

# Information Bulletin

BC-5

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## THE SASKATCHEWAN BEVERAGE CONTAINER COLLECTION AND RECYCLING PROGRAM

### DISTRIBUTION OF READY-TO-SERVE BEVERAGES IN APPROVED CONTAINERS

#### GENERAL INFORMATION

This bulletin has been prepared to help you collect and remit the Beverage Container Program refundable deposits and environmental handling charges, and to assist you in understanding your obligations under *The Environmental Management and Protection Act, 2010* and *The Revenue and Financial Services Act*. It is a general guide and not a substitute for the legislation. Copies of these Acts and Regulations are available free of charge online at [www.publications.gov.sk.ca/freelaw/](http://www.publications.gov.sk.ca/freelaw/).

*Changes to this bulletin are indicated by a (I) in the left margin.*

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#### A. PROGRAM OVERVIEW

Saskatchewan's Beverage Container Program is a province-wide system for the collection and recycling of non-refillable beverage containers sold and distributed in Saskatchewan. [The Environmental Management and Protection Act, 2010](#) and [The Environmental Management and Protection \(General\) Regulations](#) designate beverage containers that must be registered prior to being distributed in Saskatchewan. The Act and regulations also establish the refundable deposit and environmental handling charge (EHC) to be paid by consumers.

SARCAN Recycling, a division of the Saskatchewan Association of Rehabilitation Centers, is contracted by the Ministry of Environment to accept eligible beverage containers for recycling. When the empty beverage containers are returned to SARCAN, the customer is refunded the deposit amount that was paid on the container at the time of purchase. The EHC collected offsets the costs associated with the program and is not refunded to the customer.

The program includes all ready-to-serve beverages distributed in metal cans, plastic bottles, non-refillable glass bottles, multi-material shelf stable containers, and paper-based polycoat gable-top containers, including milk containers. Ready-to-serve beverages include beverages packaged by the manufacturer for immediate consumption that do not require any preparation.

For more information on the Beverage Container Program, please contact the Ministry of Environment toll free at 1-800-567-4224 or [centre.inquiry@gov.sk.ca](mailto:centre.inquiry@gov.sk.ca).

## B. REGISTRATION REQUIREMENTS

The obligated remitter of the EHC and refundable deposits is the manufacturer or the first importer (brand owner, wholesaler, distributor, etc.) of the beverages into Saskatchewan.

In order to distribute ready-to-serve beverages in Saskatchewan, manufacturers and first importers must apply to SARCAN. Registration information can be found on SARCAN's website at: [https://www.sarc.ca/pages/register\\_new\\_beverages.html](https://www.sarc.ca/pages/register_new_beverages.html). If you have questions about registration, please contact SARCAN at 1-306-933-0616.

Once approval is obtained, a Beverage Container Program (BCP) account number will be issued by the Ministry of Finance for the collection and remittance of the EHC and refundable deposit on approved containers.

Vendors of ready-to-serve beverages are not required to register for a BCP account, provided the vendor is not the first importer or manufacturer **AND** the EHC and refundable deposits were paid to their supplier at the time of purchase. Vendors should recover EHC and refundable deposits on billings to end customers.

**Note:** The EHC and refundable deposits charged in relation to taxable beverages are exempt from PST and LCT providing these charges are shown separately on the customer's invoice. Please see Information Notice [IN 2023-05, Disposal and Environmental Fees](#) for more information.

## C. EHC AND REFUNDABLE DEPOSIT RATES

Individual beverage container EHC and refundable deposits are summarized in the table below:

Beverage Container	EHC	Refundable Deposit	Total Amount
<b>Metal Cans</b>			
Under 1 litre	7¢	10¢	17¢
1 litre or more	7¢	25¢	32¢
<b>Plastic Bottles (Including Milk Containers/Jugs)</b>			
Under 1 litre	8¢	10¢	18¢
1 litre or more	8¢	25¢	33¢

<b>Glass Bottles</b>			
300ml or less	9¢	10¢	19¢
Over 300ml but less than 1 litre	9¢	20¢	29¢
1 litre or more	9¢	40¢	49¢
<b>Shelf Stable Aseptic (TetraPaks)</b>			
Under 1 litre	5¢	10¢	15¢
1 litre or more	5¢	25¢	30¢
<b>Polycoat (Gabletops, including Milk Containers/Cartons)</b>			
Under 1 litre	5¢	10¢	15¢
1 litre or more	5¢	25¢	30¢

**D. FILING YOUR RETURN**

Program registrants are required to file return forms on a monthly, quarterly, or annual basis, depending on the annual amount collected or payable. The filing frequency is established as follows:

<b>Based on Annual Amount Remitted</b>		
<b>Filing Frequency</b>	<b>Current Thresholds</b>	<b>Thresholds (prior to April 2020)</b>
Monthly	Over \$12,000	Over \$7,200
Quarterly	\$4,800 to \$12,000	\$3,600 to \$7,200
Annual	Under \$4,800	Under \$3,600

**Note:** Filing frequency is automatically updated each year in January based on your reported amounts. Registrants may choose to file returns on a more frequent basis by submitting a Service Request online through their SETS account, or by contacting our office. All new BCP accounts are set up with a monthly filing frequency and will automatically be adjusted once the threshold is determined after a complete year of reporting history.

A return form will be issued at the end of each reporting period. Instructions for completing the return are provided on the form. Please read the instructions carefully. An incorrectly completed form may delay the processing of your tax return and payment. If there is nothing to report for the period, a NIL return must be filed.

If for some reason you do not receive a tax return form, your tax information must still be filed by the due date along with payment of the balance owing. The return can be filed and paid electronically by registering for Saskatchewan eTax Services (SETS), or a blank return form can be completed. When filing with a blank return, please quote your licence number to ensure your tax account is properly credited.

