NEVADA DEPARTMENT OF TAXATION

1550 College Parkway, Ste 115
Carson City, NV 89706-7937
Phone (775) 684-2000 Fax (775) 684-2020
Website: https://tax.nv.gov/

APPLICATION FOR TOBACCO LICENSES

YOU MAY NOT POSSESS, PURCHASE OR SELL ANY TOBACCO PRODUCTS UNTIL LICENSED BY THE DEPARTMENT

Check All Licenses You Are Applying For:	
☐ Cigarette Wholesale ☐ Cigarette Manufacturer ☐ Other Tobacco Products (OTP) Wholesale ☐ Tobacco Retail	
Date You Intend to Start Selling Tobacco Products:	Federal Identification #:
Entity Type (Sole Proprietor, Partnership, LLC, Corporation, Other):	State of Incorporation:
Entity Name:	
Doing Business As (DBA)/Fictitious Firm Name:	
Entity Address:	
Mailing Address:	
Location Address:	
Is this Business Location Owned by Applicant? ☐ Yes ☐ No	Leased by Applicant? ☐ Yes ☐ No
Business Website:	Business Email Address:
Business Phone Number:	Business Fax Number:

Required Application Items:

☐ Completed Application. **NOTE: All incomplete applications will be rejected and must be resubmitted.**

☐ Copy of Valid Photo I.D. for all Owners/Officers
(Driver's License, Passport, Military I.D., Tribal I.D.)

☐ Copy of Local Government Business License
If Not Provided, Why:_____

☐ Copy of Nevada State Business License
If Not Provided, Why:_____

☐ Copy of Fictitious Firm Name Certificate, if Applicable
If Not Provided, Why:_____

☐ Copies of All Current Tobacco Licenses Issued in Other States

☐ Copy of Valid Alcohol and Tobacco Tax and Trade Bureau (TTB) Permit, Importers/Manufacturers Only

☐ Copy of Valid Lease/Proof of Ownership for Business Address

☐ Proof of Registered/Resident Agent, Out-of-State Companies Only

All Applicants Must Answer the Questions Below:		
☐ YES	☐ NO	You understand you must follow, stay current on, and comply with all Nevada laws and regulations as stated in Chapter 370 and 370a of the Nevada Revised Statutes (NRS) and Nevada Administrative Code.
☐ YES	☐ NO	You understand that violating any provisions of NRS Chapter 370 may result in the issuance of civil penalties ranging from $1,000 - $5,000 for each violation and/or the suspension or revocation of your license. In addition, the Attorney General may assess civil penalties up to $1,000 per day.
☐ YES	☐ NO	You understand it is illegal to possess, ship, manufacture, purchase and/or sell cigarettes and OTP, or operate a commercial cigarette rolling machine without proper tobacco licensing from the Department of Taxation (Department) pursuant to NRS 370.567.

☐ YES	☐ NO	You understand it is illegal to sell cigarettes, OTP, products made or derived from tobacco, and/or vapor products including components, cartridges and e-liquids to someone under the age of eighteen (18).
☐ YES	☐ NO	You understand that if you are selling or distributing cigarettes or OTP in a non-face to face transaction, you must comply with state laws regarding packaging and labeling requirements, and perform an age verification of the purchaser.
☐ YES	☐ NO	You understand you must complete an application for each business location you want to sell cigarettes or OTP from, including if a business already had a license but has moved.
☐ YES	☐ NO	You understand all tobacco licensing is location specific, must be signed by an authorized person of the company, and must be posted at the business location in a conspicuous place where it can be seen by the public.
☐ YES	☐ NO	You understand if you move locations, change corporate or fictitious firm names, or close your business; it is your responsibility to notify the Department.
☐ YES	☐ NO	You understand, if issued this license, it will expire yearly and a renewal form along with payment of license fees must be received by the Department on or before 12/31 of each year in order to receive a new one.
☐ YES	☐ NO	You understand your business location is subject to compliance inspections at any time during normal business hours and with a warrant at any other time pursuant to NRS 370.413.
☐ YES	☐ NO	You understand all invoices, reports and records must be kept at the licensed location for a minimum of five (5) years; and you must provide all tobacco transaction invoices, related journals, shipping logs and any reports and records used to prepare monthly reports during a compliance inspection and/or audit.
☐ YES	☐ NO	You understand that in the event of an inspection and/or audit, if the records are incomplete or questionable you may be required to provide additional records to include, but not limited to, all purchase invoices, sales invoices, bank statements, credit card statements, financial statements and IRS tax returns.
☐ YES	☐ NO	You understand you can only sell cigarettes and roll-your-own ("RYO") cigarette tobacco brands listed on the Nevada Tobacco Directory and it is your responsibility to know what brands are legal to sell **at all times**.

