

Wholesale Dealers of Cigarettes and Tobacco Products Must Begin Filing Quarterly Informational Returns

The Cigarette Tax Regulations have been amended to require wholesale dealers of cigarettes licensed under Article 20 of the Tax Law to file quarterly informational returns with the Tax Department (see 20 NYCRR Part 75). In addition, the Tobacco Products Tax Regulations have been amended to require wholesale dealers of tobacco products to file informational returns on a quarterly basis rather than monthly (see 20 NYCRR Part 90).

Wholesale dealers of cigarettes

Beginning with the quarterly period of June 1, 2010, through August 31, 2010, every licensed wholesale dealer of cigarettes, including a wholesale dealer who is also an agent, must file the *Wholesale Dealer of Cigarettes Informational Return* on or before the 20th day of the month following the end of the previous quarter. The first quarterly return required for wholesale dealers of cigarettes is due September 20, 2010, and must be filed using the procedure described in *Instructions for filing informational returns* below.

Wholesale dealers who only operate vending machines do not need to file.

Note: A wholesale dealer who is also an agent must continue to file the applicable Form CG-5, *Nonresident Agent Cigarette Tax Report*, or Form CG-6, *Resident Agent Cigarette Tax Report*, due on or before the 15th of each month.

What information will be required?

In addition to any other information that the Tax Department may require, wholesale dealers of cigarettes are required to report the following information on their quarterly returns:

- the name, address, and federal tax identification number of every customer to whom cigarettes have been sold or transferred during the quarter;
- the quantity of the cartons of cigarettes sold or transferred to each customer during the quarter;
- the total sales price of cigarettes sold or transferred to each customer during the quarter; and
- the total sales price of cigarette and non-cigarette sales or transfers to each customer during the quarter. Non-cigarette sales include all other products, such as candy, snacks, soft drinks, and other sundries.

Prior to this amendment, the department requested this information directly from individual wholesale dealers on an annual basis. With the adoption of this regulation, the information will be included in the quarterly return and an annual submission will no longer be required.

Instructions for filing informational returns

Wholesale dealers of cigarettes must file their information returns using electronic media (such as CD, DVD, or floppy disc). However, wholesale dealers who do not keep records electronically may use Form CG-89, *Wholesale Dealer of Cigarettes Informational Return*.

Details regarding the actual filing of the return will be available on the Tax Department's Web site by September 1, 2010.

Wholesale dealers of tobacco products

Beginning with the quarterly period of June 1, 2010, through August 31, 2010, wholesale dealers of tobacco products will be required to file Form MT-203-W, *Wholesale Dealer of Tobacco Products Informational Return*, and attachments on or before the 20th day of the month following the end of the previous quarter. The last monthly return required for the period May 1, 2010, through May 31, 2010, is due on June 20, 2010. Accordingly, the first quarterly return required for wholesale dealers of tobacco products is for the reporting period of June 1, 2010, through August 31, 2010 (due September 20, 2010).

For additional information, refer to TSB-M-08(1)M, *Wholesale Dealers of Tobacco Products to Begin Filing Monthly Informational Returns*.

Wholesale dealers who are distributors of tobacco products are not required to file Form MT-203-W but must continue to file Form MT-203, *Distributor of Tobacco Products Tax Return*, due on or before the 20th of each month.

Wholesale dealers of tobacco products are not required to file using electronic media.

Quarterly returns and due dates

Forms CG-89 and MT-203-W must be filed as follows:

Quarter	Due Date
June 1 – August 31	September 20
September 1 – November 30	December 20
December 1 – February 28 (29)	March 20
March 1 – May 31	June 20

License cancellation or suspension

The license of any wholesale dealer of cigarettes or tobacco products may be canceled or suspended for failure to supply the information requested in the informational returns, or for failure to comply with any of the provisions of Article 20 of the Tax Law.

Need forms?

Forms, TSB-Ms, and other documents may be obtained from our Web site at www.nystax.gov.

NOTE: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.