



ARIZONA LUXURY TAX NOTICE LTN 04-4

Janet Napolitano
Governor

NOTICE TO ALL ARIZONA LICENSED TOBACCO DISTRIBUTORS

J. Elliott Hibbs
Director

September 21, 2004

Please note that the Arizona Department of Revenue has increased its enforcement of tobacco statutes as a result of legislative appropriation. As our new enforcement staff is conducting civil inspections of retailers and wholesalers, some areas of non-compliance are being uncovered that are resulting in the seizure of cigarettes. This Notice is intended to be a reminder of requirements for the handling of cigarettes under Arizona Revised Statutes (A.R.S.).

It has come to the attention of the Arizona Department of Revenue that some Arizona licensed tobacco distributors are selling unstamped packages of cigarettes to other Arizona licensed tobacco distributors. Please be advised that this is illegal.

Also, (A.R.S.) §42-3204 requires that all distributors who receive cigarettes from out of state must stamp or export the cigarettes within 48 hours. Further, it is a violation of A.R.S. §42-3202 to sell or offer for sale any cigarettes to any person within this state unless the cigarettes have already been affixed with the Arizona tax stamp.

Finally, it is illegal to stamp and offer for sale any cigarettes that are in violation of A.R.S. §42-3210, or cigarettes, as defined under A.R.S. §44-7101, that are not listed on the Office of the Attorney General's website.

Violation of any of these statutes, or any other statute under Title 42, Chapter 3, may result in the revocation of your Arizona tobacco distributor's license in addition to the seizure of cigarettes.

All of the statutes cited above, as well as all other statutes, can be viewed at www.azleg.state.az.us/ArizonaRevisedStatutes.asp. Also, the list of cigarettes on the Office of the Attorney General's website can be found at www.ag.state.az.us/consumer/tobacco/azcig.html.

If you have any questions regarding this letter, please call the Luxury Tax Section at (602) 716-7808, or Tony Ketterer, Luxury Tax Program Manager, at (602) 716-6461.

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Audit Division