



**VAPING INDUSTRY TRADE ASSOCIATION
ASSOCIATION DES REPRÉSENTANTS DE L'INDUSTRIE DU VAPOTAGE**

**VAPING PRODUCT TAX COMBINED WITH FLAVOUR BANS AND NICTOINE CAPS PUT CANADA'S YOUTH
AT RISK**

OTTAWA, April 19th, 2021 – Today, the Canadian federal government tabled the annual budget which announced an intention to introduce a new excise tax framework in 2022. VITA is concerned that this tax, when combined with a 70% reduction in maximum nicotine content and anticipated flavour restrictions will create a once in a lifetime opportunity for the illicit market to grow and increase access points for youth.

"Taxation of vaping products in a way that is proportionate to the harm reduction value of vaping is not something that the industry is fundamentally opposed to. Indeed, if revenues are used to increase enforcement actions against anyone selling vaping products to minors, there could be significant support from our sector", said Allan Rewak, Executive Director. "What we are concerned about is that this tax, when combined with broad flavour bans and restrictive nicotine caps will make the legal and highly regulated vape market uncompetitive with a growing illegal one", added Rewak.

VITA believes strongly that vaping products are for adult smokers seeking to reduce their risk, not non-smokers and never youth. Evidence has shown consistently that effective vaping products are one of the best means to transition heavy smokers away from cigarettes.

"The Illicit market doesn't care about reducing risk for adult smokers, they don't care about age gating or checking ID, and they don't care about the quality and safety of the products they sell", said Daniel David VITA President. "I'm really concerned that this tax, when combined with flavour bans and unrealistic nicotine caps will create an opportunity for criminals to prey on our children while making it harder for those of us trying to help adult smokers reduce their risk to stay in business", added David.

VITA believes that the government should utilize all revenue generated from this new taxation regime to empower increased enforcement action against anyone selling vape products to minors, while also reconsidering actions that would reduce the effectiveness of vaping products for adult smokers.

About VITA:

Canada's largest trade association representing the industry's manufacturers, importers, distributors and retailers, VITA is committed to working with stakeholders and governments to set and uphold regulations for vaping products in Canada. VITA's approach is based on credible evidence, science, facts,

and logic. In our efforts to responsibly grow and defend the category, the Association commits to collaborating with Health Canada and other regulatory bodies to identify best practices and to inform the development of evidenced-based regulations.

Please visit **www.vitaofcanada.com** for more information or contact Allan Rewak (647) 206-1231