTMENT OF NATIONAL REVENUE (EXCISE DIVISION)

OTTAWA, September 20, 1937.

To Collectors of Customs and Excise and others concerned:

There is printed hereunder for your information and guidance the

### GENERAL WAREHOUSING REGULATIONS

GOVERNING

### GOODS LIABLE TO DUTIES OF EXCISE

as established under authority of an Order in Council dated September 9th, 1937.

These regulations supersede those previously established by Order in Council and also all departmental regulations issued thereunder and are effective on and after October 1st, 1937.

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#### REGULATIONS

##### APPLICATIONS FOR LICENCE

1. All original applications for an Excise Bonding warehouse licence are to be made *in triplicate* on forms L.8, and to be accompanied by plans and specifications, also *in triplicate*, together with form E.114 *in duplicate*.
2. Application for transfer of licence from one premises to another are to be similarly dealt with, except that application form L.10 is to be used.
3. In making application for renewal of licence where no changes have been made in the licensed premises only form L.16, *in triplicate*, will be required.
4. When any changes have been made in the licensed premises supplementary plans, *in triplicate*, accompanied by forms E.146 will be submitted.
5. Plans and specifications shall bear the same date as all accompanying forms and shall be signed by the applicant or his duly authorized agent.
6. The Collector shall forward all applications to the District Inspector of Excise for examination and approval, who shall upon approval, submit same to the department for authorization.
7. The Collector will not issue a licence until authorization has been received from the Commissioner of Excise, the requisite bond deposited with him, and the licence fee paid, as provided by sections 49 and 50 of The Excise Act.



## CONSTRUCTION AND SECURITY OF EXCISE BONDING WAREHOUSES

8. The door of every such warehouse shall be provided with two locks, one of which will be supplied to the Collector by the department, upon requisition being made therefor, and the key of which shall be kept by the Collector, and the other provided by the owner of the goods who shall retain the key thereof; and should there be more doors than one, all other doors and all windows and other means of ingress, shall be fastened on the inside in a secure manner and to the satisfaction of the surveying officer.

9. When a bonding warehouse forms part of a floor of a building, a partition shall be constructed separating the warehouse from the other section of the room.

10. If wire screening be used, the wire shall not be smaller than No. 9 gauge and the mesh shall not be greater than two inches in diameter. It shall be securely fastened at top, bottom and sides.

11. If constructed of wooden slats, which shall not be more than two inches apart, same are to be nailed on the inside to substantial horizontal supports with cross-slats running the entire length of the partition on the outside and placed so that the ends of the upright slats may be secured by nails which are to be driven through the upright and cross-slats and clinched on the inside.

12. These partitions shall be built on a solid base at least four feet in height, and if such base be wood, the boards shall be of tongue-and-groove type.

13. All construction of the warehouse shall be to the satisfaction of the surveying officer.

14. When any warehouse has been surveyed and accepted as an Excise bonding warehouse and licensed as such, it shall be designated by a letter of the alphabet. Bonding warehouses in connection with a licensed manufactory shall be designated by a number.

15. Over the principal entrance to every warehouse approved for Excise purposes there shall be placed the following designation:—

## EXCISE

G. R.  
BONDING WAREHOUSE

with its designating letter or number, the whole being in legible characters, painted in oil colours and not less than three inches in height.

## MARKS AND NUMBERS

16. Every barrel, keg or drum of spirits entered "For Warehouse" shall be distinctly marked to the satisfaction of the Collector. Packages shall have on one head the name and address of the licensee, and, on the other head:—

- (a) The warehouse number,
- (b) The number of the entry,
- (c) The date of the original warehouse,
- (d) The gross, tare and net (in pounds),
- (e) The number of standard gallons,
- (f) The strength in proof spirits,
- (g) The number of the package.

The above marks and numbers shall be written or stencilled on the packages in oil paint. The date will be sufficiently indicated by the number of the month and the last two numerals of the year in which the entry was made, thus—goods entered on the 20th January, 1937, may be dated 1-37, showing that the entry was made in the first month of the calendar year 1937, or, if the 20th November, 1937, dated 11-37.

