

Overview:

FAQs are for general guidance only. For a written advice, as it relates to your business, please request an advisory opinion, pursuant to NAC 360.190.

The minimum legal age to purchase cigarettes and other tobacco products is twenty-one (21) years of age.

Legislative Changes Regarding Tobacco:

In accordance with AB 53 a person shall not sell, distribute, or offer to sell cigarettes, cigarette paper, any product containing, made or derived from tobacco, any vapor product, any alternative nicotine product or any product containing, made or derived from nicotine to any person under the age of 21 years (NRS 370.521(1)). A person found in violation of the Tobacco 21 law is liable for a civil penalty of \$100 to \$500 and the licensee is liable for a civil penalty of \$2,500 to \$10,000 (NRS 370.521(6),(7)).

Please view the “As Enrolled” bill on this [link](#) for the full verbiage of AB53.

NRS 370.521 requires age verification through enhanced controls that utilize a scanning technology or other software-based system be used prior to the sale of cigarettes or other tobacco products to any person under 40 years of age. AB 122 adds that this age-verification provision does not apply to a person selling cigarettes or other tobacco products in a face-to-face transaction that occurs in an area within a casino where loitering by persons who are under 21 years of age is already prohibited (i.e., casino floor, race book, sports pool, restricted gaming rooms, etc.). In these areas, age-verification by scanning technology or other software-based systems is not required. However, should a sale of cigarettes or other tobacco products be made to a person under the age of 21 be made in even these areas, that person and the licensee would be in violation of NRS 370.521(1) and would be subject to civil penalties in accordance with NRS 370.521(6) and NRS 370.521(7).

Please view the “As Enrolled” bill on this [link](#) for the full verbiage of AB122.

Can you register for Tobacco Licenses online?

You are able to submit an application to the Department, however, all payments are collected after review and processing of your application. Please visit [My Nevada Tax](#) to get started.

Per NRS 370 an excise tax is charged on all tobacco products; see below for rates.

Cigarette Tax (NRS 370.165):

Cigarette Tax per Pack	
No. of Cigarettes in a Pack	Tax Amount Per Pack
Pack of 20	\$1.80
Pack of 25	\$2.25

Other Tobacco Products (OTP) Tax (NRS 370.450):

Starting July 1, 2023, OTP will be taxed in the following way:

The tax rate for OTP in Nevada is 30 percent of the wholesale price, except if those products are premium cigars.

With the passage of Assembly Bill 232 the tax on premium cigars shall be 30 percent of the wholesale price of those products, except that if 30 percent of the wholesale price of those products is: 1) greater than 50 cents for each premium cigar, the tax imposed shall be 50 cents for each premium cigar; or 2) less than 30 cents for each premium cigar, the tax imposed shall be 30 cents for each premium cigar.

A premium cigar is defined as: "a cigar that is rolled by hand, has a wrapper made of whole tobacco leaves and does not have a filter or mouthpiece."

To read Assembly Bill 232 in its entirety, please read the bill "as enrolled" at: <https://www.leg.state.nv.us/App/NELIS/REL/82nd2023/Bill/9975/Text#>.

What are the licensing fees to sell Cigarettes and OTP in Nevada?

NRS 370.587

Cigarette and OTP Licensing Fees	
License Type	Fee
Cigarette Manufacturer	\$1,000.00
Wholesale Dealer of Cigarettes	\$650.00
Wholesale Dealer of Other Tobacco Products	\$650.00
Tobacco Retail Dealer	\$50.00

Pro-Rated Fees by License Type

If a new license is issued any time after January 1, the licensee will pay a prorated fee.

Pro-Rated Fees by License Type			
Month of Start Date	Cigarette Manufacturer Fee Due	Cigarette and OTP Wholesalers Fee Due	Retail Tobacco Dealers Fee Due
January	\$ 1,000.00	\$ 650.00	\$ 50.00
February	917.00	596.00	46.00
March	833.00	542.00	42.00
April	750.00	488.00	38.00
May	667.00	434.00	34.00
June	583.00	380.00	30.00
July	500.00	326.00	26.00
August	417.00	272.00	22.00
September	333.00	218.00	18.00
October	250.00	162.50	12.50
November	250.00	162.50	12.50
December	250.00	162.50	12.50

Licenses are valid only for the calendar year in which they are issued and must be renewed annually.

Please be aware that additional licenses/permits may be required by the Department and city or county governments may impose additional licensing requirements.

What licenses are required to receive or sell tobacco products in Nevada?

Cigarette manufacturer (NRS 370.0315; NRS 370.567; NRS 370.585):

A manufacturer or fabricator of cigarettes, an importer of cigarettes, or a cigarette rolling machine operator all meet the definition of a cigarette manufacturer under Nevada law. A manufacturer may not sell cigarettes or RYO tobacco to wholesale dealers in Nevada until a manufacturer's license has been obtained from the Department.

Wholesale dealer of cigarettes (NRS 370.055; NRS 370.567; NRS 370.585):

A licensed cigarette wholesale dealer may sell stamped cigarettes to other licensed Nevada cigarette wholesale dealers or to licensed tobacco retail dealers. A Nevada licensed wholesale dealer, located in the State, may purchase unstamped cigarettes from a manufacturer or may purchase stamped cigarettes from licensed Nevada cigarette wholesale dealers.

