



State of Washington
 Department of Revenue
 Special Programs Division
 PO Box 47477
 Olympia, WA 98504-7477

CIGARETTE MANUFACTURER'S REPORT ON GRATIS, SAMPLE, OR PROMOTIONAL CIGARETTES

Cigarette Manufacturer:	Registration Number:
Address of Manufacturer:	

These unstamped non-taxed gratis, samples, or promotional cigarettes will be distributed by the firm or person named below who has agreed to pay the cigarette tax per WAC 458-20-186 (101) (d).

Distributed by:	Date(s):
Address of Distributor:	

The Cigarette Shipment Consists of the Items Listed Below

Product / Brand Name	Number of Packages	X	No. of Items in Pkg.	=	Total Items	
* The tax rate is .10125 per each cigarette					GRAND TOTAL ITEMS	
Signature:	TOTAL TAX DUE					
Date:	(Grand Total Items X .10125) *				\$	
Telephone Number: () 	TOTAL PAYMENT ENCLOSED				\$	

This return is due by the 25th day of the month following the month in which the taxable activities occur. If you have any questions, please contact the Special Programs Division, Miscellaneous Tax Section at (360) 570-3265. Please return completed form with payment to Special Programs Division at the address listed above. Retain a copy for your records.

Use Tax is due on gratis, sample, or promotional cigarettes distributed in Washington State. Report use tax on your excise tax return. You may report and remit the use tax separately on a consumer use tax return.

WAC 458-20-186 – Tax on Cigarettes

(101) **In general.** The Washington state cigarette tax is due and payable by the first person who sells, uses, consumes, handles, possesses, or distributes the cigarettes in this state.

(d) **Promotions.** Cigarettes given away for advertising or any other purpose are taxed in the same manner as if they were sold, used, consumed, handled, possessed, or distributed in this state, but are not required to have the stamp affixed. Instead, the manufacturer of the cigarettes must pay the tax on a monthly return filed with the department. See subsection (702) of this rule.

(702) **Reports and returns.** The department may require any person dealing with cigarettes in this state to complete and return forms, as furnished by the department, setting forth sales, inventory, and other data required by the department to maintain control over trade in cigarettes.

(f) Persons giving away unstamped cigarettes for advertising, promotional, or any other purpose, must report and pay the tax on the number of cigarettes distributed in this state.

WAC 458-20-178 – Use Tax

(1) **Nature of tax.** The use tax supplements the retail sales tax by imposing a tax of like amount upon the use within this state as a consumer of any article of tangible personal property purchased at retail or acquired by lease, gift, repossession, or bailment, or extracted, produced, or manufactured by a person so using the same, where the user, donor, or bailor has not paid retail sales tax under chapter 82.08 RCW with respect to the property listed.

(3) **When tax liability arises.** Tax liability imposed under the use tax arises at the time the property received as gift, is first put to use in this state.

(4) **Persons liable for the tax.** The person liable for the tax is the purchaser, extractor, or manufacturer who commercially used the articles extracted or manufactured.

RCW 70.155.010 – Definitions

The definitions set forth in RCW 82.24.010 shall apply to RCW 70.155.020 through 70.155.130. In addition, for the purposes of this chapter, unless otherwise required by the context:

(1) "Board" means the Washington state liquor control board.

(4) "Minor" refers to an individual who is less than eighteen years old.

(5) "Sample" means a tobacco product distributed to members of the general public at no cost or at nominal cost for product promotion purposes.

(6) "Sampling" means the distribution of samples to members of the public.

(9) "Tobacco product" means a product that contains tobacco and is intended for human use, including any product defined in RCW 82.24.010(2) or 82.26.010(1).

RCW 70.155.040 – Cigarettes must be sold in original package – Exception.

No person shall sell or permit to be sold cigarettes not in the original unopened package or container to which the stamps required by RCW 82.24.060 have been affixed.

This section does not apply to the sale of loose leaf tobacco by a retail business that generates a minimum of sixty percent of annual gross sales from the sale of tobacco products.

RCW 70.155.050 – Sampling Prohibited – Penalty

(1) No person may engage in the business of sampling tobacco products.

(2) A violation of this section is a misdemeanor.

Reviser's note: In an order on motion for reconsideration and request for stay pending appeal dated September 25, 2006, the United States District Court for the Western District ruled that chapter 14, Laws of 2006 is preempted by the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. Sec. 1334(b) only in application of the law to cigarette sampling. (Case No. C06-5223, W.D. Wash. 2006.)

For tax assistance visit dor.wa.gov or call 1-800-647-7706. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users may call 1-800-451-7985.