

Cigar Credit – Schedules A and B

Attach this schedule to Form TT-100.

Legal Name	Federal Employer ID No.	Permit Number	Month/Year (MM YYYY)
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Calculate the tax on each type of cigar per invoice both by list price (Column C) and per cigar (Column D) to determine the tax owed (Column E). The tobacco tax on cigars is the lesser of:

1. 50% of the manufacturer's established list price to distributors (prior to any reduction for volume or discount); OR
2. \$0.50 per single cigar.

Enter the lesser of Column C or Column D on all cigars in Column E.

Because you are entering each type of cigar per invoice, you may have several lines with the same invoice number.

SCHEDULE A – Cigars Sold to Exempt Organizations

Line No.	Invoice		Sold To		Column A Number of Single Cigars	Column B Manufacturer's List Price on Cigars	Column C Tax Based on List Price (Column B x 50%)	Column D Tax Based on Single Cigar Cap (Column A x \$0.50)	Column E TAX DUE (Enter lesser of Column C or D)
	Number	Date	Name	City					
1	Balance from prior page of Form TT-102C, Schedule A ▶								
2									
3									
4	Total Tax-Exempt Cigar Tax – Add lines 1 through 3 ▶								

SCHEDULE B – Cigars Returned to Out-of-State Suppliers, Short-shipped or Refused

Line No.	Invoice		Purchased From		Column A Number of Single Cigars	Column B Manufacturer's List Price on Cigars	Column C Tax Based on List Price (Column B x 50%)	Column D Tax Based on Single Cigar Cap (Column A x \$0.50)	Column E TAX DUE (Enter lesser of Column C or D)
	Number	Date	Name	City					
5	Balance from prior page of Form TT-102C, Schedule B ▶								
6									
7									
8									
9									
10									
11									
12	Total Cigar Tax Returned – Add lines 5 through 11 ▶								
13	Total Cigar Tax – Add lines 4 and 12. Enter this amount on Form TT-100, line 14 ▶								

INSTRUCTIONS

WHO MUST COMPLETE THIS SCHEDULE

All tobacco products distributors located in Wisconsin must complete this schedule and attach it to their monthly Wisconsin tobacco products tax return (Form TT-100) when claiming credit for cigars that have been (1) short-shipped, refused, or returned to the out-of-state supplier, and/or (2) sold to exempt organizations.

RECORD KEEPING

You must keep for at least four years a complete copy of your return, including this schedule, and all records used in preparing the return. The records must be kept at the permit location and in a place and manner easily accessible for review by department representatives.

ASSISTANCE AND FORMS

Information, forms and assistance are available at our Madison office:

2135 Rimrock Road (608) 266-8970
Madison WI 53713

or write to: Mail Stop 5-107
PO Box 8900
Madison WI 53708-8900
FAX (608) 261-7049
E-mail: excise@revenue.wi.gov

When ordering forms, include your Wisconsin permit number and the department's form number that appears in the lower left corner on each form (e.g., Form TT-102C). Forms are also available on the website below.

INTERNET ADDRESS

You can access the department's website 24 hours a day, seven days a week, at www.revenue.wi.gov. From this website, you can:

- Complete electronic fill-in forms
- Download forms, schedules, instructions, and publications
- View answers to frequently asked questions
- E-mail us comments or request help

HOW TO COMPLETE THIS SCHEDULE

Use a single line for each transaction and provide all the information requested. Note: It is not necessary to claim credit for missing cigars if the cigars in question are received later in the same month in which the shortage occurs. It is also unnecessary to claim credit for an invoice that has been cancelled in its entirety before shipment takes place. The canceled invoice should not be reported on Form TT-101C.

Schedule A – Cigar Sales to Exempt Organizations

Line 1 Enter the balance from the previous page on line 1. If there is no previous page, enter zero.

Schedule B – Cigars Returned to Out-of-State Suppliers, Short-Shipped or Refused

Line 5 Enter the balance from the previous page on line 5. If there is no previous page, enter zero.

Line 13 Add the amounts you entered in Column E, lines 4 and 12. Transfer the final total from the last page, Column E, to your TT-100, line 14.

IMPORTANT INFORMATION FOR CREDIT CLAIMS

Short-Shipments – Short-shipments occur when the amounts shipped are less than the amounts invoiced. This may be confirmed by comparing the supplier's invoice with the carrier's freight bill or bill of lading. The department will allow credit for shortages providing:

1. The freight bill, bill of lading or delivery ticket shows that the actual amount of tobacco products shipped was less than the amount invoiced, and
2. The supplier furnishes you with a credit memo.

Refused Cigars – Cigars may be refused at the time of delivery when it is found that they were not ordered, an order was improperly filled, or the product was damaged. The department will allow credit for refused cigars providing:

1. The freight bill or delivery ticket indicates the specific goods that were refused along with a notation signed by the carrier, and
2. The supplier furnishes you with a credit memo.

Returned Cigars – The department will allow credit for cigars that are returned directly to an out-of-state supplier providing:

1. You have a bill of lading from the carrier accepting the shipment, and
2. The supplier furnishes you with a credit memo to cover the receipt of the cigars.

Destroyed Cigars – When an out-of-state supplier will not accept the return of cigars, a distributor may obtain permission from the department to destroy the cigars for credit. The department will allow credit for destroyed cigars providing you do all of the following:

1. Submit a written request for destruction instructions to the department. The request must include the name and address of the out-of-state supplier along with a detailed list of the cigars to be destroyed, including product descriptions, quantity of each, the manufacturer's list price, and the tax credit amount which will be claimed. If you do not hear from the department within 20 days, you may destroy the product.
2. Obtain a credit invoice from the supplier.
3. Obtain an affidavit stating who witnessed the destruction of the cigars and the date of the destruction.
4. Retain all records with the tobacco tax return on which the credit is taken.
Report the credit for destroyed cigars on Form TT-102C, line 6. Attach an explanation of the destruction to the monthly report on which you are claiming credit.

Credit will not be allowed when the required credit memo substantiating the credit is either not received by you or not retained with your records. It is not sufficient that you reduce your remittance to your supplier in anticipation of receiving a credit memo.