



Important Notice Regarding Prepaid Sales Tax on Cigarettes

For the period September 1, 2017, through August 31, 2018, the amount of the prepaid sales tax on cigarettes is:

85¢ on packages of 20 cigarettes
\$1.06 on packages of 25 cigarettes

Cigarette agents and other wholesalers of cigarettes

The prepaid sales tax amount on packages of 20 cigarettes is increasing by two cents over the current rate. The amount of prepaid sales tax on packages of 25 cigarettes is increasing by two cents this year. No floor tax is due on any inventory of stamps or packages of stamped cigarettes acquired before September 1, 2017. As you make sales, pass through only the amount of prepaid tax that you were required to pay. [Form ST-133](#), *Certificate of Prepayment of Sales Tax on Cigarettes*, or other certification, issued on or after September 1, 2017, should reflect the prepaid sales tax actually paid by, or passed through to, the seller.

Retailers of cigarettes

Agents and wholesalers selling cigarettes on which they prepaid tax at the old rate will only pass through the tax at the old rate. When agents and wholesalers sell cigarettes on which they prepaid tax at the new rate, they will pass through the tax at the new rate. A retailer must be able to substantiate credits taken for prepaid tax paid on cigarettes sold to the final customer. Retain for your records either a properly completed [Form ST-133](#) or a supplier's invoice that incorporates all of the information on [Form ST-133](#).

Sales tax prepayments were determined using the base retail sales prices: \$10.580 per 20 pack and \$2.642 for each additional five cigarettes.

Note: The base retail price of cigarettes used to determine the prepaid sales tax due on a pack of cigarettes does not replace, and does not have any impact on, the basic cost of cigarettes or on the minimum wholesale or retail sales prices set by the Cigarette Marketing Standards Act (Article 20-A of the Tax Law). The minimum wholesale or retail sales prices are affected only when there is a change in either the manufacturer's selling price or the cigarette excise tax. See [Publication 508](#), *Minimum Price List for Cigarettes*, and [Publication 509](#), *Minimum Wholesale and Retail Cigarette Prices*, for more information.

Note: An N-Notice is generally issued to announce a singular event, such as an update to a previously issued tax form or instruction, or to announce a new due date for filing returns and making payments of tax because of a natural disaster. The department does not revise previously issued N-Notices.