

**Illinois Department of Revenue
Regulations**

Title 86 Part 445 Section 445.20 Tobacco Product Escrow Reporting Requirements

TITLE 86: REVENUE

**PART 445
TOBACCO PRODUCT MANUFACTURERS' ESCROW ACT**

Section 445.20 Tobacco Product Escrow Reporting Requirements

- a) Any tobacco product manufacturer selling cigarettes to consumers within the State of Illinois (whether directly or through a distributor, retailer, or similar intermediary or intermediaries) after June 30, 1999 is required to do one of the following:
 - 1) become a participating manufacturer and generally perform its financial obligations under the Master Settlement Agreement; or
 - 2) place into a qualified escrow fund by April 15 of the year following the year in question the following amounts (as such amounts are adjusted for inflation):
 - A) For 1999: \$0.0094241 per unit sold after June 30, 1999;
 - B) For 2000: \$0.0104712 per unit sold;
 - C) For each of 2001 and 2002: \$0.0136125 per unit sold;
 - D) For each of 2003 through 2006: \$0.0167539 per unit sold;
 - E) For each of 2007 and each year thereafter: \$0.0188482.
- b) Each tobacco product manufacturer that elects to place funds into escrow shall annually certify to the Attorney General the amount placed into escrow each year on or before April 15. Such affidavit shall be filed upon forms furnished and prescribed by the Attorney General and contain such other information as the Attorney General may reasonably require.
- c) Every distributor who is not a manufacturer of cigarettes shall, on or before the 1st day of March, file a report with the Attorney General, showing the quantity of cigarettes sold bearing Illinois cigarette tax stamps during the preceding calendar year and the name and address of the non-participating manufacturer of the cigarettes sold. Such report shall be filed upon forms furnished and prescribed by the Attorney General and shall contain such other information as the Attorney General may reasonably require. Distributors are not required to file this report if the cigarettes sold were manufactured by a participating manufacturer.
- d) Every nonparticipating manufacturer of cigarettes shall keep at his licensed address complete and accurate records of cigarettes sold and shall preserve and keep at his

licensed address all invoices, bills of lading, sales recorders, copies of bills of sale, inventory at the close of each period for which a report is required and other pertinent papers and documents relating to the manufacture, purchase, sale or disposition of cigarettes.

- e) All books and records and other papers and documents that are required to be kept shall be kept in the English language, and shall, at all times during the usual business hours of the day, be subject to inspection by the Office of the Attorney General or its duly authorized agents and employees.