

Issued December 2020

Craft Bulletins are issued on an as needed basis. The information is primarily intended for Saskatchewan craft alcohol producers.

## Changes for craft producers

In summer 2020, SLGA held consultations with Saskatchewan's craft alcohol manufacturers to review production levy rates, production levy thresholds and craft manufacturing permits. There were also discussions about making changes to better reflect the differences between craft alcohol products produced with 100 per cent raw inputs and products produced with less than 100 per cent raw inputs.

As a result of the review, the following changes took effect Dec. 1, 2020.

The craft manufacturer permit has been separated into two categories:

**Craft Manufacturer Type 1** - Manufacturers that use 100 per cent of raw inputs.

**Craft Manufacturer Type 2** - Manufacturers that use less than 100 per cent raw inputs.

This new structure will include the following changes:

- Increase the number of production levy tiers to ease the transition for producers who pay higher levies as they grow.
- Increase the maximum annual production limits. Beer to increase from 20,000HL to 30,000HL; spirits, wine, cider and refreshments from 200,000L to 350,000L.
- Establish a separate product category for cider producers.
- Allow the use of bulk juice as a primary input for Type 2 wine and cider producers.
- Reduce the minimum annual production limits in most categories.
  - Beer to decrease from 100 HL to 50 HL;
  - Wine, cider and refreshments to decrease from 5,000 L to 2,000 L;
  - Spirits to remain unchanged at 250 L.

A craft alcohol producer cannot be categorized as both Type 1 and Type 2 in the same product category. If a craft alcohol producer produces any product that would be considered Type 2 in their permitted product category, the craft alcohol producer is categorized as Craft Manufacturer Type 2 for all products in that product category. The chart on the following page provides a general overview of Craft Manufacturer Type 1/ Type 2 permits.

For further information about craft manufacturer permits, contact SLGA Licensing Branch at 1-800-787-5563 or [ll@slga.gov.sk.ca](mailto:ll@slga.gov.sk.ca).

If you have questions or require clarification, please contact Justin Moen at 306-787-4739 or [jmoen@slga.gov.sk.ca](mailto:jmoen@slga.gov.sk.ca).

<b>Craft Manufacturer</b>	<b>Craft Manufacturer Permit Type 1</b>	<b>Craft Manufacturer Permit Type 2</b>
<i>Craft Brewery</i>	<i>Mash and ferment 100% of the alcohol by volume of the product on-site at your permitted manufacturing facility</i>	<i>Ferment 100% of the alcohol by volume of the product on-site at your permitted manufacturing facility</i>
<i>Craft Distillery</i>	<i>Mash, ferment and distill 100% of the alcohol by volume of the product on-site at your permitted manufacturing facility</i>	<i>A minimum of 75% of the alcohol by volume is created through fermentation on-site at your permitted manufacturing facility or from the redistillation of neutral grain spirits (NGS) on-site at your permitted manufacturing facility; remaining 25% of the alcohol by volume may be sourced from another manufacturer</i>
<i>Craft Winery</i>	<i>Press and ferment 100% of the alcohol by volume of the product with whole fruit, honey and/or agricultural products on-site at your permitted manufacturing facility.</i>	<i>A minimum of 65% of the alcohol by volume is created through fermentation on-site starting from whole fruit, honey, agricultural products or bulk juice, at your permitted manufacturing facility; remaining 35% of the alcohol by volume may be sourced from another manufacturer</i>
<i>Craft Cidery</i>	<i>Press and ferment 100% of the alcohol by volume of the product starting with whole apples on-site at your permitted manufacturing facility.</i>	<i>A minimum of 65% of the alcohol by volume is created through fermentation on-site starting from whole apples or bulk juice, at your permitted manufacturing facility; remaining 35% of the alcohol by volume may be sourced from another manufacturer</i>
<i>Craft Refreshments</i>	<i>Use of base alcohol that was produced in compliance with the Type 1 permit requirements</i>	<i>Use of base alcohol that was produced in compliance with the Type 2 permit requirements</i>