Owners/Officers/Partners:

Complete the information below for all owners, partners, corporate officers, managers, members, etc.

Name:	Title:	SSN#:	
Residential Address:	City, State, Zip:		% Owned:
Name:	Title:	SSN#:	
Residential Address:	City, State, Zip:		% Owned:
Name:	Title:	SSN#:	
Residential Address:	City, State, Zip:		% Owned:
Name:	Title:	SSN#:	
Residential Address:	City, State, Zip:		% Owned:
Name:	Title:	SSN#:	
Residential Address:	City, State, Zip:		% Owned:

Has an Owner, Officer, Partner, Member or Any Person Authorized to Make Purchasing Decisions for this Company:

Ever been issued a tobacco license in Nevada or another state in his/her own name or in the name of a corporation, LLC, LLP or other entity? ☐ Yes ☐ No If yes, list the name and all states the business is or was licensed in:

_____

_____

Had a tobacco license suspended, revoked, refused or denied in Nevada or any other state? ☐ Yes ☐ No If yes, list the state(s):

_____

_____

Been charged, pled guilty to, or convicted of a tobacco crime? ☐ Yes ☐ No If yes, explain (attach additional sheets if necessary):

_____

_____

Contact Person for Monthly Reports:	Title:
Contact's Telephone Number: Ext:	Contact's Fax Number:

Provide an Email Address to Receive Notifications of Changes to the Tobacco Directory:
Please List All States Where the Applicant Currently Holds Tobacco Licenses:

Give a Brief Description of Your Business in Nevada (including what you will be buying and selling):

For a Tobacco Retailer's License, Complete This Entire Section:

The Tobacco Retail Dealer's License Fee is $50.00 annually (NRS 370.150) or prorated by month as follows:
January – $50.00, February - $46.00, March – $42.00, April – $38.00, May – $34.00, June – $30.00,
July – $26.00, August – $22.00, September – $18.00, October through December – $12.50

This License Allows Companies to Buy Cigarettes and Other Tobacco Products (OTP) From Licensed Wholesale Dealers to Then Sell to Consumers Only.

List Names, Addresses, Phone Numbers & Email Addresses of Intended Vendors. If needed, attach a list:

