



STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES

SN 2002(4)

25 Sigourney Street
Hartford CT 06106-5032

SPECIAL NOTICE

Use of Newly Revised Schedule H by Stampers

Purpose: This Special Notice describes revisions to *Schedule H* — a schedule that each cigarette stamper is required to complete and attach to its monthly tax stamp and cigarette report (**Form CT-15, Monthly Tax Stamp and Cigarette Report Resident Distributor**, if a resident stamper, or **Form CT-15A, Monthly Tax Stamp and Cigarette Report Nonresident Distributor**, if a nonresident stamper). Conn. Agencies Regs. §12-313-17a, a regulation adopted under 2000 Conn. Pub. Acts 208, requires each stamper to complete *Schedule H* monthly. *Schedule H* has been revised as a result of the recent amendment of that regulation, and the revised *Schedule H* must be used for months beginning on or after July 1, 2002.

Effective Date: Upon issuance.

Statutory Authority: Conn. Gen. Stat. §4-28h(10); Conn. Agencies Regs. §12-313-17a.

Definitions: As used in this Special Notice:

- *DRS* means the Department of Revenue Services.
- *Stamper* means a licensed distributor that may lawfully purchase unstamped packages of cigarettes and that affixes Connecticut cigarette tax stamps to those packages before selling them.
- *Participating Manufacturer*, means a tobacco products manufacturer that is a signatory to the Master Settlement Agreement. For an up-to-date list of participating manufacturers, stampers should visit the Internet web site of the National Association of Attorneys General at <http://www.naag.org> and click on “Tobacco Settlement Documents” and then “Participating Manufacturers under the MSA.” Any person whose name is not on that list is not a participating manufacturer.

Use of Newly Revised Schedule H Is Required for Months Beginning On or After July 1, 2002: DRS has revised *Schedule H* and will mail copies of the May 2002 revision of *Schedule H* to stampers. (“Rev. 05/02” appears in the upper left hand corner of the May 2002 revision of *Schedule H*.) Thereafter, stampers should obtain *Schedule H* (Rev. 05/02) from either the DRS Internet web site or DRS TAX-FAX, which are listed in *Forms and Publications* section below.

Stampers filing *Schedule H* for months beginning before July 1, 2002, may use either the May 2002 revision or the December 2000 revision of *Schedule H*. (“Rev. 12/00” appears in the upper left hand corner of the December 2000 revision of *Schedule H*.)

Stampers filing *Schedule H* for months beginning on or after July 1, 2002, must use the May 2002 revision of *Schedule H*, and may not use the December 2000 revision of *Schedule H*.

Schedule H, Part I — Where a Stamper Purchases Cigarettes Directly From a Participating Manufacturer: Where a stamper purchases cigarettes directly from a participating manufacturer, Conn. Agencies Regs. §12-313-17a requires the stamper to report the number of Connecticut cigarette tax stamps that the stamper affixed during the month to those packages. Those direct purchases from a participating manufacturer are reported in *Schedule H*, Part I. Because the cigarettes are purchased directly from a participating manufacturer, the stamper is **not required** to report the brands of those cigarettes on *Schedule H*, Part I. The amendment of Conn. Agencies Regs. §12-313-17a does not change this.

Where a stamper purchases cigarettes directly from their manufacturer, but the manufacturer is not a

participating manufacturer, those direct purchases are no longer reported in *Schedule H*, Part I. The stamper must now report those purchases in *Schedule H*, Part II, Subpart B. **This is a change resulting from the amendment of Conn. Agencies Regs. §12-313-17a.**

Schedule H, Part II, Subpart A — Where a Stamper Purchases Cigarettes Manufactured by a Participating Manufacturer, But Does Not Purchase the Cigarettes Directly From the Participating Manufacturer: Where a stamper purchases cigarettes manufactured by a participating manufacturer, but does not purchase the cigarettes directly from the participating manufacturer, Conn. Agencies Regs. §12-313-17a requires the stamper to report the number of Connecticut cigarette tax stamps that the stamper affixed during the month to those packages. Those indirect purchases from a participating manufacturer are reported in *Schedule H*, Part II, Subpart A. In addition, the stamper **must** report the brands of those cigarettes in *Schedule H*, Part II, Subpart A. The amendment of Conn. Agencies Regs. §12-313-17a does not change this.

Schedule H, Part II, Subpart B — Where a Stamper Purchases Cigarettes That Are Not Manufactured by a Participating Manufacturer: Where a stamper purchases cigarettes that are **not** manufactured by a participating manufacturer, Conn. Agencies Regs. §12-313-17a requires the stamper to report the number of Connecticut cigarette tax stamps that the stamper affixed during the month to those packages. Those purchases, whether or not made directly from the manufacturer of the cigarettes, are reported in *Schedule H*, Part II, Subpart B. In addition, the stamper **must** report the brands of those cigarettes in *Schedule H*, Part II, Subpart B. The amendment of Conn. Agencies Regs. §12-313-17a does not change this.

Effect on Other Documents: None affected.

SN 2002(4)
Cigarette Tax
Issued: 05/20/2002

Effect of This Document: A Special Notice is a document that announces a new policy or practice in response to changes in State or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by DRS and may be referred to for general guidance by taxpayers or tax practitioners.

For Further Information on Cigarette Taxes: For further information on cigarette taxes or on the special reporting requirements that are discussed in this Special Notice, please call the Excise/Public Services Taxes Subdivision of the Audit Division at 860-541-3225 during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday.

For Further Information: Please call DRS during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday:

- **1-800-382-9463** (toll-free within Connecticut), or
- **860-297-5962** (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day by calling 860-297-4911.

Forms and Publications: Forms and publications are available all day, seven days a week:

- **Internet:** Preview and download forms and publications from the DRS Web site: **www.drs.state.ct.us**
- **DRS TAX-FAX:** Call **860-297-5698** from the handset attached to your fax machine and select from the menu.
- **Telephone:** Call **860-297-4753** (from anywhere), or **1-800-382-9463** (toll-free within Connecticut) and select **Option 2** from a touch-tone phone.