

## INSTRUCTIONS

Pursuant to the provisions of District of Columbia Official Code section 47-2402(a), the District of Columbia cigarette tax increased from \$1.00 to \$2.00 per pack of 20 cigarettes and \$1.25 to \$2.50 per pack of 25 cigarettes as of October 1, 2008.

*Check any Applicable Category:*

- Retail Dealer – Complete lines 1 through 8 and line 12
- Wholesaler – Complete lines 1 through 10 and line 12
- Vending Machine Operator – (see B below) Complete lines 1, 2, 11a, 11b, and 12 or complete lines 1, 2, 11c and 12.
- Retailer Dealer with Vending Machines - Complete lines 1 through 8, 11a, 11b, and 12 or lines 1 through 8, 11c, and 12.

- A. Inventory all District of Columbia stamped cigarettes and/or loose tax stamps on hand beginning on October 1, 2008 (include warehouse, racks, and vending machines, if applicable). Keep a copy of this return for your records and retain for inspection by the Office of Tax and Revenue, Audit Division, Cigarette Tax Enforcement Unit. If this is a consolidated return, include a summary report of each subsidiary locations inventory subject to the cigarette floor tax.
- B. Vending machine operators can either inventory all machines and enter the tax on lines 11a and 11b or use the “alternate method” fixed rate (\$500.00) per machine on line 11c. A list of vending machine locations must accompany this return.
- C. Multiply the quantity on hand (A) by the additional tax (B) for each applicable line item. Enter the result in the “Tax Due” column (C). Total lines and enter the sum on line 12, total tax due.
- D. Make your check or money order payable to “DC Treasurer” (No Cash). Mail your payment and this tax return by October 21, 2008 in the enclosed envelope to the Office of Tax and Revenue, Audit Division, Cigarette Tax Enforcement Unit, P.O. Box 556, Washington, DC 20044. You must file a return even though you had no cigarette stamped inventory.
- E. Failure to file this return and pay the floor tax due by October 21, 2008 will result in the imposition of penalties and interest and may result in criminal prosecution and suspension or revocation of your license. The penalty for failure to file a return on time or failure to pay any tax when due is an additional 5% per month not to exceed 25% of the tax due. The interest is computed from the due date of the tax return until the day the tax is paid. The rate is 10% per year compounded daily.
- F. Direct questions to Audit Division, Cigarette Tax Enforcement Unit at (202) 442-6602.

**Note: Cigarettes held on October 1, 2008 for which the additional tax has not been remitted may be subject to seizure and all applicable penalty and fines will apply.**