☐ YES	☐ NO	Do you intend to sell cigarettes to consumers?
☐ YES	☐ NO	Do you intend to sell OTP to consumers?
☐ YES	☐ NO	Do you intend to sell vapor, including their components, or alternative nicotine products to consumers?
☐ YES	☐ NO	Do you intend to operate cigarette and/or tobacco related vending machines?
☐ YES	☐ NO	Do you utilize a warehouse or distribution center to receive and distribute shipments of cigarettes and/or OTP?
☐ YES	☐ NO	You understand a retailers must purchase all cigarettes and OTP, including vapor products, their components, and alternative nicotine products, from Nevada licensed wholesale dealers.
☐ YES	☐ NO	You know where to find the lists of Licensed Cigarette Wholesale, OTP Wholesale Accounts, the Tobacco Directory and other cigarette and OTP forms and reports on our website. The Department's web address is: https://tax.nv.gov/
☐ YES	☐ NO	You understand you **cannot** legally purchase cigarettes and/or OTP from another licensed retail dealer.
☐ YES	☐ NO	You understand any OTP bought from an unlicensed company on which tax has not been paid to the Department is contraband and subject to seizure.
☐ YES	☐ NO	You understand the definition of OTP has been amended to encompass vapor products and alternative nicotine products. Vapor products includes, without limitation, e-liquids with or without nicotine, cartridges, and components used exclusively or primarily for vapor products, whether or not sold separately.
☐ YES	☐ NO	You understand it is your responsibility to ensure the cigarette packages you offer for sale are properly stamped within 5 days of receipt or they will be confiscated as contraband? Properly stamped means clear and with all identifying marks and number legible.
☐ YES	☐ NO	You understand it is illegal to place a cigarette vending machine in a public area unless people under the age of twenty-one (21) are prohibited from loitering in that area.
☐ YES	☐ NO	You understand that cigarettes must be sold in packs or cartons and that selling single cigarettes is illegal.

For an OTP Wholesale Dealer's License, Complete This Entire Section:

The OTP Wholesale Dealer's License Fee is $650.00 annually (NRS 370.150) or prorated by month, as follows:
January – $650.00, February – $596.00, March – $542.00, April – $488.00, May – $434.00, June – $380.00,
July – $326.00, August – $272.00, September – $218.00, October through December – $162.50
A minimum $1,000.00 security bond is required for all OTP Wholesale Dealers (NRS 370.155)

This License Allows Companies to Buy OTP From Nevada Licensed Wholesale Dealers and/or Unlicensed Companies Outside Nevada to Then Sell to Nevada Licensed OTP Wholesale Dealers and Tobacco Retail Dealers.

List Names, Addresses, Phone Numbers and Email Addresses of Companies You Intend to Purchase From:

List Names, Addresses and Phone Numbers of Customers You Intend to Sell To:

If You Will Be Selling Roll Your Own (RYO) Cigarette Tobacco, List the Brands You Intend to Sell (i.e. Bugler, Drum, Gambler):

☐ YES	☐ NO	Do you intend to sell RYO cigarette tobacco?
☐ YES	☐ NO	Do you intend to sell OTP on-line?
☐ YES	☐ NO	Do you intend to sell OTP to in-state customers?
☐ YES	☐ NO	Do you intend to sell OTP to out-of-state customers?
☐ YES	☐ NO	Do you utilize a warehouse, distribution center or logistics company to receive and distribute your OTP?
☐ YES	☐ NO	Do you manufacture tobacco products (i.e. rolling cigars or manufacturing shisha, e-juices, or components, etc)?
☐ YES	☐ NO	Do you intend to import tobacco from **outside** the U.S.?
☐ YES	☐ NO	Do you have a manufacturer's and/or an importer's permit with the Alcohol and Tobacco Tax and Trade Bureau ("TTB")?
☐ YES	☐ NO	You understand it is your responsibility to ensure all of your Nevada customers have a correct and valid Tobacco Retail and/or OTP Wholesale Dealer's License prior to selling tobacco products to them.
☐ YES	☐ NO	You know where to find the lists of Licensed OTP Wholesale Accounts, Tobacco Retail Accounts, the Tobacco Directory and other cigarette and OTP forms and reports on our website. The Department's web address is: https://tax.nv.gov/
☐ YES	☐ NO	You understand pursuant to NRS 370.450, OTP tax is due to the Department upon receipt of the products by an in-state wholesaler, when sold into Nevada by an out-of-state wholesaler to a retailer or ultimate consumer or at the time the product manufactured in Nevada is sold to a Nevada wholesaler, retailer or ultimate consumer.
☐ YES	☐ NO	You understand the definition of OTP has been amended to encompass vapor products and alternative nicotine products. Vapor products includes, without limitation, e-liquids with or without nicotine, cartridges, and components used exclusively or primarily for vapor products, whether or not sold separately.
☐ YES	☐ NO	You understand you are required to file **monthly** OTP tax returns, even if no sales are made, with payment of any taxes owed pursuant to NRS 370.450.
☐ YES	☐ NO	You understand if the required monthly returns are not filed, are late filed, filed incomplete or inaccurate, or the taxes were not paid, you will be assessed civil penalties and your license may be suspended or revoked.
☐ YES	☐ NO	You understand you are required to have a minimum $5,000 of wholesale inventory on hand at all times.
☐ YES	☐ NO	You understand it is illegal to sell or offer to sell untaxed OTP in Nevada.
☐ YES	☐ NO	You understand it is illegal to extend credit or sell on consignment.
☐ YES	☐ NO	You understand all out-of-state wholesale dealers who ship RYO and/or smokeless tobacco into Nevada are required to file monthly shipment reports pursuant to NRS 370.327 in addition to the monthly OTP tax return.

