

April 12, 2023

First Nation Band Name Street address City PROV Postal code

Dear Chief [NAME] and Councilors:

I am writing to provide an update on the engagement in support of the Ministry of Finance's Tobacco and Fuel Tax Exemption Simplification (TAFT) Project.

The TAFT Project is a multi-year project to modernize and replace the current paper-based process used to deliver tobacco and fuel tax exemptions to eligible First Nations customers with an electronic point of sale verification and documentation system.

Engagement and Communication

Over the past three years the Ministry, with the assistance of Indigenuity Consulting Group Ltd., has engaged with authorized retailers who sell tax-exempt tobacco and fuel on First Nations land. In addition to letter outreach, an online survey and telephone interviews, our project team met with over 50 tobacco and fuel retailers and had informative discussions on how to improve processes for documenting tax-exempt tobacco and fuel sales. The suggestions and feedback were important to the project and were incorporated into the design of the TAFT system.

Development of the new electronic system is completed, and the TAFT system is available for use by retailers on a voluntary basis.

More details from the engagement can be found online at our project website. To access the website, go to gov.bc.ca/salestaxes and click on Tobacco and Fuel Tax Exemption Simplification Project.

Next Steps

Information on the new system is being sent directly to retailers that participate in the Ministry's tax-exempt tobacco and fuel programs. Retailers who wish to use the TAFT system can contact the Tobacco Tax Section directly to request an installation.

A copy of a brochure that will be sent to authorized retailers of tax-exempt tobacco and fuel is attached for your information.

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Ministry of Finance

If you have comments or questions, please reach out directly to either me or Michelle Lee, Executive Director, Consumer Taxation Programs Branch, by email at Michelle.Lee@gov.bc.ca or by telephone at 778 698-9609.

With respect,

Jadan Goso

Jordan Goss Assistant Deputy Minister Revenue Division Email: Jordan.Goss@gov.bc.ca Telephone: 250 387-0665