

**ALABAMA DEPARTMENT OF REVENUE
BUSINESS & LICENSE TAX DIVISION
TOBACCO TAX RULE**

810-7-1-.22. Procedures Pertaining to Manufacturers of Tobacco Products Relating to Commercial Cigarette-Making or Rolling Machines.

(1) A cigarette-rolling machine is any type of machine that is made available to the public for use in a retail store to roll loose tobacco and tubes into cigarettes. Any person maintaining, or offering it for use to others, a cigarette-making or rolling machine in their place of business, or offering it for use to others, in this state, shall be considered a manufacturer of tobacco products. These procedures shall apply to any person maintaining a commercial cigarette-making or rolling machine in their place of business, in this state, whether the proprietor of the business makes the cigarettes or facilitates the making of cigarettes by or for others with the use of said machine. Persons maintaining a cigarette-making or rolling machine in their place of business, or offering it for use to others, for commercial purposes are required to:

(a) Register with the Alabama Department of Revenue (ADOR) and report and pay the appropriate cigarette excise tax through the use of tax stamps for all products processed or manufactured on the machine.

(b) Comply with the Escrow Fund for Certain Tobacco Product Manufacturers provisions codified at Title 6, Chapter 12, and the Tobacco Master Settlement Complementary Legislation codified at Title 6, Chapter 12A for all products processed or manufactured on the machine to include:

1. Filing the tobacco products manufacturer (TPM) certification in order for the manufacturer and brand to be approved for listing on ADOR's Directory.

2. Establishing an escrow fund account with a qualified banking institution and providing ADOR with a copy of the escrow agreement, if elected to be a manufacturer not participating (NPM) in the tobacco Master Settlement Agreement.

3. Depositing required monies into escrow and providing verification of the deposit, if a NPM.

4. Filing the required non-participating manufacturer (NPM) certification, if a NPM.

5. Filing the applicable monthly tobacco reports.

(c) Affix the applicable state and state-administered county tax stamp to the cigarette packaging for all products processed or manufactured on the machine.

(2) This regulation will be effective for taxable transactions occurring after February 28, 2012 to allow time for manufacturers of tobacco products to comply with its provisions.

(Statutory Authority §§ 40-2A-7(a)(5) and 6-12A-7, Code of Alabama 1975, effective January 11, 2012.)