For a Cigarette Wholesale Dealer's License, Complete This Entire Section:

The Cigarette Wholesale Dealer's License Fee is $650.00 annually (NRS 370.150) or prorated by month, as follows:
January – $650.00, February – $596.00, March – $542.00, April – $488.00, May – $434.00, June – $380.00,
July – $326.00, August – $272.00, September – $218.00, October through December – $162.50
A minimum $1,000.00 bond is required for all Nevada Cigarette Wholesale Dealers (NRS 370.155)

This License Allows Companies to Purchase Cigarettes from Nevada Licensed Wholesale Dealers, Purchase and Affix Stamps, and Sell to Nevada Licensed Wholesale Dealers and/or Retail Dealers.

List Names, Addresses, Phone Numbers and Email Addresses of Companies You Intend to Purchase From:

List Names, Addresses and Phone Numbers of Customers You Intend to Sell To:

List All Cigarette Brands You Intend to Sell in Nevada:

☐ YES	☐ NO	Do you intend to affix Nevada stamps (tax or Tribal) to cigarette packages? If yes, provide stamp machine model and serial #:_____
☐ YES	☐ NO	Do you intend to stamp cigarettes for another state? If so, provide a list of the states your company will stamps for.
☐ YES	☐ NO	Do you receive cigarettes that have another state's stamp affixed?
☐ YES	☐ NO	Do you utilize a warehouse, distribution center or logistics company to receive and distribute your cigarettes?
☐ YES	☐ NO	You understand it is your responsibility to ensure all of your Nevada customers have a correct and valid Tobacco Retail or Cigarette Wholesale Dealer's License prior to selling cigarettes to them.
☐ YES	☐ NO	You know where to find the lists of Licensed Cigarette Wholesale, OTP Wholesale Accounts, the Tobacco Directory and other cigarette and OTP forms and reports on our website. The Department's web address is: https://tax.nv.gov/.
☐ YES	☐ NO	You understand you can only buy cigarettes from a manufacturer, importer or wholesale dealer who holds a current license in Nevada.
☐ YES	☐ NO	You understand you can only buy unstamped cigarettes from a manufacturer who holds a current license in Nevada.
☐ YES	☐ NO	You understand you are required to maintain $10,000 of wholesale product at all times.
☐ YES	☐ NO	You understand all in-state wholesale dealers who purchase unstamped cigarettes must affix stamps to those packages or set them aside for sale or distribution outside of Nevada within 20 days of receipt of that product.
☐ YES	☐ NO	You understand it is your responsibility to ensure the cigarette packages you sell are properly stamped, meaning clear and with all identifying marks and numbering legible, or the packages can be confiscated as contraband.
☐ YES	☐ NO	You understand all cigarettes must be stamped at and sold from the premise for which the license is issued.
☐ YES	☐ NO	You understand you are responsible for keeping an accurate physical inventory of your cigarettes at all times.
☐ YES	☐ NO	You understand that you are required to file monthly Cigarette Inventory Reports, even if no sales are made.
☐ YES	☐ NO	You understand if the required monthly returns are not filed, are late filed, or filed incomplete or inaccurate, you will be assessed civil penalties and your license may be suspended or revoked.
☐ YES	☐ NO	You understand any late payments for deferred stamp orders will incur a penalty amount between 10% to 25% plus the tax and interest owed. Additionally, your license may be suspended or revoked.
☐ YES	☐ NO	You understand all out-of-state wholesale dealers who ship cigarettes into Nevada must file monthly shipment reports pursuant to NRS 370.327 in addition to the required monthly Cigarette Inventory Reports.

