Form TP-1 Instructions

General Instructions

Who must file Form TP-1?

You must file Form TP-1, Tobacco Products Tax Return, if you are an Illinois-licensed distributor of tobacco products (excluding cigarettes). A distributor is any person engaged in the business of selling tobacco products to retailers (and in some cases to consumers) in Illinois. Distributors include

- in-state manufacturers and wholesalers;
- out-of-state manufacturers and wholesalers who have nexus in Illinois; and,
- retailers who purchase tobacco products directly from unlicensed out-of-state suppliers.

You have nexus in Illinois if you
- have a business site in Illinois; or
- have or maintain within Illinois, directly or by subsidiary,
  - an office or an agent or other representative operating in this state, even if only occasionally; or
  - a place (*e.g.,* a warehouse) from which you deliver or produce tobacco products.

When must I file Form TP-1?

You must file Form TP-1 and pay any tax due on or before the 15th day of each month to report transactions you made during the preceding month. As of September 1, 2018, all tobacco product distributors are mandated to electronically file Form TP-1. You may request a waiver of the electronic filing requirement by submitting a completed IL-900-EW.

Form TP-1 can be filed electronically using MyTax Illinois, available at mytax.illinois.gov, or using a direct transmission method through software you develop or purchase from a third-party vendor.

What if I fail to file and pay the amount I owe?

You owe a **late-filing penalty** if you do not file a processable return by the due date, a **late-payment penalty** if you do not pay the tax you owe by the date the tax is due, and a **bad check penalty** if your remittance is not honored by your financial institution. Interest is calculated on tax from the day after the original due date of your return through the date you pay the tax. We will bill you for penalties and interest. For more information about penalties and interest, see Publication 103, Penalties and Interest for Illinois Taxes. To receive a copy of this publication, visit our website at **tax.illinois.gov** or call us at **1 800 356-6302.**

How long must I retain my records?

You must retain the records required to substantiate this return for at least 3.5 years from the due date of the return or the date filed, whichever is later.

What if I need to correct a previously filed return?

If you need to correct a previously filed Form TP-1, you must complete Form TP-1-X, Amended Tobacco Products Tax Return.

Where do I get help?

If you have questions or need help completing your return, you can email us at REV.ATP-MFR@illinois.gov or call us weekdays between 8:00 a.m. and 4:30 p.m. at **217 782-6045.**

Step-by-Step Instructions

Step 1: Identify your business

Complete Lines 1 through 7 to identify your business.

Step 2: Figure your cost-based tax (tobacco products *excluding* moist snuff and e-cigarettes)

Wholesale price is the established list price for which a manufacturer sells tobacco products to a distributor. In the absence of an established list price, the manufacturer's invoice price at which he or she sells the tobacco product to an unaffiliated distributor will be used as the wholesale price. The wholesale price is the price established before any discount, trade allowance, rebate, or other reduction.

Line 8 - Write the wholesale price for tobacco products you manufactured and then sold or otherwise disposed of during the month for which you are filing this return, regardless of whether you originally manufactured the products during this month.

Line 9 - Write the wholesale price for tobacco products you purchased and then sold or otherwise disposed of during the month for which you are filing this return, regardless of whether you originally purchased the products during this month.

Step 3: Figure your weight-based tax (moist snuff *only*)

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.

Line 18 - Write the ounces of moist snuff you manufactured and then sold or otherwise disposed of during the month for which you are filing this return, regardless of whether you originally manufactured the products during this month.

Line 19 - Write the ounces of moist snuff you purchased and then sold or otherwise disposed of during the month for which you are filing this return, regardless of whether you originally purchased the products during this month.

Step 4: Figure your cost-based tax (e-cigarette *only*)

Line 28 - Write the wholesale price for e-cigarettes you manufactured and then sold or otherwise disposed of during the month for which you are filing this return, regardless of whether you originally manufactured the products during this month.

Line 29 - Write the wholesale price for e-cigarettes you purchased and then sold or otherwise disposed of during the month for which you are filing this return, regardless of whether you originally purchased the products during this month.

Step 5: Figure your payment

Line 39 - If you have a credit memorandum issued to you by us and wish to apply that toward your balance due, write the amount of credit you wish to apply.

Line 40 - Subtract Line 39 from Line 38 to determine the amount of tax you owe. If you do not file a processable return or pay the tax you owe by the due date, you will owe additional penalty and interest. We will bill you for penalties and interest.

