

CIGARETTE DEALER FLOOR TAX RETURN



REV-779 AS AFP (10-09)
 FAX NO. (717) 705-8413

The below Cigarette Dealer Floor Tax Return must be filed by each licensed wholesale, retail and vending location on or before Jan. 29, 2010. Please make checks payable to the PA Department of Revenue.

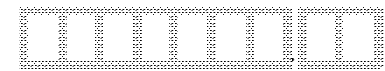
RETAIN FOR YOUR RECORDS

REV-779 AS AFP (10-09) PA DEPARTMENT OF REVENUE	CIGARETTE LICENSE # -	2009 CIGARETTE DEALER FLOOR TAX RETURN	SALES TAX #
NAME AND ADDRESS (MAKE CORRECTIONS AS NECESSARY)			

WHOLESALE, RETAIL AND VENDING INVENTORY OF PACKS OF PENNSYLVANIA STAMPED CIGARETTES AND UNSTAMPED LITTLE CIGARS

1. Number of packs of 20 cigarettes.....	x \$0.25	= \$		
2. Number of packs of 25 cigarettes.....	x \$0.3125	= \$		
3. Number of packs of 20 little cigars.....	x \$1.60	= \$		
4. Number of packs of 25 little cigars	x \$2.00	= \$		
5. Balance due from inventory of packs of cigarettes and little cigars (add Lines 1 thru 4).....		\$		
6. Penalty and interest if filed after Jan. 29, 2010, see instructions on the back of this form.		\$		

7. Total amount due (add Lines 5 & 6). **Please remit this amount**



 SIGNATURE TITLE DATE

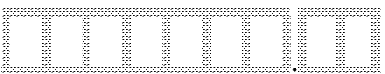
DETACH AT PERFORATION

REV-779 AS AFP (10-09) PA DEPARTMENT OF REVENUE	CIGARETTE LICENSE # -	2009 CIGARETTE DEALER FLOOR TAX RETURN	SALES TAX #
NAME AND ADDRESS (MAKE CORRECTIONS AS NECESSARY)			

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1. Number of packs of 20 cigarettes.....	x \$0.25	= \$		
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5. Balance due from inventory of packs of cigarettes and little cigars (add Lines 1 thru 4)		\$		
6. Penalty and interest if filed after Jan. 29, 2010, see instructions on the back.		\$		

7. Total amount due (add Lines 5 & 6). **Please remit this amount**



Important: Failure to file this return and pay the floor tax due will result in the imposition of penalties and interest and may result in criminal prosecution. I hereby certify that this return is true and correct.

 SIGNATURE TITLE DATE

**INSTRUCTIONS FOR CIGARETTE DEALER FLOOR TAX RETURN
WHOLESALE, RETAIL, LITTLE CIGARS AND VENDING MACHINE OPERATORS**

Effective Date of Tax Increase - Effective Nov. 1, 2009, the Pennsylvania cigarette tax will increase from \$1.35 to \$1.60 per pack of 20 cigarettes and from \$1.6875 to \$2.00 per pack of 25 cigarettes. The cigarette tax was expanded to include little cigars.

Who Must Report and Pay the Tax - When the tax rate increase goes into effect on Nov. 1, 2009, stamping agents, wholesalers, retailers, and vending dealers with an inventory of PA stamped cigarettes, including unsaleable cigarettes and little cigars, bearing the old rate will be required to pay a "floor tax" on all PA stamped cigarettes on hand as of 12:01 AM, Nov. 1, 2009. Every cigarette dealer must file a return even if no cigarettes are in inventory.

Note: Vending machine operators have an option of reporting their inventory of Pennsylvania stamped cigarettes as either 1) an actual physical count of all cigarettes in the vending machines or 2) a calculated figure of 60 percent of the charge-out inventory. Charge-out inventory is the amount of cigarettes shown as the normal fill capacity of each machine.

Rate of Tax - The Pennsylvania cigarette tax will increase from \$0.0675 per cigarette to \$0.08 per cigarette. The new tax rate per pack of 20 cigarettes and little cigars is \$1.60. The new tax rate per pack of 25 cigarettes and little cigars is \$2.00. The floor tax per pack of 20 cigarettes is \$0.25 and per pack of 20 little cigars is \$1.60. The floor tax per pack of 25 cigarettes is \$0.3125 and per pack of 25 little cigars is \$2.00.

Filing Requirements - A floor tax return for each licensed location must be filed on or before Jan. 29, 2010. Please make checks payable to the **PA Department of Revenue**.

Corporate Filers - Corporate filers may elect to file a consolidated return and remittance on behalf of all subsidiary locations. The consolidated return should include each subsidiary cigarette dealer license number and a summary report of each subsidiary location's inventory subject to cigarette floor tax. The corporate filer is required to maintain a signed copy of the subsidiary's return at the corporate headquarters. In addition, each subsidiary location is required to maintain a copy of the inventory and the cigarette floor tax return at the business location for inspection. Corporate filers filing consolidated returns are secondarily liable for any floor tax deficiency assessed against subsidiary locations. Should a corporate account choose to allow each subsidiary location to file a cigarette floor tax return, instructions for filing individual cigarette floor tax returns apply.

Record Retention - You must retain a copy of the completed tax return and supporting inventory documents for a period of four years. For your convenience, a copy of the tax return has been provided.

Unsaleable Cigarettes - Unsaleable cigarettes which are on the premises as of 12:01 AM, Nov. 1, 2009, are subject to the cigarette floor tax. Credits for unsaleable cigarettes will not be issued by the Department until the floor tax return and payment is received and the credit is verified.

Cigarettes in Transit - Cigarettes which are alleged to be in transit as of Nov. 1, 2009, will be deemed the property of the shipper. The shipper shall file a return and pay the floor tax imposed (72 P.S. 8206.1) by Jan. 29, 2010.

Penalty and Interest - Failure to submit your tax return and payment by Jan. 29, 2010, will require the assessment of Cigarette Floor Tax dues, plus penalty and interest. Penalty is calculated at five percent of the tax due but unpaid for each month or fraction thereof the tax that remains unpaid. Interest for 2009 is calculated at five percent (0.000137 per diem) on such tax from the time the tax became due until the tax is paid.

Additional Penalties - In addition to settling penalty and interest, the Department has the authority to settle administrative penalties in an amount equal to the floor tax evaded plus interest and/or suspend or revoke a dealer's license and pursue criminal prosecution for a willful failure to file a floor tax return by Jan. 29, 2010.

Information and Forms - If you need help calculating the penalty or interest charges or have additional questions, call the Department at: 717-783-9374 or write to the Miscellaneous Tax Division, PO BOX 280909, Harrisburg PA 17128-0909.

PA DEPARTMENT OF REVENUE
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