Wholesale dealer of OTP (NRS 370.440; NRS 370.567; NRS 370.585):

Any person located within the State of Nevada who purchases OTP from a manufacturer or wholesale dealer and possesses, receives, sells or otherwise disposes of the OTP to wholesale dealers or retail dealers in this State; any person outside Nevada who sells or otherwise disposes of OTP to wholesale dealers, retail dealers, or consumers in Nevada; and any person who manufactures, produces, fabricates, assembles, processes, labels or finishes other tobacco products within this State, must obtain an OTP wholesale dealers license.

Tobacco retailer (NRS 370.033; NRS 370.567; NRS370.585):

Any person who is engaged in selling cigarettes or OTP to ultimate consumers must obtain a Nevada tobacco retail dealer's license. A tobacco retail dealer may purchase cigarettes or OTP from Nevada licensed wholesale dealers.

Are vapor and alternative nicotine products subject to an excise tax?

NRS 370.0318; NRS 370.054

The definition of OTP includes vapor and alternative nicotine products. Included in the definition of vapor products are the components of such products or devices, even if sold separately. All OTP, including vapor and alternative nicotine products, are subject to the OTP tax.

What is the definition of OTP wholesale price?

NRS 370.440(7)

Wholesale price is defined as the price for which other tobacco products are sold to a wholesale dealer of other tobacco products without any discount or other reduction on account of any of the following:

- Trade discounts, cash discounts, special discounts, cash rebates
- Cost of materials used, labor or service cost
- The cost of transportation of the other tobacco products before its purchase by the wholesale dealer of other tobacco products
- Any services that are a part of the sale, including shipping, freight, warehousing, customer service, advertising or any other service related to the sale

For other tobacco products sold to a retail dealer or ultimate consumer by a wholesale dealer of other tobacco products that manufactures, produces, fabricates, assembles, processes, labels or finishes OTP in this State, the wholesale price is the established price for which the OTP is sold to the retail dealer or ultimate consumer before any discount or reduction is made.

When does the wholesale dealer pay the OTP tax?

NRS 370.450

A 30% OTP Tax is imposed on the wholesale dealer:

1. At the time OTP is first possessed or received by a wholesale dealer who maintains a place of business in this state for sale or disposition in this State;
2. At the time the OTP is sold by an out of state wholesale dealer to a tobacco retail dealer or ultimate consumer in this state; or
3. For OTP manufactured, produced, assembled, labeled, or finished in the State, at the time the OTP is sold in this state to a wholesale dealer, retail dealer, or ultimate consumer.

What documentation is required for audit and/or compliance purposes?

All purchases, sales, and financial documentation pertaining to the business of each cigarette manufacturer, cigarette wholesaler, OTP wholesaler and retail dealer must be retained for a minimum of 5 years after the date of the transaction pursuant to NRS 370.255 and NRS 370.593.

NRS 370.593 states, in part, the following:

All licensees shall retain for not less than 5 years all receipts, invoices, records, inventory records and financial statements necessary to substantiate information submitted by the licensee to the Department in any report or return required pursuant to this chapter. Upon request, a licensee shall provide access to and permit the Department to inspect, examine, photocopy and audit all receipts, invoices, records, inventory records and financial statements. Additionally, the licensee shall allow access to all records and financial statements relating to and verifying the gross income of the licensee.

The Department may demand access to inspect, examine, photocopy and audit all receipts, invoices, records, inventory records and financial statements of any affiliate of a licensee involved in the financing, operation or management of the licensee.

Tobacco retail dealers must retain cigarette invoices for every transaction. Invoices must indicate the name and address of the wholesale dealer from whom, or the address of another facility of the same retail dealer from which, the cigarettes were received, and the quantity of each brand and style of the cigarettes received in the transaction.

Cigarette wholesalers and manufacturers must maintain copies of invoices for every transaction in which the wholesaler or manufacturer is the seller, purchaser, consignor or consignee of cigarettes. The invoices or documentation must indicate the name and address of the consignor, seller, purchaser or consignee, and the quantity by brand and style of the cigarettes involved in the transaction.

Pursuant to NRS 370.470 other tobacco products wholesalers and retailers must obtain and maintain for 5 years invoices from each manufacturer or wholesale dealer of other tobacco products from whom they have purchased other tobacco products from. The invoices must be separate for each purchase made and must include the following information:

- Name and address of the manufacturer or wholesale dealer of other tobacco products who sold the other tobacco products
- The name and address of the wholesale dealer of other tobacco products or retail dealer who purchased the other tobacco products
- The date of the purchase
- The invoice number
- The method of delivery
- The itemized quantity of each brand, type, size, and price of other tobacco products purchased

Records required must be preserved on the licensed premises of the manufacturer, wholesale dealer or retail dealer in such a manner as to ensure permanency and accessibility for inspection at reasonable hours by authorized personnel of the Department. With the permission of the Department, manufacturers, wholesale dealers and retail dealers with multiple places of business may retain centralized records but shall transmit duplicates of the invoices or the equivalent documentation to each place of business within 24 hours after requested by the Department.