For a Cigarette Manufacturer's License, Complete This Entire Section:

The Cigarette Manufacturer's License Fee is $1,000.00 annually (NRS 370.150) or prorated by month as follows:
January – $1,000.00, February - $917.00, March – $833.00, April – $750.00, May – $667.00, June – $583.00,
July – $500.00, August – $417.00, September – $333.00, October through December – $250.00

This License Allows Companies to Manufacture and Sell Cigarette and RYO Brands Listed on the Nevada Tobacco Directory to Licensed Nevada Wholesale Dealers.

List Names, Addresses and Phone Numbers of Customers You Intend to Sell To:

List All Cigarette Brands and RYO Cigarette Tobacco Brands and Styles Applicant Manufactures or Imports to be Sold in Nevada:

BEFORE ANY MANUFACTURER CAN SELL CIGARETTES OR ROLL-YOUR-OWN (RYO) CIGARETTE TOBACCO IN THE STATE OF NEVADA, THEY MUST FIRST COMPLETE AN INITIAL TOBACCO MANUFACTURER CERTIFICATION FORM TO HAVE THEIR CIGARETTE BRANDS APPROVED FOR LISTING ON THE NEVADA TOBACCO DIRECTORY. THE FORM IS AVAILABLE AT http://ag.nv.gov/Hot_Topics/Issue/Tobacco/ OR CONTACT THE NEVADA ATTORNEY GENERAL'S TOBACCO UNIT FOR MORE INFORMATION AT (775) 687-2100 OR tobaccoenforcement@ag.nv.gov.

ALL CIGARETTE BRANDS/STYLES MUST RECEIVE FIRE STANDARD COMPLIANT CERTIFICATION FROM THE NEVADA FIRE MARSHAL'S OFFICE. INSTRUCTIONS & APPLICATION FORMS ARE AVAILABLE AT http://fire.nv.gov/bureaus/FPL/Cigarettes/ OR CONTACT THE NEVADA FIRE MARSHAL AT (775) 684-7526.

☐ YES	☐ NO	You understand it is your responsibility to ensure all of your customers have a correct and valid Cigarette Wholesale Dealer's License prior to selling cigarettes to them.
☐ YES	☐ NO	You know where to find the lists of Licensed Cigarette Wholesale, OTP Wholesale Accounts, the Tobacco Directory and other cigarette and OTP forms and reports on our website. The Department's web address is: https://tax.nv.gov/.
☐ YES	☐ NO	You understand your brands and styles must be certified by the Attorney General's Office and must be deemed Fire Standard Compliant (FSC) by the Fire Marshal's Office prior to your brands and styles getting added to the Nevada Tobacco Directory.
☐ YES	☐ NO	You understand you must re-certify yearly with the Attorney General's Office and renew the Fire Standard Complaint certificate with the Fire Marshal's Office every three (3) years in order for your brands and styles to remain on the Nevada Tobacco Directory.
☐ YES	☐ NO	Do you utilize a warehouse, distribution center or logistics company to receive and distribute your cigarettes?