## STOWAGE OF PACKAGES

17. All goods in any warehouse, except in the case of cigars, are to be so stowed or arranged that casks, boxes or packages, contained or described in one entry are placed consecutively and together in separate lots as provided by law. Cigars shall be stowed or arranged in warehouse in lots according to the denomination of the packages. The packages are to be stowed or arranged in such manner that ample space will be left so that each package and the marks and numbers thereon can be examined. When these regulations as to arranging and stowing packages are not complied with Collectors may refuse further entries for warehouse until the goods are re-arranged to the satisfaction of the surveying officer.

## WAREHOUSING, ENTRIES, ETC.

18. All entries are to be numbered consecutively.

19. No entry shall be passed for warehouse, or ex-warehouse upon any authorized holiday, nor before the hour of nine o'clock in the morning, nor after 4.30 o'clock in the afternoon.

20. All entry papers, bonds, notices and other documents herein required shall be made out and signed by the owner of the goods to which they relate, or in his name by his duly authorized attorney, and all packages shall be marked and numbered as herein required by the owner or his agent.

21. Entry of goods "For Warehouse," shall in all cases be made on the forms authorized by the department, viz., Form B. 51, and every such entry shall contain a full and complete specification of the goods so entered, stating:

- (a) The number and description of packages;
- (b) Marks and numbers;
- (c) Contents of each, in pounds, gallons or number; and in the case of spirits, the contents are also to be stated in gallons of the strength of proof;
- (d) The duty on the goods so entered for warehouse.

22. Every cask, barrel or package containing goods shall be whole and entire at the time it is warehoused or ex-warehoused.

23. Every warehouse entry shall be in duplicate.

24. The least quantities of spirits which may be warehoused or ex-warehoused for consumption by one entry are as follows:—

(a) *For Warehouse:*

- (i) Twelve cases.

*NOTE: A jug or demijohn, if not less than one imperial gallon content, containing spirits which have been bottled in bond may be treated for purposes hereof as one case.*

- (ii) Thirty proof gallons in complete packages.

(b) *For Ex-Warehouse:*

- (i) Twelve cases.

- (ii) Thirty proof gallons, except when ex-warehoused for shipment under provisions of subsection (4) of Section 155 of The Excise Act. In no case shall any spirits be ex-warehoused except in complete packages as originally warehoused.

*NOTE: Barrels and cases may not be ex-warehoused on the same entry.*



EX-WAREHOUSING FOR EXPORTATION IN BOND

25. Entry of goods ex-warehouse for exportation shall be made *in triplicate* on the forms authorized by the department, viz., B.54 "Entry for Export Ex-Warehouse" and shall contain an exact specification of the goods intended for exportation. (See Section 21). With every such entry an export bond shall be taken in the prescribed form.

26. Goods subject to duties of Excise shall only be exported in bond from a port where there is an officer of Customs and only to British or foreign ports of entry where there are Collectors or other officers of the Government having similar functions and when ex-warehoused for exportation may be such quantity as exporter or manufacturer respectively may require, within the discretion of the Collector, but nothing less than the contents of one whole package.

27. Where the port at which the goods are entered for exportation ex-warehouse is not also the port of exportation, the Collector shall cause two copies of the entry for exportation ex-warehouse (B.54) to be mailed promptly to the Collector at the port of exit where such goods are shipped for exportation out of Canada.

28. So soon as the goods have been duly laden, the Collector shall certify the fact on the "Ex-Warehouse for Exportation" entry, B.54, one copy whereof shall be filed in the port office and the other, together with one copy of Customs export entry, B-13, shall be returned to the Collector of the port from whence the goods were shipped.

29. These "Export Ex-Warehouse" entries, B-54, shall have recorded thereon the following particulars:—

- (a) The date when said goods were exported.
- (b) The name of railway or vessel by which the goods were exported and, if by railway, the initials and number of the car in which exported.
- (c) The quantity and description of goods (including the serial numbers of the packages) so exported.
- (d) The number of Customs export entry (B-13) upon which such goods were exported out of Canada.

30. The Collector will in each case be charged with the responsibility of seeing the goods placed on board ship, car or other vehicle in which they are to be exported, and shall satisfy himself that they correspond with the description contained in the entry, and especially with reference to spirits, that they are of the strength specified.

31. Where any shortage whatsoever occurs in goods so forwarded ex-warehouse for exportation and same are not accounted for to the department by exportation from Canada on Customs export entry No. B-13, it is the duty of the Collector at the frontier port where such goods were short received for exportation, to notify the Collector of the port from which such goods were shipped for exportation, who shall require the consignor to pass entry and pay the lawful duty payable upon the goods short delivered at the frontier port.