Step 6: Signatures

An owner, partner, officer of the corporation, or other person who is authorized to file your returns must sign Form TP-1. If you use a tax preparer, he or she must also sign and date Form TP-1. Be sure to include a daytime telephone number where we can reach you if we have questions.

For help on setting up a CSV file, see the next page of these instructions.

Schedule: Submission with CSV file in MyTax Illinois

The CSV (Comma Separated Value) file format is used for importing the tobacco products schedules file directly to an Illinois TP-1 Return. The import feature is recommended for users who have software that can create the CSV format. Using a spreadsheet program (*e.g.,* Excel), columns are required to create a CSV file that is recognized and accepted by MyTax Illinois. You may also use a text file following the same formatting. The file should have no header row. The file must contain the following columns in this order:

	Field Name	Max Length	Data Type	Description
1st Column	Schedule Name	2 characters	Numeric	Indicate which of the tobacco products schedules the information in this entry belongs on by entering *"7", "11", "12", "13", "14", "15", "16", "17", "18", "19", "20", or "21"*
2nd Column	Reference or Invoice Number	30 characters	ASCII characters	The reference or invoice number this entry pertains to.
3rd Column	Reference or Invoice Number Date	10 characters	ASCII characters	The date the transaction occurred. *Example: January 1, 2020 should be entered as "1/1/2020".*
4th Column	FEIN	9 characters	Numeric	FEIN of company this entry pertains to.
5th Column	Name	40 characters	ASCII characters, no commas	Name of customer. Only valid on entries where Column 1 = "7", "11", "12", "14", "15","16", "18", "19", or "20"
6th Column	Address	40 characters	ASCII characters, no commas	The street address of your customer. Only valid on entries where Column 1 = "7", "11", "12", "14", "15","16", "18", "19", or "20"
7th Column	City	40 characters	ASCII characters, no commas	The city in which your customer is located. Only valid on entries where Column 1 = "7", "11", "12", "14", "15","16", "18", "19", or "20"
8th Column	State	2 characters	ASCII characters, no commas	The state in which your customer is located. Only valid on entries where Column 1 = "7", "11", "12", "14", "15","16", "18", "19", or "20"
9th Column	Zip	10 characters	ASCII characters, no commas	The zip code of your customer. A zip code of 5 or 9 digits is required. Only valid on entries where Column 1 = "7", "11", "12", "14", "15","16", "18", "19", or "20" *Example: 62568 or 62568-3214*
10th Column	Foreign Country	40 characters	ASCII characters, no commas	The country in which your customer is located. Only required for countries that are not USA. Only valid on entries where Column 1 = "11", "14" or "18"
11th Column	Reason for Deduction	50 characters	ASCII characters, no commas	The explanation on why you are claiming a deduction on this schedule. Only valid on entries where Column 1 = "13", "17" or "21"
12th Column	Wholesale Price	20 characters	Numeric	The wholesale price of the product being reported on this entry. Only valid on entries where Column 1 = "7", "11", "12", "13", "18", "19", "20", or "21". For all other Schedules enter "0" in this field. *Example: $1,234.56 should be entered as "1234.56"*
13th Column	Number of Ounces	10 characters	Numeric	The number of ounces of product being reported on this entry. Enter number if Column 1 = "14", "15", "16", or "17". For all other Schedules enter "0" in this field. Allow two decimal places. *Example: 1,234.56 should be entered as "1234.56"*

Example:
You are filing Schedule TP-11, with reference number 12345678, and reference date 3/10/2021. Your FEIN is 123456789. Your customers name is ABC Tobacco, Inc., located at 101 Any Blvd., Springfield, IL 60001-1234. The wholesale price was $2,000.50. The record for the transaction would be reported as follows:

CSV Spreadsheet Example (e.g., Excel)

11	12345678	3/10/2021	123456789	ABC Tobacco Inc.	101 Any Blvd.	Springfield	IL	60001-1234			2000.50	0

Text File Example (e.g., Notepad)
11,12345678,3/10/2021,123456789,ABC Tobacco Inc.,101 Any Blvd.,Springfield,IL,60001-1234,,,2000.50,0

Save your spreadsheet or text file using the file type "CSV (Comma delimited) (*.csv)" option. For text files, separate each field with a comma and each record with a hard return. Once you have your file saved in this format, you may use the "Import" option in MyTax Illinois.