

Bulletin

Comptroller of Maryland • Motor-fuel, Alcohol and Tobacco Tax Regulatory Division • Goldstein Treasury Building
P.O. Box 2999 • Annapolis, Maryland 21404-2999 • Telephone: 410-260-7314 • Fax: 410-974-3201
Web Site: <http://compnet.comp.state.md.us>

TT-59

April 16, 2008

To: Licensed Cigarette Wholesalers

Subject: Fire Safe Cigarettes

Maryland's fire safe cigarette statute will go into effect July 1, 2008. This bulletin is to advise all cigarette wholesalers that the Comptroller will be changing the color of the cigarette tax stamp to coincide with the new fire safe cigarette requirement. To make this a smooth transition and to assist with the "sale through provisions" of the fire safe cigarette statute, the color of the State cigarette tax stamp will change from light blue to an alternate colored stamp on July 1, 2008.

Cigarette wholesalers may continue to stamp cigarettes, both fire safe and non-fire safe up until June 30, 2008, using the current light blue tax stamp. Cigarettes stamped with the light blue tax stamp may be legally sold by wholesalers, sub-wholesalers, vending machine operators and retailers subsequent to June 30, 2008, due to the sale through provisions contained in the law.

On or about June 23, 2008, the new cigarette tax stamp will be made available to cigarette wholesalers. Wholesalers must begin using the new colored stamp for all stamping beginning July 1, 2008, and cease stamping with the blue colored stamp. Use of the new stamp can occur prior to July 1, 2008, but can only be used for cigarettes that are fire safe compliant.

Subsequent to June 30, 2008, wholesalers must return their inventory of blue colored tax stamps by mail or in person along with a Wholesaler's Claim for Credit form COM/ATT-603. Indicate the amount of stamps returned for credit or quantity of stamps to be exchanged directly on the claim for credit. A claim for credit must be submitted for any rolls that are less than full rolls or for any loose stamps.

Wholesalers who desire to make an exchange can do so but only for complete rolls of tax stamps and should also include a cigarette stamp order form #COM/ATT- 623 for the same number of stamps returned. All claims for exchange must be sent into this office by July 10, 2008. Either form mentioned above can be obtained from the taxpayer service section and the claim for credit can also be found on the Division's website:

http://compnet.comp.state.md.us/MATT_Regulatory_Division/Alcohol_and_Tobacco_Tax/Tobacco_Tax_Information/Administrative_News_and_Forms/Tobacco_Tax_Forms.shtml

Over

Cigarette wholesalers are reminded that under the statute, wholesalers must provide a copy of the manufacturer's illustration of the fire safe packaging marking to each sub-wholesaler, vending machine operator and retailer that the wholesaler sells cigarettes.

Thank you for your compliance as we transition to adopt the new fire safe cigarette statute. Should you have any questions please contact the taxpayer services section at 410-260-7314.

Thad Russell
Director

cc. Retailers
Sub-wholesalers
Vending Machine Operators