

INFORMATION BULLETIN – No. 004
***Donating Liquor to Charities Holding Special
Occasion Permits***
(November 27, 2002)

Effective August 29, 2002, manufacturers are permitted to donate liquor to eligible Special Occasion Permit holders. Donated liquor is subject to fees, levies and taxes.

Eligible Special Occasion Permit Holders

Manufacturers may donate liquor to organizations that are registered under the *Income Tax Act (Canada)* or non-profit associations and organizations for the advancement of charitable, educational, religious or community objects.

Ontario Regulation 720, Section 3(6), states a Manufacturer may give liquor to,

- (a) a person authorized to conduct a lottery event in accordance with paragraph 207(1)(b) of the Criminal Code (Canada) where the liquor is a prize to be awarded at the event, or
- (b) the holder of a special occasion permit where the special occasion is a fundraising event for the advancement of charitable, educational, religious or community objects conducted by,
 - (i) a charitable organization that is registered under the *Income Tax Act (Canada)*, or
 - (ii) a non-profit association or organization for the advancement of charitable, educational, religious or community objects.

How to Determine Whether a Special Occasion Permit Holder is Eligible

A Manufacturer may only donate liquor to an organization that has obtained a valid fundraising event Special Occasion Permit noting “DONATED PRODUCT TO BE SOLD” on the permit. Donating liquor to any other Special Occasion Permit holder is prohibited.

How Manufacturers Donate to Eligible Special Occasion Permit Holders

A manufacturer who donates liquor to an eligible Special Occasion Permit holder must process the transaction through a Liquor Control Board of Ontario retail store, an authorized manufacturer's retail store or a Brewers Retail Inc. store. All liquor must be purchased as a regular retail sale under the permit number and a receipt must be retained by the permit holder and be available at the event.

Record Keeping

Where an employee, agent or licensed representative of a manufacturer on behalf of the manufacturer donates liquor to the Special Occasion Permit holder, the manufacturer shall,

- (a) keep records of the liquor donated, keep the records for two years and provide them to the Registrar of Alcohol and Gaming upon request.
- (b) upon request, make a written report to the Registrar of Alcohol and Gaming stating the amount of liquor that was given within 48 hours after the event.

For more information about liquor licensing and the regulatory framework, please visit our website at www.agco.on.ca or contact our head office at (416) 326-8700 or toll free at 1-800-522-2876.