

Frequently asked questions (FAQs) on reporting pre-existing nicotine inventory

Which products should I include in this pre-existing inventory count?

You are required to report and pay the tobacco products tax on any products containing nicotine that have not already had the tobacco product tax paid. This includes products that may have already had the vapor product tax paid.

This is a one-time reporting of products on hand as of January 1, 2026.

Products include the following:

- Synthetic nicotine pouches.
- Disposable vapor products that contain nicotine.
- Vapor liquids that contain nicotine.

Tobacco products **do not include**:

- Cigarettes as defined in RCW 82.24.
- A drug, device, or combination product approved for sale (as of Dec. 31, 2024) by the United States Food and Drug Administration (FDA), as defined in the federal food, drug, and cosmetic act (21 U.S.C. Sec. 301 et seq.) as it exists on Jan. 1, 2026.
 - These are typically FDA-approved nicotine cessation products, such as:
 - Skin patches.
 - Nicorette gum.
 - Nicotrol nicotine nose spray.
 - Varenicline tartrate oral tablet.

When do I report the pre-existing inventory?

You will report your pre-existing inventory on the January 2026 excise tax return or the Quarter 1, 2026 excise tax return, depending on your filing frequency.

How do I report the pre-existing inventory?

You will report your pre-existing inventory of nicotine vapor products and synthetic nicotine products on the line labeled “Pre-existing inventories of nicotine products as of January 1, 2026”.

Follow the steps below to report your pre-existing inventory on the January 2026 or Quarter 1, 2026 excise tax return:

- Select “File a Return”.
- Navigate to the “Select Taxes” page.
- Click the “Add/Delete Tax Classification”.
- Locate the section titled “Other Taxes”.
- Check the box next to line “Tobacco Products/Cigars (less than \$0.69).”
- Scroll down and click “Next”.
- Complete return to report all activities.
- On the “Other Taxes” page, report the taxable amount of your pre-existing inventory in the specified field.
- Report sales of tobacco products on “Tobacco Products/Cigars (less than \$0.69)” field, if applicable.

The screenshot displays the 'Other Taxes' section of a tax filing interface. At the top, a progress bar indicates the current step is 'Other Taxes', which is highlighted with a green box and a right-pointing arrow. Below the progress bar, there is a section titled 'Other Taxes' with a blue button labeled 'Add/Delete Tax Classifications'. Underneath, there are two input fields: 'Pre-existing inventories of nicotine products as of January 1, 2026' with a 'Taxable Amount' of 0.00, and 'Tobacco Products/Cigars (less than \$0.69)' with a 'Gross Amount' of 0.00, a 'Taxable Amount' of 0.00, a 'Tax Rate' of 0.950000, and a 'Tax Due' of 0.00.

For additional instructions on filing your tax return, visit our [help site](#).

What is the taxable amount?

How to determine the taxable amount:

- If you purchased the nicotine product from a **non-affiliated seller**, use the **purchase price**.
- If you, as a retailer or distributor, are **affiliated with the manufacturer or distributor**, use your **actual selling price** of the product.

For further definitions, please see [RCW 82.26.010](#).

If you have additional questions, please contact us at 360-705-6705.