



**JULIE P. MAGEE**  
Commissioner

# State of Alabama Department of Revenue

(www.revenue.alabama.gov)  
50 North Ripley Street  
Montgomery, Alabama 36132

June 11, 2012

**CYNTHIA UNDERWOOD**  
Assistant Commissioner

**MICHAEL E. MASON**  
Deputy Commissioner

## **NOTICE**

**TO: All Tobacco Distributors**

**SUBJECT: Tax on Cigar Wrappers**

On May 15, 2012, Governor Robert Bentley signed into law Act No. 2012-425 which becomes effective August 1, 2012. The Act places a tax on all cigar wraps which are defined as, "An individual tobacco wrapper that is made wholly or in part from tobacco, including reconstituted tobacco, whether in the form of tobacco leaf, sheet, or tube, if the wrap is designed to be offered to or purchased by a consumer." The tax is levied upon cigar wraps sold at wholesale in this state or imported into this state for use, consumption, or sale at retail. Accordingly, the tobacco tax on cigar wrappers must be remitted for any cigar wrappers sold beginning August 1, 2012 and reported on the August 2012 electronically filed tobacco tax return (TOB: OTP), which is due by September 20, 2012.

The tax is levied upon each package of cigar wraps based on weight, and in the following amounts:

Weight	Rate
1-1/8 ounces or less.....	4¢
Over 1-1/8 ounces, not exceeding 2 ounces.....	10¢
Over 2 ounces, not exceeding 3 ounces.....	16¢
Over 3 ounces, not exceeding 4 ounces.....	21¢
Six cents additional tax for each ounce or fractional part thereof over 4 ounces.	

The My Alabama Taxes (MAT) electronic filing system will be updated to accommodate filing and payment of this tax. Questions concerning this notice should be directed to the below address or telephone number.

Alabama Department of Revenue  
Business and License Tax Division  
Tobacco Tax Section  
P O Box 327555  
Montgomery, AL 36132-7555  
(334) 242-9627