

1.

PURPOSE

- a. The purpose for the Policy for the Distribution of Tax Exempt Tobacco Products is to monitor the dissemination of tax exempt tobacco products for business operations located on the Tyendinaga Mohawk Territory.
- b. Tax exempt tobacco products acquired under this policy must be offered for retail sale to the Mohawks of the Bay of Quinte members and other Status Indians.

2.

ELIGIBILITY

- a. The retailing of the tax exempt tobacco products can be accessed by registered businesses on the approval of Tyendinaga Mohawk Council.
- b. In order to make an application, Status Mohawk citizens of the Tyendinaga Mohawk Territory must be in compliance with the *Policy for Issuance of Business Registrations on the Tyendinaga Mohawk Territory* and must hold a valid Business Registration.
- c. Registered business owners who have more than one business may be eligible for a Tobacco Wholesale Permit for each business to a maximum of 3 tobacco quotas. A maximum of 2 quotas may be allocated for any one business 911 address.
- d. Registered businesses wishing a Tobacco Wholesale Permit must also offer at least one of the following for sale:
 - i. Convenience items (bread, milk, etc.)
 - ii. Candy/snacks (pop, chips, etc.)
 - iii. Prepared meals (either eat in or take out)
- e. Independent businesses operating at the same location must each have an independent tobacco display visible and tobacco products must be available for sale at each independent business checkout.
- f. If the Tyendinaga Mohawk Council grants a tobacco Wholesale Permit, the business is authorized to receive and distribute tax-exempt tobacco products within the regulations of this policy.
- g. However, the receipt of a Business Registration and receipt of a Tobacco Wholesale Permit does not automatically make a business eligible for receipt of tax exempt tobacco products. The Ministry of Finance, Tobacco Branch makes annual allocations of quota of tax exempt tobacco products. Quotas will be distributed if the supply exists.

- h. Businesses must have a permanent location which meets all building and health code regulations.
- i. Businesses must be externally identified with signs clearly visible to the public.

3.

APPLICATION

- a. Applicants must have a valid Business Registration as issued by the Tyendinaga Mohawk Council before applying for Quota.
- b. Applicant must be in compliance with all eligibility requirements under section 2 of this policy.
- c. The applicant must complete an Application for Wholesale Permit to Purchase Tax Exempt Tobacco Products (Tobacco Wholesale Permit), which may be made at the Tyendinaga Administration Office.

4.

**REVOCATION OF TOBACCO
WHOLESALE PERMITS**

- a. Permits may be cancelled by Economic Development Office, with written notice, after every effort has been made to correct any violations of the regulations under this policy, the *Policy for Issuance of Business Registrations on the Tyendinaga Mohawk Territory* or the Permits may also be revoked if:
 - i. the holder is convicted of an offence involving tobacco distribution or the tobacco industry, including sales to minors.
 - ii. the holder fails to utilize a substantial portion of his/her quota without just cause.
 - iii. the holder ceases to operate a business as defined by this policy.
 - iv. is in contravention of this policy.

5.

TRANSFER OF PERMITS

- a. Permits or quotas are not transferable and must be returned to the Tyendinaga Mohawk Council should the permit no longer be needed by the holder. Permits are applicable only to the registered business and owner.

6.

QUOTAS

- a. The Tyendinaga Mohawk Council will charge an administration fee of \$2.00 per carton which will be used to fund community programming and policy compliance. Terms of reference will be established under a separate policy to ensure transparency and separation of funds for audit purposes.
- b. All quota not purchased by February 28 of each calendar will revert to the Tyendinaga Mohawk Council.
- c. The Tyendinaga Mohawk Council will retain all surplus quotas for distribution in the month of March.
- d. Surplus quota will be available for sale to registered tobacco retailers at a cost of \$2.00 per carton on or about March 15 of each calendar year. The sale of the surplus quota will remain in a fund to be utilized by Tyendinaga Mohawk Council to fund community programming and policy compliance.

7.

QUOTA ALLOCATION

- a. Quota is determined by Ministry of Finance, Tobacco Branch.
- b. Quota is divided equally into four quarters.
- c. Quota will be allocated equally among eligible businesses each quarter.
- d. Quota will be allocated four (4) times each fiscal year; on or about April 20 on or about July 20, on or about October 20 and January 20. In each quarter qualified businesses will be notified of their potential allocation. Payment of \$2 per carton must be received in full by MBQ before the allocation will be made to any business.
- e. Allocation will be based on all approved Tobacco Permits and Business Registrations on those dates.
- f. Only businesses who have purchased their quota for the previous quarter will be eligible the following quarter. Exception is the businesses' first allocation or any allocation period in which the businesses has voluntarily excluded themselves in advance (ie. where the allocation is not required by the business and the business has notified the Economic Development Office in advance).

8.

APPEALS

- a. The Tyendinaga Mohawk Council shall act as an Appeal Board.
- b. All appeals must be made in writing within thirty (30) days of the initial notice. Copies of the appeal notice must be sent to the members of the Appeal Board.
- c. The Appeal Board shall notify the appellant of the date, time and place of hearing within twenty (20) days of receipt of notice to appeal. All documents relevant to the appeal must be presented to the pertinent parties at least ten (10) days prior to hearing.
- d. All decisions of the Appeal Board are final. However, should circumstances change, the business may re-apply for a permit.

9.

ACCEPTANCE

- a. Duly accepted by a quorum of the Tyendinaga Mohawk Council this 2 day of August, 2000.
- b. Duly accepted by a quorum of the Tyendinaga Mohawk Council this 7 day of February, 2006.

Chief R. Donald Maracle

Application for Wholesale
Permit to Purchase Tax Exempt Tobacco Products

Business Name _____

Business Registration Number _____

Business Lot and Concession _____

Civic Address _____

Tobacco Wholesaler Name & Address _____

DECLARATION:

I hereby certify that my business _____ is owned by me,
Name of Business

(Please check all that apply)

Convenience items

Candy/snacks

Prepared meals.

and is fully compliant with Schedule I of the Business Registration Policy

My business is open from _____ to _____ (months), my store hours operate from
(day/hours) _____.

I understand that I am applying for one (1) Wholesale Tobacco Permit for my business. I agree to abide by the regulations as set forth in the Policy for the Distribution of Tax-Exempt Tobacco Products on the Tyendinaga Mohawk Territory. I understand that my Permit may be cancelled if any of the regulations are violated under the Business Registration Policy or Tobacco Policy. I also understand that all businesses will be monitored throughout the year.

Signed

Dated

Approved by Tyendinaga Mohawk Council Motion Number _____

Dated _____ **Signed** _____