

District of Columbia Government
Tobacco Products Excise Tax Instructions for Form FR-1000Q

Use this form for quarters beginning on or after October 1, 2017

- Use the FR-1000Q, Tobacco Products Excise Quarterly Tax Return to report and pay tax for 'little cigars', roll your own (RYO) tobacco, vapor products, and other tobacco products sold in the District during the reporting period.
- Any roll of tobacco that is called and packaged as cigarettes and is taxed via the purchase of District cigarette stamps **will not** be reported on Line 1 of the FR-1000Q.
- The following should be reported on the 'little cigar' line:
 - Any roll for smoking containing tobacco that weighs 4 pounds per thousand or less, wrapped in any substance except those wrapped entirely in whole tobacco leaf that do not have a filter; or
 - Any roll for smoking containing tobacco, wrapped in any substance however labeled or named, flavored or not, which because of its appearance, size, the type of tobacco used in the filter or its packaging, pricing, marketing, or labeling is likely to be offered to, purchased by or consumed by consumers as a cigarette.
- 'Other tobacco product' means any product containing, made from, or derived from tobacco, other than a cigarette or premium cigar, that is intended or expected to be consumed. The term 'other tobacco product' includes vapor products, defined as any non-lighting, noncombustible product that employs a mechanical heating element, battery, or electronic circuit, regardless of shape or size, that can be used to produce aerosol from nicotine in a solution; or any vapor cartridge or other container of nicotine in a solution or other form that is intended to be used with or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device. The term 'other tobacco product' does not include any product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product, a tobacco dependence product, or for other medical purposes, and is being marketed and sold solely for such approved purpose. A premium cigar means any cigar with a retail cost of \$2.00 or more or packaged unit of cigars averaging \$2.00 or more per packaged cigar at retail.
- This return and the tax due must be filed no later than the 21st calendar day after the end of each calendar quarter. You are still required to file a return with the District of Columbia Office of Tax and Revenue (OTR) even if no tax is due for the reporting period.
- Each distributor must retain itemized invoices and any supporting documentation used to complete this form for five (5) years from the due date, or filing date of the report, whichever is later.
- **Penalties and Interest.** Failure to file a Tobacco Products Excise Quarterly Tax Return and make payments by the due dates will result in the imposition of penalty and interest. The penalty for failure to file a return on time or failure to pay any tax when due is an additional five (5) percent per month, not to exceed 25 percent of the tax due. The interest is computed from the due date of the return until the day the tax is paid. The rate is 10 percent per year compounded daily.

- **International ACH Transaction (IAT).** Your payment cannot be drawn on a foreign account, you must pay by money order (US Dollars) or credit card.
- **Payment to DC Treasurer.** Include a check or money order payable to the DC Treasurer with the completed return. Write the Taxpayer Identification Number (TIN), and the specific quarterly payment on the check or money order. For example: TIN and '2018 FR-1000Q 1st QTR' on the payment. Make sure your check or electronic payment will clear. You will be charged a \$65 fee if your check or electronic payment is not honored by your financial institution and returned to OTR.
- **Special Fee.** OTR charges a one-time fee to cover internal collection efforts. The fee assessed is 10% of the balance due. Payments received on OTR accounts subject to the fee are first applied to the fee, then to the penalty, interest and tax owed.
- **Signature.** Please sign and date your return.

General Instructions

Column B

- Line 1** Enter the total quantity of little cigars sold in DC during the reporting period.
- Line 2** Enter the total gross receipts from sales of Roll your own (RYO) Tobacco during the reporting period.
- Line 3** Enter the total gross receipts from sales of vapor products by wholesalers, or the gross amount for untaxed purchases of vapor products by retailers/individual consumers, during the reporting period. (If a retailer/individual consumer purchases vapor products from a wholesaler or other vendor who does not pay the excise tax, the retailer/individual consumer is responsible for paying the tax).
- Line 4** Enter the total gross receipts from sales of all other tobacco products during the reporting period.

Column C - TAX RATE

Tax is imposed on the sale or possession of 'little cigars' at \$0.145 per little cigar and tax is imposed on the sales of vapor products and other tobacco products at a rate of 60%.

Column D - TAX

Enter the computed tax due by multiplying Column B by Column C, Tax Rate.

- Line 5** Enter the total of Lines 1 through 4 in Column D, rounded to the nearest dollar.
- Line 6** Penalty. Enter current year penalty due.
- Line 7** Interest. Enter current interest due.
- Line 8** Total DC Tax Due. Add Lines 5, 6 and 7.