

INSTRUCTIONS

Effective October 1, 2009, there will be an increase in the District of Columbia cigarette excise tax and a new tax on "little cigars" and "moist snuff." The cigarette excise tax will increase from 10¢ to 12.5¢ for each cigarette which raises the tax to \$2.50 per pack of 20 cigarettes and \$3.125 per pack of 25 cigarettes. A tax is imposed on the sale or possession of "little cigars" at 12.5¢ per little cigar. "Little cigar" means any cigar, other than a premium cigar, that weighs not more than 4 1/2 pounds per thousand. In addition, a tax is imposed on the sale or possession of "moist snuff" at 30¢ per ounce. "Moist snuff" means any finely cut, ground, or powdered tobacco that is not intended to be smoked and not intended to be placed in the nasal cavity.

Check any Applicable Category:

- Retail Dealer and Street Vendor – Complete lines 1 through 8 and line 11, 12 and 14
- Wholesaler – Complete lines 1 through 12 and line 14
- Vending Machine Operator – (see B below) Complete lines 1, 2, 13a, 13b, and 14 or complete lines 1, 2, 13c and 14.
- Retailer Dealer with Vending Machines - Complete lines 1 through 8, 13a, 13b, and 14 or lines 1 through 8, 13c, and 14.

- A. Inventory all District of Columbia stamped cigarettes and/or loose tax stamps on hand beginning on October 1, 2009 (include warehouse, racks, and vending machines, if applicable). If this is a consolidated return, include a summary report of each subsidiary inventory subject to the cigarette, little cigar and moist snuff floor tax.
- B. Vending machine operators can either inventory all machines and enter the tax on lines 13a and 13b or use the "alternate method" fixed rate (\$250.00) per machine on line 13c. 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 "Computed Tax" column (C). Total lines and enter the sum on line 14, 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, 2009 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 have no taxes to report.
- E. Failure to file this return and pay the floor tax due by October 21, 2009, 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 percent per month not to exceed 25 percent 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 or via email at sherri.weithers@dc.gov.