EXPORT CERTIFICATES

32. Except as hereinafter stated, the following certificate shall be affixed by the Customs-Excise officer on the face of the B-54 entry forwarded to the department:—

"I.....do hereby certify that I have examined all of the packages numbered.....to..... of the goods referred to in this entry and that I find the contents as herein represented."



33. "Ex-Warehouse for Export" entries for whisky (except American types of whisky) consigned to the United States of America will be completed in the usual manner except that they shall have endorsed across the face thereof a certificate signed by the officer in charge of the distillery, reading as follows:—

"This is to certify that the whisky covered by this entry consists WHOLLY of distilled spirits which have been aged in wooden containers at least four years prior to the date shown on this entry, and I do further hereby certify that I have examined all of the packages, numbered .....of the goods referred to in this entry and that I find the contents as herein represented."

34. "Ex-Warehouse for Export" entries (for American type whiskies only) consigned to the United States of America will be completed in the usual manner except that they shall have endorsed across the face thereof a certificate signed by the officer in charge of the distillery, reading as follows:—

"This is to certify (1) that the whisky covered by this entry is the class or type of....., (2) that the whisky was distilled at a strength not exceeding 160 degrees and not less than 80 degrees U.S. proof, (3) that no neutral spirits or other whiskies have been added as a part thereof or included therein whether or not for the purpose of replacing outage, (4) that the spirit consists WHOLLY of distilled spirits which have been aged in oaken containers for.....years, and I do further hereby certify that I have examined all the packages, numbers ....., of the goods referred to in this entry and that I found the contents as herein represented."

#### EXPORT BONDS

35. Export bonds, (Form D.57), for double the amount of Excise duty shall be conditioned for the due delivery of the goods bonded at the place designated in the entry within a specified time, which time in any case shall not exceed the time usually necessary for the performance of the voyage or journey by the conveyance adopted (allowing a reasonable time for detention within the discretion of the Collector) and for returning the vouchers by the next mail; and in no case shall the period allowed for the cancellation of the export bond exceed six months unless special authority has been granted by the department.

36. Export bonds covering Canadian Leaf, or Free Leaf Tobacco, may be cancelled by Collectors without reference to the department upon production of Customs Export Entry (B-13), together with the certificate of the Collector at the port of exit, as required by Section 29 of these regulations.

37. Packages containing manufactured tobacco, cigars or cigarettes, packed in original legal packages, may be exported in bond, by post, by licensed manufacturers, provided entries required by the General Warehousing Regulations are passed therefor, and that a Customs-Excise officer accompanies the packages to the Post Office and obtains a receipt for such packages from the Postmaster, said receipt to be delivered to the Collector and accepted by him as a cancellation of the export bond without reference to the department.

38. Export bonds covering all other goods subject to duties of Excise shall be cancelled only after departmental authority has been obtained by letter in each instance. In pursuance of this, a copy of Form B.54 Amended 1925, "Entry for Export Ex-Warehouse" with landing certificate properly executed is, upon receipt, to be promptly forwarded by the Collector at the port of entry ex-warehouse to the department.

39. Except as provided by Sections 36 and 37, the department will not authorize cancellation of export bonds unless:—

(a) Within the period named in said bonds there be produced to the proper Collector of Customs and Excise the duly authenticated certificate of,—

- (i) Some principal officer of Customs at the place to which the goods were exported, or
- (ii) A British or Canadian Trade Commissioner at the place to which the goods were exported, or
- (iii) A British Consul at the place to which the goods were exported, stating that the goods were actually landed and left at some place (naming it) out of Canada as provided by the said bond; or

(b) Within the period of three months from the date of the exportation of the goods, evidence satisfactory to the Commissioner of Excise shall be furnished to him that the goods so undertaken to be exported shall not have been relanded in Canada, or if relanded in Canada, that the proper entry has been made at Customs and the proper duties paid thereon.

40. A report on form G-67 "Quarterly Return of Export Bonds Remaining Uncancelled in the Hands of the Collector of Customs and Excise," is to be submitted *in duplicate* at the end of each quarter.