ALL APPLICANTS MUST COMPLETE THE SECTIONS BELOW

Delivery/Transportation/Carrier Information	
Company Name:	Company Name:
Street Address:	Street Address:
City, State, Zip:	City, State, Zip:
Phone #:	Phone #:
Company Name:	Company Name:
Street Address:	Street Address:
City, State, Zip:	City, State, Zip:
Phone #:	Phone #:

Business References		
Name:	Address:	Phone #:
Name:	Address:	Phone #:
Name:	Address:	Phone #:

If you operate or intend to operate a warehouse or distribution center or if you are utilizing a logistics company that will receive and distribute cigarette and/or OTP to this applicant and the warehouse, distribution center or logistic company is not currently licensed with the Department of Taxation, a separate application must be completed and approved by the Department prior to the warehouse, distribution center or logistics center receiving product or distributing product to the applicant. No product is allowed on site until a license from the Department has been issued, received and posted at the location address. The application for a warehouse or distribution center is located on the Department of Taxation's website at: https://tax.nv.gov/Forms Cigarette_and_Other_Tobacco_Products_Tax_Forms/.

CERTIFICATION STATEMENT: EVERY OWNER, OFFICER, PARTNER & OTHER PERSON AUTHORIZED TO MAKE DECISIONS FOR THIS COMPANY MUST SIGN THE APPLICATION.

By signing I certify that, to the best of my knowledge under penalty of perjury, the information contained herein is correct and acknowledge that pursuant to Nevada Revised Statutes (NRS) 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing to the Nevada Department of Taxation. In addition, if I am granted a tobacco license, I understand that I am expected to comply with all tobacco laws, including, but not limited to NRS 370 and 370A, Nevada Administration Code, and all Federal laws. Noncompliance will result in civil penalties, suspension or revocation of my license and criminal prosecution.

Print Name:	Sign Name:	Date:
Print Name:	Sign Name:	Date:
Print Name:	Sign Name:	Date:
Print Name:	Sign Name:	Date:
Print Name:	Sign Name:	Date:

Additional Instructions: To submit this form electronically, save this form to your computer. Once printed and signed by all applicable parties, email the completed application and all required attachments to nevadaolt@tax.state.nv.us with "Application for Tobacco Licenses" in the email subject line. Your email, including attachments, cannot exceed 10 MB. Applications can also be submitted via postal mail to the address or fax number listed the on the first page of this form. If you have any questions about how to complete this application, please contact the Department's Tobacco Enforcement Unit at 775-684-2165 or taxation-adminMSA@tax.state.nv.us. Also, please check the Department's website for FAQs, letters sent to licensees, needed forms or any other pertinent information regarding updates or changes made to Chapter 370.

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September 6, 2019

During the 2019 legislative session, many changes were made that impact entities who buy and sell cigarettes, other tobacco products ("OTP"), vapor products, and alternative nicotine products. This letter is provided by the Department of Taxation ("Department") as a way of informing affected taxpayers about **some** of the major changes that became effective on May 23, 2019 or will become effective no later than January 1, 2020.

For additional information on the statutory changes made to Nevada Revised Statutes ("NRS") Chapter 370 during the 2019 legislative session, please visit the links at the bottom of this letter. As always, it is your responsibility as a participant in a highly regulated industry to remain apprised of, and in compliance with, all applicable laws. Failure to do so may result in civil penalties and license suspension or revocation.

Senate Bill ("SB") 263

Selling to minors

It remains illegal to sell cigarettes or OTP, including vapor and alternative nicotine products, to minors under the age of 18. However, effective January 1, 2020, the penalty structure was amended so that when a sale to a minor is made, in addition to monetary penalties issued directly to the clerk, the store owner may also be issued monetary fines. Additionally, please note the changes which require the implementation of age verification systems for online sellers.

Vapor and Alternative Nicotine Products Defined

Effective January 1, 2020, the definition of OTP is amended to **include** vapor and alternative nicotine products. Included, but not limited in the definition of vapor products are, the components of such products or devices (cartridges, atomizers, customizers, hookah pen etc.), even if sold separately. These products will be taxed as OTP and entities selling these products will need to obtain the proper licensing prior to the effective date.

Assembly Bill ("AB") 535

Annual Licensing Fee Requirements

Effective October 1, 2019, an annual license fee will be imposed on all new and renewed tobacco licenses. New licenses issued at any time during the year, other than on January 1, will pay a pro-rated annual fee for the remainder of the year, but not less than 25% of the annual fee. License renewal fees are due and payable on or before January 1 of each year.

