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Commissioner

State of Alabama Department of Revenue

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October 29, 2018

TO: All Tobacco Wholesalers, Jobbers, Semi-jobbers, Retailers and Importers

SUBJECT: Corrected Data for all Tobacco Sales for Resale (SFR)

On July 1, 2018, you began uploading the amended Tobacco Sales for Resale Report to My Alabama Taxes (MAT). If errors in the information were detected, you should have received a phone call or email (or both) providing you with corrected account information for your customer(s).

It is very important that the corrected information provided to you regarding Name, Address and Alabama Sales Tax Account Number be used to correct the information in your system as specified. *In addition, the corrected Sales for Resale Reports provided to you need to be uploaded to My Alabama Taxes (MAT) as soon as you receive them.* To do this you will need to amend the original filing period and upload the corrected file.

This information will be used in the administration of state and local tax to verify that tax dollars collected are remitted to the State and appropriate locality. If we discover discrepancies in the information provided by you as compared to retail sales reported by the retailer (your customer), the retailer will receive a WRAP Inquiry letter requesting justification.

Each letter will be based on quarterly purchases reported by you compared to reported sales by your customer. The first letters will be mailed at the beginning of November 2018. The retailers will be given 30 days to respond to the WRAP inquiry letter, after which, the retailer will receive a billing for tax, penalty, and interest. The billing will be calculated using the purchases (reported by you) multiplied by the applicable IRS Markup to determine the taxable measure.

If there are errors in the purchase information reported to us causing a retailer to receive a WRAP Inquiry letter, the retailer will be instructed to contact you, the distributor, for corrections to be made including corrections to Name, Address and Alabama Sales Tax Account Number. Should corrections to the purchase information be required, you, the distributor, will need to upload a corrected record for the entire reporting period, therefore amending the original Sales for Resale Report before we can correct our letter or billing.

Should you have any questions, please contact the WRAP Unit at 334-353-0440 or you may email at WRAP@revenue.alabama.gov.