#### EX-WAREHOUSING FOR REMOVAL IN BOND

41. Entries for goods "For Removal Ex-Warehouse," Form B.53, are to be made *in triplicate* with detailed specifications as in export entries, two copies of which, together with the Order Bill of Lading, are to be forwarded to the Collector of the port to which the goods are consigned.

42. The least quantity of such goods which may be ex-warehoused for removal or transfer in bond shall be that quantity which can, at the receiving point, be legally warehoused as prescribed by law.

43. Goods may only be entered for removal ex-warehouse to another licensed warehouse within the limits of a warehousing port of entry or to an Excise bonding warehouse previously licensed in another port.

44. Removal bonds, Form D-56, for treble the amount of Excise duty shall be conditioned for the due delivery of the goods as in the case of export bonds. (See section 35.)

45. *When excisable goods for removal are consigned to the order of the Collector of Customs and Excise of the port to which they are to be removed,* removal bonds (form D.56) will be used. Such removal bonds will be duly signed by the person or persons entering the goods, subject to the following conditions:—

(a) As permits for the removal of spirits are required by The Excise Act, such permits shall, in all cases, state that the goods to which they refer are to be so consigned.

(b) the requisition for a permit to remove spirits under clause (a) shall, in every such case, state that the goods are to be "delivered into the possession of the Collector of the Customs and Excise Port," to which they are to be removed; and across the face of such requisition is to be written the name of the party to whom (subject to the order of the Collector) the consignor desires the goods to be delivered.



(c) The receipt given by the agent of the railway company (or other public carrier), usually known as the "Bill of Lading," is to be made out correspondingly, and is to be placed in the hands of the Collector of the port whence the goods are to be shipped, and by him transmitted to the Collector of the port to which they are to be removed as above stated.

(d) The Collector, upon being advised of their arrival, shall immediately notify the party for whom intended and will write across the face of the Order Bill of Lading before releasing same the following:—

"Delivered to.....upon payment of freight and other charges.

.....  
Collector."

(e) Collectors are particularly notified that all orders for the delivery of goods must be made expressly and in writing, "subject to the payment of freight and charges," or they may, by the omission to specify such conditions, render themselves personally liable to the company for such payment in the event of default.

46. *When goods are removed in bond and not consigned to the order of the Collector, or are conveyed from the place of shipment by a foreign steamer, vessel or railway—for example, by Ward's Line of Steamers from Windsor to Port Arthur, thence by Canadian Pacific Railway to Winnipeg, a removal bond shall be given with sureties acceptable to the Collector.*

47. Collectors will, on arrival of the goods, examine them and ascertain whether they correspond with the removal entry and, as soon as the goods are placed in warehouse and a warehouse entry passed therefor, will certify to the fact on the removal entry and return it to the Collector of the port from which the goods were shipped.

48. Removal bonds may only be cancelled upon receipt of the removal entry bearing the certificate of the Collector of the port to which the goods were consigned that they have been received and re-warehoused.

#### EX-WAREHOUSING FOR CONSUMPTION

49. Entry of goods "Ex-Warehouse for Consumption" will be made *in duplicate* on the prescribed forms, viz., -B-52, and every such entry shall contain a full specification of the goods as in an export or removal entry.

50. On receipt of the duty accruing on the goods so entered, the Collector will sign the "Excise Delivery Order," C. 53, for the delivery of the goods, and the officer in charge of the warehouse shall, before making delivery, identify every package with the description contained in the delivery order.

#### MALT

51. Malt warehoused under "The Excise Act," may be removed in bond from one port to another, or from one warehouse to another, and may be exported in bond without payment of duty. But every such removal or export shall be under the same restrictions and conditions, as to entry and bonds, as are in force in respect of other goods liable to duties of Excise, except that bags or other packages containing malt are not required to be marked or numbered.



## TOBACCO AND CIGARS

52. In addition to the regulations herein established, the warehousing and ex-warehousing of tobacco and cigars shall be further governed by the terms of the "Regulations Governing Tobacco and Cigars" established under authority of The Excise Act.

