



Informational

Bulletin

Brian Hamer, Director

Changes to the Taxation of Tobacco Products for Moist Snuff

To: Tobacco distributors

This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

Effective January 1, 2013, tobacco products meeting the new definition of moist snuff must be reported and taxed based on the product's weight rather than on its wholesale price. There are also changes to the Form TP-1, Tobacco Products Tax Return, that will affect all taxpayers.

For information or forms

Visit our website at:
tax.illinois.gov

Call us at:
217 782-6045

Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304

What is "moist snuff"?

Beginning on January 1, 2013, "moist snuff" means any finely cut, ground, or powdered tobacco that is not intended to be smoked, but shall not include any finely cut, ground, or powdered tobacco that is intended to be placed in the nasal cavity.

What is the tax on moist snuff?

The tax on moist snuff is \$0.30 per ounce.

How must I account for moist snuff?

Form TP-1, Tobacco Products Tax Return, has been revised to include a new section for the separate reporting of moist snuff. This revised return is effective with the January 2013 reporting period. Form TP-1 is due on or before the 15th day of each month to report transactions you made during the preceding month. *Even if you have no sales during the reporting period, you must file a return for each month.*

Complete any applicable schedules. There are new schedules on which you must report certain moist snuff transactions. A list of all TP-1 schedules is included on the back of this bulletin.

Mail your completed return, schedules, and payment to:

**ALCOHOL, TOBACCO, AND FUEL DIVISION
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19019
SPRINGFIELD IL 62794-9019**

You may access this form on our website at **tax.illinois.gov**.

What forms are required to report Tobacco Products beginning with the January 2013 liability period?

Revised forms:

- Form TP-1, Tobacco Products Tax Return (R-12/12)
- Form TP-1-X, Amended Tobacco Products Tax Return (R-12/12)

Revised schedules:

- Form TP-7, Schedule of Returned Merchandise for Tobacco Products Tax (R-12/12)
- Form TP-11, Products Sold in Interstate Commerce (R-12/12)
- Form TP-12, Products Sold to Other Distributors/Wholesalers (R-12/12)
- Form TP-13, Other Deductions for Tobacco Products (R-12/12)

New schedules:

- Form TP-14, Moist Snuff Sold and Shipped in Interstate Commerce (N-12/12)
- Form TP-15, Moist Snuff Sold to Other Distributors/Wholesalers (N-12/12)
- Form TP-16, Schedule of Returned Moist Snuff (N-12/12)
- Form TP-17, Other Deductions for Moist Snuff (N-12/12)