- $1,000 for each Cigarette Manufacturer's License
- $650 for each Wholesale Dealer of Cigarettes License
- $650 for each Wholesale Dealer of Other Tobacco Products License
- $50 for each Tobacco Retail Dealer's License

SB 81

All Licensees

Effective May 23, 2019, no license will be issued, maintained, or renewed to a manufacturer, wholesale dealer of cigarettes ("cigarette wholesaler"), wholesale dealer of OTP ("OTP wholesaler") and/or tobacco retail dealer ("retailer") if:

1. The licensee is conducting operations in the same physical location as another licensee; or
2. If the location of the business operation is a residential address, storage facility, mailbox or post office box.

Effective May 23, 2019, each manufacturer, wholesaler and retailer is required to maintain with the Department a permanent mailing address and an electronic mail address for the purpose of receiving any notification from the Department pursuant to Chapter 370. If any changes are made to either of these, written notice must be provided to the Department not later than **10 days** after the change.

Cigarette and OTP Wholesalers

Effective May 23, 2019, cigarette wholesalers who maintain a location in Nevada can **only** purchase unstamped cigarettes directly from a licensed manufacturer.

If any licensed wholesaler maintains a warehouse, distribution center or utilizes a logistics company located within Nevada, these businesses must now obtain a free license from the Department by November 23, 2019 in order to continue operating.

Cigarettes that are improperly stamped are subject to seizure. Effective May 23, 2019, a pack of cigarettes is improperly stamped if it does not bear "such identifying marks as are necessary to ascertain the origin of the cigarettes and numbering in a legible manner" on the cigarette tax stamp.

Effective May 23, 2019, cigarette wholesalers may obtain refunds for damaged cigarette packs, in addition to stale cigarette packs. The requirements and language of the affidavit were updated to include information regarding when product was destroyed or sent back to the manufacturer by wholesalers. Additionally, wholesaler who cease operations must return any unused Nevada tribal stamps to the Department.

Effective May 23, 2019, the Department is required to utilize the email addresses on file to notify wholesalers and retailers of cigarettes and/or roll-your-own- ("RYO") cigarette tobacco brands and styles which have been added to, or removed from, the Nevada Tobacco Directory. The wholesaler has 20 days after receiving the e-mailed notice to remove the delisted cigarettes and/or RYO from their inventory. Wholesalers who maintain a place of business in Nevada and who sell cigarettes out-of-state must set aside and clearly identify any delisted product intended for sale outside the State and which state the product will be sold into.

Effective May 23, 2019, the Wholesale Dealer of OTP License is valid only for the calendar year for which it is issued and must be renewed annually on or before January 1.

Effective November 23, 2019, OTP wholesaler are required to furnish a bond of not less than $1,000. The bond must be issued for the largest amount of tax paid by the wholesale dealer in any quarter of the preceding year. The license cannot be issued or renewed until the bonding requirement has been met.

Effective May 23, 2019, OTP wholesalers who maintain a place of business in Nevada must always maintain an inventory of OTP with a wholesale value of at least $5,000.

Effective May 23, 2019, the definition of “wholesale dealer” and “wholesale price” for OTP has changed. Please review these changes carefully as the “wholesale price” cannot be reduced by transportation costs, shipping charges, labor or service charges, advertising or special discounts, among other things.

Effective January 1, 2020, please be aware that the levy of the OTP tax will no longer be collected and remitted by the wholesaler *after* the sale or distribution of that product. While the OTP tax rate remains 30% of the wholesale price, the tax will be imposed and levied upon the wholesaler:

1. At the time OTP is first possessed or received by a wholesaler who maintain a place of business in this State;
2. At the time the OTP is sold by an out-of-state wholesaler to a retailer or ultimate consumer in this State; or
3. For OTP that is manufactured, produced, fabricated, assembled, processed, labeled, or finished in this State, at the time these products are sold to an in-state wholesaler or retailer. The tax levy is based upon the invoice amount for which the OTP is sold to a wholesaler or retailer.