### RE-IMPORTATION OF EXCISABLE GOODS

53. Excisable goods manufactured or produced in Canada, exported in bond to any country beyond the limits of Canada and brought back into Canada in the same condition as when exported and in the original packages, may be re-imported into Canada free of excise duty upon authority of the Commissioner of Excise, provided:—

- (a) the property in such goods continues in the same person or persons by whom they were exported;
- (b) that such re-importation takes place within five (5) years of the date of exportation;
- (c) that the identity of the said goods be established to the satisfaction of the Department;
- (d) that all other regulations which may be prescribed in regard to such importation by the proper department be complied with;
- (e) that such goods, on re-importation, be warehoused subject to the Excise duties to which they would have been liable had they not been exported from Canada;
- (f) that spirits in barrels, kegs or drums will not be permitted re-importation under this section unless they have remained continuously in bond in the country to which exported.

### OFFICERS' SERVICES

54. When the services of an officer are required at an Excise bonding warehouse licensed as such, and not forming part of otherwise licensed factory premises, a special charge will be made for the actual time occupied by the officer in attendance thereat and such charge shall be collected for services rendered during ordinary working hours as follows:—

If the aggregate number of working hours in attendance per month—

|                                     |   |
|-------------------------------------|---|
| does not exceed 25                  | the charge shall be \$ 15 per month         |
| exceeds 25 and does not exceed 50   | the charge shall be 30 per month            |
| exceeds 50 and does not exceed 100  | the charge shall be 65 per month            |
| exceeds 100 and does not exceed 150 | the charge shall be 105 per month           |
| exceeds 150                         | the charge shall be . . . . . 140 per month |

No visit shall constitute less than one hour, fractions of an hour being counted as whole hours.

55. The charges shall be payable at the end of each month and shall be determined by the Collector from the officer's diary, the amount collected to be accounted for through the Sundry Collections Cash Book.

56. If during the currency of an entire calendar month the services of the officer are not required, no charge for services will be made.

57. When any person, company, commission or board operates under more than one Excise bonding warehouse licence, in the same port, only one charge shall be made for officers' services to cover the aggregate hours of attendance.

## EX-WAREHOUSING FOR SHIPS' STORES

58. Spirits, tobacco and cigars may be ex-warehoused free of Excise duty for ships' stores only to vessels bound on a voyage to a port out of Canada or from an Atlantic to a Pacific port of Canada or vice versa, and to fishing vessels clearing direct for the deep sea fisheries, or seal fisheries, or for delivery to British and foreign warships and telegraph cable ships for use on board of such vessels.

59. In the case of seal fisheries, spirits are excepted.

60. Entry of goods ex-warehouse for ships' stores shall be made *in triplicate* on the forms authorized by the department, viz., B.55 "Entry Free Ex-Warehouse for Ships Stores" and shall contain an exact specification of the goods (see section 21). With every such entry a bond for double the amount of Excise duty shall be taken on the prescribed form, viz., D. 56.

61. Goods intended for ships' stores, if not already warehoused, shall have a warehouse entry passed therefor before being ex-warehoused for use as ships' stores.

62. Such goods, when forwarded from a place other than that from which the said vessels sail, shall be entered ex-warehouse, as in the case of goods for export, and shall be consigned to the order of the Collector of Customs and Excise of the port from which the ship clears.

63. Such goods shall only be consigned and delivered to vessels sailing from a port where a Collector of Customs and Excise is stationed.

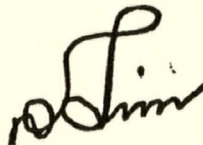
64. The owner or agent of such vessels shall give a written guarantee to the Collector that such goods shall only be used on such vessels while on the high seas, and shall in no case be relanded in Canada without the specific permission of the department being obtained in each case.

65. The Master, or other duly authorized officer of the vessel to which such goods are delivered, shall give a duplicate receipt in writing therefor and such goods shall in all cases be accompanied on board the vessel by a Customs-Excise officer and by him delivered to the Master or other duly authorized officer.

66. Excisable goods, for ships' stores, shall be transported in a similar manner in every respect to goods being exported or removed from the warehouse and will not be required to be convoyed by an official of the department.

67. The Collector of the port from which the vessel sails shall forward to the Collector of the port from which the goods are shipped, one copy of the receipt of the Master, or other duly authorized officer of the vessel as to the delivery, which receipt shall also be countersigned by the officer who accompanied the goods on board the vessel and shall be authority for the Collector for the cancellation (without reference to the department) of the bond given when the goods were entered ex-warehouse.

68. The quantity of excisable goods so delivered at any one time shall be such reasonable quantity as may be required for a return voyage, of which the department shall be the judge.



Commissioner of Excise.