



ALABAMA DEPARTMENT OF REVENUE  
SALES, USE & BUSINESS TAX DIVISION  
TOBACCO TAX SECTION

TOB: SCC  
9/08

P.O. Box 327555 • Montgomery, AL 36132-7555 • (334) 242-9627

# Stamp Consignment Contract

STATE OF ALABAMA

1. This agreement entered into by and between the Alabama Department of Revenue, hereinafter called the party of the first part, on behalf of the State of Alabama and \_\_\_\_\_

COMPANY NAME (If single member LLC, show individual's name. If multi-member LLC, show name and each member's name.)

\_\_\_\_\_ hereinafter called the party of the second part:

STREET ADDRESS / CITY / STATE / ZIP CODE

2. WITNESSETH: That the party of the second part is doing business in the State of Alabama and engaging in the business of selling certain articles or commodities and for the privilege of carrying on such business is subject to the payment of license taxes which are measured by and graduated in accordance with the volume of sales of such person, firm, or corporation as is provided by **Code of Alabama 1975**, Section 40-25-1 through 40-25-29 as amended and said taxes are required to be paid by affixing stamps to said articles or commodities.

3. In order to procure said stamps at a discount of 7-1/2 percent, and not to pay the Alabama Department of Revenue cash therefore, this consignment contract is entered into in pursuance of said statute.

4. The party of the first part is, from time to time, and in such denominations and in quantities of not less than Two Hundred Dollars (\$200.00) to send to the party of the second part Alabama tax stamps and the number and value of such stamps are, when so sent, to be charged to the party of the second part as consignee of the party of the first part.

5. That the party of the second part agrees to receive the said stamps and use them solely and exclusively in his own personal business. That all said stamps are to be held in trust by the party of the second part for the party of the first part in behalf of the State of Alabama. The amount and value due shall be remitted to the Alabama Department of Revenue monthly as hereinafter provided.

6. That the party of the second part agrees to report to the party of the first part at the end of each and every month during which this agreement is in force, the number and denominations of stamps used, the total value thereof, and the number, denominations, and value of all stamps remaining on hand unused. The party of the second part shall, at the same time, remit to the party of the first part the amount and value of the stamps so purchased during the month ended which amount shall be the aggregate value of all such stamps purchased, less discount as hereinafter provided, so that monthly accounting shall be made to the party of the first part for all stamps purchased.

7. The party of the second part may deduct as discount allowed by said statute 7-1/2 percent of the face value of all stamps purchased by his or its business during each month provided the amount purchased by him or it shall be \$200.00 or more.

8. The party of the second part agrees to make all reports and remittances for stamps on or before the twentieth day of each and every month. In order to facilitate the accounting for all stamps purchased during the month, the party of the second part agrees to make remittances specifying the invoice or invoices covered by his report and remittance in the net amount. Failure of the party of the second part to make such reports and remittances on or before the twentieth day of each month will cause the party of the second part to forfeit said seven and one-half percent discount as provided by statute.

9. It is agreed that any shortage in any shipment of stamps shall be reported in detail to the party of the first part within three (3) days after receipt of shipment by party of the second part, and if such report is not received by the party of the first part within three (3) days, consideration and allowance of such claim may be disallowed and the party of the second part shall stand charged with the shipment thereof as shown by invoice.

10. In the event the party of the second part desires at any time to terminate this contract, it shall have the right to do so upon

delivering to the party of the first part, or its order, all stamps remaining unused and charged to the account of the party of the second part and remitting for all stamps used or not otherwise accounted for. And the party of the first part shall have the right at any time to terminate this contract and have returned to it, or its order, all unused stamps remaining in the hands of the party of the second part and charged to it and to demand and receive the sum of all used stamps for which remittance has not been made and any additional remittance to cover the value of all stamps charged to the party of the second part and not otherwise accounted for, provided the option herein of the party of the first part to cancel this contract shall be exercised when and in the event the party of the second part shall fail to furnish or keep in full force and effect a good and sufficient bond or failure of the party of the second part to make reports or both as required by statute.

THE ALABAMA DEPARTMENT OF REVENUE  
For the STATE OF ALABAMA  
(Party of the First Part)

BY \_\_\_\_\_  
Commissioner

DATE \_\_\_\_\_

WITNESSES: (Party of the First Part)

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Type or Print Witness Name

\_\_\_\_\_  
Party of the Second Part

BY \_\_\_\_\_

\_\_\_\_\_  
Type or Print Name and Title

DATE \_\_\_\_\_  
(Same as Date on Consignment Bond)

WITNESSES: (Party of the Second Part)

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Type or Print Witness Name

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Type or Print Witness Name