

State of Wisconsin • DEPARTMENT OF REVENUE

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Wisconsin DOR Seizes Contraband Cigarettes from Unauthorized Distributor

This week, agents from the Wisconsin Department of Revenue seized over 70,000 packs of contraband cigarettes which had been shipped into Wisconsin and did not have cigarette tax stamps, which are required by state law. The seized contraband cigarettes have an estimated value of at least \$430,000. They were shipped into Wisconsin from an unauthorized distributor located in Nebraska: HCI Distribution. This distributor was not registered with the Department of Revenue to distribute cigarettes and did not purchase required stamps showing that Wisconsin excise tax had been paid. The excise tax in Wisconsin is \$2.52 per pack of cigarettes.

Wisconsin law provides that all cigarettes that come into Wisconsin for sale or distribution are subject to Wisconsin excise tax. Cigarettes must have stamps showing the tax has been paid before sale.

The Department of Revenue works to ensure that all retailers, distributors and manufacturers comply with the law and are operating fairly. Contraband cigarettes like the ones seized by DOR create an uneven playing field for the retailers, distributors and manufacturers who comply with state and federal laws.