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Minister of Finance | Ministre des Finances
PETER BETHLENFALVY

880-2024-1242

Gary Sands
Senior Vice President
Canadian Federation of Independent Grocers
GSands@cfig.ca

Dear Mr. Sands:

Thank you for your letter regarding the Alcohol and Gaming Commission of Ontario's (AGCO) licensing fees for independent grocers. I appreciate you taking the time to write.

We acknowledge the important role independent grocers play in building Ontario's economy, and we are committed to seeing them grow and thrive. To support small grocers in the expanded alcohol marketplace, the AGCO will be providing a rebate on licence fees for new alcohol retail licences. The new Grocery Store Licence fee is an annual fee of \$3,250, and this fee will be subject to annual inflationary adjustments tied to Ontario's Consumer Price Index starting on April 1, 2025.

Applicants will be required to pay the full \$3,250 fee when they apply, but the AGCO will rebate small grocers upon confirmation of their eligibility. The actual amount these grocers will pay is \$1,000 per year. This aligns with the amount small, licensed grocers are currently paying for their licence to sell beer, wine and cider.

The rebate will apply to any grocery store that, together with all their related retail stores, has an annual worldwide revenue of less than \$1 billion. Small grocers will receive this rebate until 2029, when the policy will be subject to review.

Through the lead-up to the opening of the new marketplace, our government will continue to meet and consult with industry partners, local beverage alcohol producers and other stakeholders. We will continue working with the sector to identify their role in the new marketplace and opportunities to reach new customers.

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The AGCO has recently provided further details related to the rebate for small grocers on their website. Please visit the AGCO's main page at: [Alcohol and Gaming Commission of Ontario | Alcohol and Gaming Commission of Ontario \(agco.ca\)](https://www.agco.ca) for further information.

Thank you again for writing.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Bethlenfalvy". The signature is stylized with a large initial "P" and a long, sweeping underline.

Peter Bethlenfalvy
Minister of Finance