OTP wholesalers who maintain a place of business in this State and have untaxed OTP in their inventory on January 1, 2020, must report that inventory on the OTP tax return for period ending January 31, 2020, and pay any taxes owed.

Effective May 23, 2019, OTP wholesalers must maintain on site, itemized invoices for all OTP purchased and/or delivered, to include: whom the product was purchased from and/or who it was sold to, the date of the purchase, the invoice number, method of delivery, and itemized quantity of each brand, type, size, and price of the OTP purchased.

Cigarette Manufacturers

If any licensed manufacturer maintains a warehouse, distribution center or utilizes a logistics company located within Nevada, these businesses must now obtain a free license from the Department by November 23, 2019 in order to continue operating.

Retail Dealers

If a company is applying for a Tobacco Retail Dealer’s License and the company operates cigarette vending machines, a list of the vending machines’ physical locations must be submitted with the application.

If any licensed retailer maintains a warehouse or distribution center(s) located within Nevada, these businesses must now obtain a free license from the Department by November 23, 2019 in order to continue operating.

Effective May 23, 2019, the Department is required to utilize the email addresses on file to notify wholesalers and retailers of cigarettes and/or roll-your-own (“RYO”) cigarette tobacco which have been added to or removed from the Nevada Tobacco Directory. Retailers have 60 days from receiving the e-mail notice to remove the delisted product from their location by either selling the product to consumers or by returning the inventory to the manufacturer or wholesaler.

Effective May 23, 2019, all retailers shall, no later than 5 calendar days after the retailer takes possession of a package of cigarettes, ensure that the cigarettes have the Nevada cigarette stamp properly affixed. A pack of cigarettes is improperly stamped if it does not bear “such identifying marks as are necessary to ascertain the origin of the cigarettes and numbering in a legible manner” on the cigarette tax stamp.

All retailers must maintain on site, itemized invoices for all OTP purchased, to include who product was purchased from, the date of the purchase, the invoice number, method of delivery, and itemized quantity of each brand, type, size, and price of the OTP purchased.

Senate Bill 62

Cigarette Manufacturers Only: Effective October 1, 2019, all cigarette and RYO manufacturers will need to certify via brand style instead of brand family. If a manufacturer currently has a brand family on the Nevada Tobacco Directory, the manufacturer will need to file a supplemental certification prior to selling any new brand styles in the State.

Overall

If any licensee is late or delinquent in the filing of any returns and/or reports or the remittance of any taxes owed, no license will be issued, maintained, or renewed, and the Department can assess penalties based on the amount of taxes originally due. Additionally, SB81, Section 32 lists examples of when the Department may move forward with issuing civil penalties, license suspension and/or revocation for violating any of the provisions of Chapter 370.

SB 81 lists six factors the Department may consider before imposing penalties, suspending and/or revoking a license. These include the licensee's actions in the previous 24 months, the timeliness of the licensee in correcting any errors, the licensee's efforts to explain any inaccuracies, if a variance exists, the brand and tax status of any cigarettes reported, any remedial measures taken by the licensee to prevent future violations, and any other mitigating factors.

For all updates and more detailed information regarding the 2019 legislative session, please review the website below and any bills related to cigarettes and other tobacco products, including vapor and alternative nicotine products. Specifically, review SB 62, SB 81, SB 263, and AB 535 at the link below.
https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bills/List

Please note that all licensees are responsible for complying with all laws related to taxation and tobacco products, specifically NRS Chapters 370 and 370A, as well as Nevada Administrative Code 370 and will be held accountable if found non-compliant.

If you have further questions, please contact the Tobacco Excise Unit at the Department of Taxation at the following email address: **taxation-adminMSA@tax.state.nv.us**

Thank You,

The Department of Taxation