



**STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
CARVEL STATE BUILDING  
820 N. FRENCH STREET  
P.O. BOX 8911  
WILMINGTON, DELAWARE 19899-8911**

**DIVISION OF REVENUE**

**PROPOSED TECHNICAL INFORMATION MEMORANDUM 2000-2**

**DATE:** May 15, 2000

**SUBJECT: DUTY TO REPORT SALES OF CIGARETTE PRODUCTS MADE BY  
NON PARTICIPATING MANUFACTURERS**

AUTHORITY: These regulations are proposed pursuant to the authority given the Department of Finance in 29 Del. C. § 6081(j).

COMMENTS: Public Comments will be received for 30 days from the date of the issuance of this proposed regulation and they may be submitted to Jos. Patrick Hurley Jr., Division of Revenue, 820 N. French Street, Wilmington, DE 19801. Telephone (302) 577-8685.

PROPOSED REGULATION:

Each affixing agent licensed under Chapter 53 of Title 30 of the Delaware Code shall report to the Division of Revenue monthly the total number of cigarettes stamped which are manufactured by tobacco product manufacturers defined in 29 Del. C. § 6081(i) that are not participating manufacturers within the meaning of 29 Del. C. § 6082(1). If an affixing agent has not stamped any cigarettes manufactured by a non-participating manufacturer in a reporting period, a negative report of no stamping shall be filed. The reports shall be made on schedule NPM-CIG and attached to forms 1074 or 1075. Schedule NPM-CIG as proposed is attached to this regulation.

Each resident and non-resident distributor of Other Tobacco Products who is required by Division of Revenue regulations to assess and report the tax on such other tobacco products shall report to the Division of Revenue monthly the

amount of “roll your own” tobacco manufactured by tobacco product manufacturers defined in 29 Del. C. § 6081(i) that are not participating manufacturers within the meaning of 29 Del. C. § 6082 (1) that is sold, brought into, or caused to be brought into this State.

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If a distributor has not assessed and reported any tax on “roll your own” tobacco manufactured by a non-participating manufacturer in a reporting period, a negative report of no tax assessed shall be filed. For purposes of this section “roll your own” tobacco is any tobacco which because of its appearance, type, packaging or labeling is suitable for use and likely to be offered to, or purchased by, consumers as tobacco used for making cigarettes. For purposes of this section “roll your own” tobacco may be reported as numbers of cigarettes, with 0.09 ounces of “roll your own” tobacco equaling 1 cigarette. The reports shall be made on schedule NPM-RYO and attached to form TP-1. Schedule NPM-RYO as proposed is attached to this regulation.

The reports required by this regulation shall be filed with the Division of Revenue on or before the 20th day of the month following the month in which the cigarettes are stamped, or the “roll your own” tobacco is sold, brought into, or caused to be brought into the State. Each report shall contain a verification that it is true and correct as to every material matter and made under the penalties of perjury. The first monthly report under this regulation shall be due on August 20, 2000, for the month of July, 2000.

Additionally, affixing agents and distributors subject to this regulation are required to file one report covering all cigarettes stamped; or all “roll your own” tobacco sold, brought into, or caused to be brought into this State, manufactured by non-participating manufacturers for the period July 20, 1999, through June 30, 2000. This report shall be made on schedule NPM-1999 and attached to forms 1074, 1075 or TP-1, as the case may be, for the month of July, 2000. Schedule NPM-1999 as proposed is attached to this regulation.

Participating tobacco manufacturers within the meaning of 29 Del. C. § 6082 and for purposes of determining the reporting requirements of this regulation are those manufacturers identified in Exhibit A attached hereto and incorporated herein by reference. This list may be amended and republished from time to time if, as and when nonparticipating manufacturers become participating manufacturers. A current list of participating manufacturers may also be found on the Internet at <http://www.naag.org/tobac/spmcont.htm>.

William M. Remington, Director of Revenue

Approved as to form and legal sufficiency,

Drue Chichi, Deputy Attorney General

**SCHEDULE NPM-CIG (PROPOSED).**

**Sales of Cigarettes from Non-participating Manufacturers or Importers**

(ATTACH TO DELAWARE DIVISION OF REVENUE FORMS 1074 AND 1075)

MONTHLY REPORT OF CIGARETTES AND CIGARETTE TAX STAMPS

Taxpayer's Name	Taxpayer's Federal EIN or SSN	Report for Month of _____, 200__
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Include sales for the applicable manufacturers listed below. The report, however, is not to be limited to those manufacturers. If you have sold cigarettes from other non-participating manufacturers into Delaware, please identify those manufacturers or importers on this form. If you need additional space, please attach a separate sheet. If you sold no such items into Delaware, please check below:

NO NON-PARTICIPATING MANUFACTURER PRODUCTS SOLD INTO DELAWARE:

A NAME OF MANUFACTURER	B Quantity Packs of 20	C Quantity Packs of 25
1. Star Scientific, Inc.		
2. National Tobacco/North Atlantic Operating (Zig Zag)		
3. S & M Brands (Bailey's)		
4. Smokin' Joe / Alternative (Smokin' Joe's, Lewiston, Glory, Exact, Market, Pure)		
5. Gudang Garam TBK (Import)		
6. P T Bentoel Prima (Import)		
7. M/S Mangalore Ganesh Beedi Works (Import)		
8. Gunwantrai Harivallabh (Import)		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21. Total all packs of 20 cigarettes (Column B) and 25 Cigarettes (column C).		

