

NOTICE

Amendment to Revenue Rules 810-7-1-.08 and 810-7-1-.09 Regarding Payment of Tobacco Taxes

DATE: March 31, 2003

TO: ALL TOBACCO DISTRIBUTORS

The Alabama Department of Revenue has amended Revenue Rules 810-7-1-.08 (Procedure for Reporting and Payment of Tobacco Taxes on Tobacco Products Other Than Cigarettes) and 810-7-1-.09 (Procedure for Reporting and Payment of County Tobacco Taxes on Cigarettes). The amendments eliminated the distributor's requirement to maintain a tobacco tax bond when making certain tobacco tax payments and eliminated the requirement to remit certain tobacco tax payments by certified funds (that is, money order, certified check, etc.).

For payments accompanying tax returns, distributors are no longer required to maintain a tobacco tax bond or pay with certified funds. This applies to OTP (tobacco products other than cigarettes) taxes and state-administered county tobacco taxes. These tax payments may now be made by cash, check, electronic funds transfer (subject to the electronic funds transfer provisions), or any other legal tender. These changes became effective **March 28, 2003**. Distributors maintaining a tobacco tax bond specifically for paying state OTP taxes and state-administered county tobacco taxes, by tax return, may take the necessary steps to cancel this bond.

NOTE: Bonding requirements relating to the purchase of any revenue stamps are still in effect. In addition, any non-bonded company purchasing stamps on the cash basis must continue to make its stamp payments by cash, certified funds or electronic funds transfer (EFT).

You may view the amended Revenue Rules on the Department's web site at revenue.alabama.gov/tobaccotax/rules/index.html. Should you have questions, please contact us at:

Alabama Department of Revenue Sales, Use & Business Tax Division Tobacco Tax Section P.
O. Box 327555 Montgomery, AL 36132-7555 (334) 242-9627

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