**Timing for Remittance of EHC and Refundable Deposits**

Manufacturers or first importers of ready-to-serve beverages are required to account for the EHC and refundable deposit at the time of first sale within Saskatchewan. This includes sales to end consumers, wholesalers and retailers, but not sales which are shipped or delivered out of the province to non-residents by the vendor.

EHC and refundable deposits must be accounted for by manufacturers or first importers on ready-to-serve beverages which are removed from stock for own consumption or distributed for promotional purposes.

### **Due Dates**

The due date for Beverage Container Program (BCP) returns filed and paid electronically has been extended to the last day of the month following the end of the reporting period.

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.

For example, the April 2024 return due date for a business filing monthly is as follows:

- Electronic filing and payment - April 2024 return is due May 31<sup>st</sup>, 2024
- Non-electronic filing or payment - April 2024 return is due May 20<sup>th</sup>, 2024

**Note: Returns and payments must be received in our office by the due date. Penalty and interest charges are applied to amounts that are not remitted by the due date.**

## **E. ENFORCEMENT PROVISIONS**

Finance audits the records of businesses on a routine basis. When it is determined that EHC and refundable deposits have not been properly accounted for, the business is assessed the amount owing plus penalty and interest charges as outlined below.

### **Corporate Director's Liability**

- In certain circumstances, corporate directors may be held personally liable for program fees collected but not remitted by a corporation.
- Directors may be held personally accountable for a corporation's liability when collection efforts against the corporation have failed or when a corporation becomes bankrupt or commences other liquidation proceedings. Directors may only be held liable if the corporation fails to collect or remit the program fees. A director may avoid liability by demonstrating that reasonable steps were taken to ensure that the corporation remitted its program fee collections.

### **Penalties for Failing to Remit Program Fees**

- Penalty and interest charges are applied to fees that are not remitted by the due date. These charges are necessary to ensure that program fees are collected and remitted on time.

### **Penalty Applied to Late Returns**

- A penalty of 10% of the amount payable to a maximum of \$500, is applied to each return period.

### **Penalty Applied to Audit Assessments**

- Penalty rates applied to audit assessments for fees on sales:
  - A penalty of 10% of the amount assessed, with no maximum, is applied to audit assessments for program fees that should have been collected, but were not.

**Penalty Applied to Audit Assessments (Continued)**

- o A penalty of 25% of the amount assessed, with no maximum, is applied to audit assessments for program fees that were collected but not remitted.
- o A penalty of up to 100% of the amount assessed, with no maximum, may be applied to audit assessments for program fees collected that willfully have not been remitted.

**Interest Charges**

Interest at the prime interest rate plus 3 per cent is charged from the date the program fees were to have been remitted.

**F. TAXPAYER SERVICE COMMITMENTS AND STANDARDS CODE**

The Revenue Division of Finance is committed to continually strive to improve the standard of the services we provide to businesses and taxpayers, and to be accountable for the quality of the services we provide.

The [Taxpayer Service Commitments and Standards Code](#) describes the fairness and service principles that we follow while administering Saskatchewan's taxes and related programs.

**G. TAX TIPS LINE**

When a business or individual does not comply with provincial tax legislation, businesses face unfair competition and a burden is placed on all taxpayers who do comply. It causes significant loss in the revenue available to fund services such as health, education and other important government programs.

Tax Tips Line provides an anonymous, fully confidential way for the public to report businesses or individuals who are participating in tax fraud. If you suspect that a business or individual is being dishonest with their provincial taxes or is misrepresenting their activities to reduce their taxes, you can report them using Tax Tips Line.

Please visit our website at [saskatchewan.ca/business/taxes-licensing-and-reporting/provincial-taxes-policies-and-bulletins/tax-tips-line](http://saskatchewan.ca/business/taxes-licensing-and-reporting/provincial-taxes-policies-and-bulletins/tax-tips-line) to find out more regarding types of tax fraud and the information to report, if possible.

Tax Tips Line is specifically and solely for information related to provincial tax compliance. Any unrelated inquiries or information will not be addressed by the Tax Tips Line, and should be directed to the appropriate organization.

**How to Report:**

- 1) Toll-free 1-833-334-8477
- 2) Write: Ministry of Finance  
Revenue Division  
PO Box 200  
REGINA SK S4P 2Z6
- 3) [Online Form Submission](#)

## H. **SASKATCHEWAN eTAX SERVICES (SETS)**

Finance has made it possible to report and remit tax electronically through a secure, fast, easy and convenient online self-service portal. Several services are currently available to businesses through SETS ([sets.saskatchewan.ca](https://sets.saskatchewan.ca)):

- Register for secure, self-managed access to all your tax accounts.
- Apply for a new tax account.
- File and pay returns and amend previously filed returns.
- Make payments on account, including post-dated payments.
- View account balance and statement information.
- Authorize employees or accountants to file on your behalf.
- Receive notifications by email when a tax return should be filed. This replaces the paper forms usually sent in the mail.
- Submit a service request to update the mailing address or add a new business location.
- Submit a service request to receive tax information, interpretations or rulings related to your specific business activities.
- View and download up-to-date tax information promptly.
- Subscribe to receive email notifications when new and revised tax publications are available.

### **FOR FURTHER INFORMATION**

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](mailto:sasktaxinfo@gov.sk.ca)

Internet: Tax bulletins, forms and information are available at [saskatchewan.ca/business-taxes](https://saskatchewan.ca/business-taxes).

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Government website: [Saskatchewan.ca](https://Saskatchewan.ca)