**SCHEDULE NPM-RYO (PROPOSED).****Sales of Roll Your Own Tobacco from Non-participating Manufacturers or Importers**

(ATTACH TO DELAWARE DIVISION OF REVENUE FORM TP-1)

MONTHLY REPORT OF TOBACCO PRODUCTS TAX (OTHER THAN CIGARETTES)

Taxpayer's Name	Taxpayer's Federal EIN or SSN	Report for Month of _____, 200__
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Include sales for the applicable manufacturers listed below. The report, however, is not to be limited to those manufacturers. If you have sold roll your own tobacco from other non-participating manufacturers into Delaware, please identify those manufacturers or importers on this form. If you need additional space, please attach a separate sheet. If you sold no such items into Delaware, please check below:

**NO NON-PARTICIPATING MANUFACTURER PRODUCTS SOLD INTO DELAWARE:**

A NAME OF MANUFACTURER	Cigarette equivalent units (0.09 oz.)	C Ounces not reported in Column B
1. Star Scientific, Inc.		
2. National Tobacco/North Atlantic Operating (Zig Zag)		
3. S & M Brands (Bailey's)		
4. Smokin' Joe / Alternative (Smokin' Joe's, Lewiston, Glory, Exact, Market, Pure)		
5. Gudang Garam TBK (Import)		
6. P T Bentoel Prima (Import)		
7. M/S Mangalore Ganesh Beedi Works (Import)		
8. Gunwantrai Harivallabh (Import)		
9.		
10.		
11.		
12.		
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14.		
15.		
16.		
17.		
18.		
19.		
20.		
21. Total cigarette equivalents (Column B) and ounces (Column C).		

**SCHEDULE NPM-1999 (PROPOSED).**

**Sales of Cigarettes from Non-participating Manufacturers or Importers**

(ATTACH TO DELAWARE DIVISION OF REVENUE FORMS 1074 AND 1075)  
MONTHLY REPORT OF CIGARETTES AND CIGARETTE TAX STAMPS

Taxpayer's Name	Taxpayer's Federal EIN or SSN	Report for Period July 20, 1999, through _____, 2000.  Due: July 31, 2000.
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Include sales for the applicable manufacturers listed below. The report, however, is not to be limited to those manufacturers. If you have sold into Delaware cigarettes from other non-participating manufacturers, please identify those manufacturers or importers on this form. If you need additional space, please attach a separate sheet. If you sold no such items into Delaware, please check below:

NO NON-PARTICIPATING MANUFACTURER PRODUCTS SOLD INTO DELAWARE:

A NAME OF MANUFACTURER	B Cigarettes Quantity Packs of 20	C Cigarettes Quantity Packs of 25	D Roll Your Own Cigarette Equivalent Units (.09 oz.)	E Roll Your Own (Ounces reported Column
1. Star Scientific, Inc.				
2. National Tobacco/North Atlantic Operating (Zig Zag)				
3. S & M Brands (Bailey's)				
4. Smokin' Joe / Alternative (Smokin' Joe's, Lewiston, Glory, Exact, Market, Pure)				
5. Gudang Garam TBK (Import)				
6. P T Bentoel Prima (Import)				
7. M/S Mangalore Ganesh Beedi Works (Import)				
8. Gunwantrai Harivallabh (Import)				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20. Total all packs of 20 cigarettes (Column B), 25 cigarettes (column C), roll your own cigarette equivalent units (column D), and roll your own ounces (Column E).				

Exhibit A

**Participating Manufacturers as of April 27, 2000**

**Alliance Tobacco Corp.**

**Brown & Williamson**

**Commonwealth Brands, Inc.**

**Dhanraj International, Inc.**

**House of Prince A/S**

**Imperial Tobacco Limited/ITL (USA) Limited**

**Japan Tobacco International U. S. A., Inc.**

**King Maker Marketing**

**Landmark**

**Lane Limited**

**Liggett Group Inc.**

**Lignum-2, Inc.**

**Lorillard Tobacco Company**

**LTD Corporation**

**Mac Baren Tobacco Company A/S**

**P. T. Djarum**

**Peter Stokkebye International A/S**

**Philip Morris Incorporated**

**Planta Tabak-manufaktur Gmbh & Co.**

**Premier Marketing Incorporated**

**R. J. Reynolds Tobacco Company**

**Santa Fe Natural Tobacco Company, Inc.**

**Sherman 1400 Broadway N.Y. C., Inc.**

**Societe Nationale d'Exploitation Industrielle des Tabacs et Allumettes (Seita)**

**The Medallion Company, Inc.**

**Tobacco Exporters International (USA) Ltd (TEI)**

**Top Tobacco, L.P.**

