



State of Wisconsin • DEPARTMENT OF REVENUE

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ADDRESS MAIL TO:
EXCISE TAX SECTION
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TO: All Cigarette and Tobacco Products Distributors and Retailers

NOTICE OF CIGARETTE AND TOBACCO PRODUCTS TAX RATE CHANGES

Below is a summary of the changes to Wisconsin's cigarette and tobacco products tax laws that are effective September 1, 2009.

Cigarette Tax Changes

- Cigarette tax increases from \$1.77 to \$2.52 per pack of 20 cigarettes (12.6¢ per single cigarette).
- Cigarette inventory tax (the difference between the old rate and the new rate) required of all Wisconsin cigarette permittees and retailers. An inventory is required of all Wisconsin stamped cigarettes and unaffixed Wisconsin cigarette tax stamps, regardless where stored (including unsalable cigarettes not yet returned to the manufacturer), as of midnight August 31, 2009.
- The cigarette inventory floor tax return and payment is due September 30, 2009.
- The 0.7% cigarette stamping discount allowed to distributors on cigarette tax stamp purchases does not change.

Tobacco Products Tax Changes

- Tobacco products tax increases from 50% to 71% of the manufacturer's established list price prior to reductions for volume or other discounts on all tobacco products, except cigars and moist snuff.
- Cigars are taxed at the lower of 71% of the manufacturer's established list price prior to reductions for volume or other discounts or 50¢ per single cigar, whichever is less.
- Moist snuff tax changes from \$1.31 per ounce to 100% of the manufacturer's established list price prior to reductions for volume or other discounts.
- There is no inventory tax on moist snuff or other tobacco products.

It is recommended that you return all unsalable inventory prior to August 31, 2009. If you have any further questions or concerns, please contact Deborah Klimke at (608) 266-8970 or email the Department of Revenue at excise@revenue.wi.gov.

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