

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

810-7-1-.09. Procedure for Reporting and Payment of County Tobacco Taxes on Cigarettes and Submission of Tobacco Reports and Registration Requirements.

(1) The license or privilege tax specified in all legislative acts, heretofore or hereafter enacted, regarding county tobacco taxes on cigarettes, which are to be administered and collected by the Alabama Department of Revenue, shall be paid on all sales by any qualified wholesale distributor or retailer and any other person, firm, corporation, club or association within the State of Alabama, when such sales of cigarettes are made into said counties.

(2) State-administered county cigarette tax shall be paid by affixing stamps. To ascertain state-administered county revenue stamps, each wholesaler or distributor shall complete and submit to the Department of Revenue an order for county cigarette stamps on a form prescribed by the Department. Orders shall be on the cash basis only. Each order shall be accompanied by payment in one of the following methods:

- (a) Cash.
- (b) Certified funds (cashier's check, money order, etc.).
- (c) Electronic Funds Transfer (EFT) subject to the electronic funds transfer provisions.

(3) A discount, in the amount of that allowed on the purchase of state stamps, will be allowed on county stamp purchases made by qualified wholesalers with a tobacco stamping permit **ONLY**.

(4) A report, on a form prescribed by the Department, shall be filed with the Department on or before the twentieth (20th) day of each calendar month showing all sales of cigarettes into said counties, stamp purchases, and inventories for the preceding calendar month. A copy of the report shall be maintained by the taxpayer, along with proper documentation which adequately differentiates and substantiates the amount of tax paid and all deductions, exemptions, or credits claimed for each reporting period by county. Failure to receive a report form does not relieve the taxpayer from filing a report on or before the due date.

(5) The full amount of tax due and the required report shall be paid and filed with the Alabama Department of Revenue, in the manner and time allowed above without any offset being allowed, except for tobacco products returned to the manufacturer for credit as described herein. Insufficient tax payments and monthly filing requirements shall result in the loss of discount previously allowed and imposition of applicable penalties and interest.

(6) Qualified wholesalers whose tobacco products are returned to the manufacturer, or destroyed by the manufacturer's representative, due to such products becoming unfit for use or consumption after distribution, shall be allowed a refund. The following documents are required to substantiate refunds: an original affidavit from the manufacturer, a credit memorandum, an authentic credit invoice or memorandum initiated by the qualified wholesaler to the purchaser of said products, and a copy of the qualified wholesaler's invoice to the manufacturer, and such other documentation as the Department of Revenue may require.

(7) Sales exempted from tobacco tax by law are to be excluded from the taxable measure in the month that the sales occur.

(8) Every manufacturer, distributor (including a delivery seller), and importer shall file with the Alabama Department of Revenue reports concerning all sales, releases, and deliveries of tobacco products to qualified wholesalers, retailers, and consumers of this state made or authorized by such manufacturer, distributor (including a delivery seller), or importer during the preceding calendar month. Such manufacturer, distributor (including a delivery seller), or importer shall also file reports each month showing all shipments of tobacco products from a point outside this state into this state during the preceding calendar month.

(a) Entities required to file a monthly manufacturer's report shall provide the following information concerning each sale, release, or delivery:

- (1) Name and address of purchaser.
- (2) Invoice date.
- (3) Invoice or document number.
- (4) Quantity of cigarettes purchased per the invoice.
- (5) Information pertaining to cancellation of invoices.
- (6) Gross billing appearing on the invoice.
- (7) The distributor's permit or registration number issued by the Alabama Department of Revenue.
- (8) Any additional information as required by the Alabama Department of Revenue.

(b) Entities required to file a monthly Jenkins Act report shall provide the following information concerning each sale, release, or delivery:

- (1) Name and address of purchaser.
- (2) Invoice date.
- (3) Invoice or document number.
- (4) Brand of cigarettes, including roll-your-own (r-y-o), or smokeless tobacco purchased.
- (5) Number of cigarettes purchased.
- (6) Quantity (weight) of r-y-o tobacco purchased.
- (7) Quantity (weight) of smokeless tobacco (snuff or chewing tobacco) purchased.
- (8) Shipper's name.
- (9) Shipper's address.
- (10) Shipper's phone number.
- (11) Any additional information required by the Alabama Department of Revenue relating to the federal Jenkins Act, as amended.

(c) Each manufacturer, distributor (including a delivery seller), or importer shall file the monthly reports with the Department of Revenue no later than the 10th day of the month, covering each and every shipment of cigarettes or smokeless tobacco made during the previous calendar month.

(d) The report data submitted shall be in the format prescribed in the attached forms. Manufacturers, distributors (including delivery sellers), and importers may submit the data via physical form or electronically.

(9) Any person who sells, transfers, or ships for profit cigarettes or smokeless tobacco in interstate commerce, whereby such cigarettes or smokeless tobacco are shipped into a State, locality, or Indian country of an Indian tribe taxing the sale or use of cigarettes or smokeless tobacco, or who advertises or offers for such a sale, transfer, or shipment shall register to distribute cigarettes or smokeless tobacco products into Alabama, and obtain a registered agent for service of process if located outside the State of Alabama. The information included on the registration document shall be in the format prescribed in the attached registration form. (Statutory Authority §§40-2A-7(a)(5), 40-25-1, 40-25-2(a), 40-25-2, 40-25-7(a) (5), et al., Code of Alabama 1975, applicable County Tobacco Tax Acts Act 2005-315, 40-2A-11, 40-1-44, and the Jenkins Act, as amended by the PACT Act of 2009) (Effective September 19, 1989; amended effective March 28, 2003, Emergency Rule filed January 19, 2006, expires May 18, 2006. Permanent rule filed April 27, 2006, effective May 30, 2006; amended effective October, 1, 2010)