



---

## **Important Notice Regarding Prepaid Sales Tax on Cigarettes**

For the period September 1, 2007, through August 31, 2008, the amount of the prepaid sales tax on cigarettes is as follows:

36¢ on packages of 20 cigarettes

45¢ on packages of 25 cigarettes

### **Retailers of cigarettes**

A retailer must substantiate credits taken for prepaid tax paid on cigarettes sold to the final customer. Retain for your records either a properly completed Form ST-133, *Certificate of Prepayment of Sales Tax on Cigarettes*, or a supplier's invoice that incorporates all of the information on Form ST-133.

Sales tax prepayments were determined using the base retail sales prices: \$5.161 per 20-pack and \$1.290 for each additional five cigarettes.

Note: The base retail price of cigarettes used to determine the prepaid sales tax due on a pack of cigarettes does not replace, and does not have any impact on, the basic cost of cigarettes or on the minimum wholesale or retail sales prices set by the Cigarette Marketing Standards Act (Article 20-A of the Tax Law). The minimum wholesale or retail sales prices are affected only when there is a change in either the manufacturer's selling price or the cigarette excise tax (see Publication 508, *Minimum Price List for Cigarettes*, for more information).

**NOTE:** An N-Notice is generally issued to announce a singular event, such as an update to a previously issued tax form or instruction, or to announce a new due date for filing returns and making payments of tax because of a natural disaster. The Department does not revise previously issued N-Notices.