

Proposed excise duty rates (excluding any adjustments to account for differences in sales tax rates) within the coordinated framework are set out in Table 5.

Table 5

Excise Duty Rates for Cannabis Products

Cannabis Plant Product	Federal Rates <i>Higher of the Two Rates Apply</i>		Additional Rates in Respect of a Province/Territory <i>Higher of the Two Rates Apply</i>	
	Federal Flat Rate	Federal Ad Valorem Rate	PT Additional Flat Rate	PT Ad Valorem Additional Rate
Flower	\$0.25 / gram	2.5 per cent of the dutiable amount of a cannabis product packaged by a cannabis licensee to a purchaser.	\$0.75 / gram	7.5 per cent of the dutiable amount of a cannabis product packaged by a cannabis licensee to a purchaser.
Trim	\$0.075 / gram		\$0.225 / gram	
Seed	\$0.25 / seed		\$0.75 / seed	
Seedling	\$0.25 / seedling		\$0.75 / seedling	

Transitional Rules

The cannabis excise duty framework is proposed to be in place by the time cannabis for non-medical purposes becomes accessible for legal retail sale. The framework is proposed to be implemented to ensure the equal duty treatment of cannabis products destined for the retail market regardless of when that product was produced and/or transported to distributors/retailers.

- The Canada Revenue Agency will begin accepting applications for cannabis licences and will issue excise stamps in advance of the legalization date.
- Duty will become payable for cannabis licensees on any cannabis products they have already delivered in advance of the legalization date for eventual retail sale, with the exclusion of cannabis delivered to final consumers through the mail in accordance with the *Access to Cannabis for Medical Purposes Regulations*.
- On or after the date of cannabis legalization for non-medical purposes, all cannabis products delivered through the mail in accordance with the *Cannabis Act* will be subject to the appropriate duty.