

Commonwealth of Virginia
Cigarette Resale
Certificate of Exemption Application

DO NOT USE THIS FORM TO PURCHASE CIGARETTES TAX EXEMPT

Complete each line that applies to your business. Each location must submit a separate application. Include a \$50.00 non-refundable fee with each application, unless your business qualifies for the expedited process explained in the Filing Procedure on the back of this application.

☐ NEW APPLICATION

☐ RENEWAL

☐ CHANGE

1. Federal Employer Identification No. (FEIN) _____

2. Sales Tax Account No. _____

3. Business Telephone No. _____ 4. Contact Phone No. _____

5. Business Name _____

6. Email Address _____

7. Store Location _____
Number and Street or Rural Route City ZIP Code

8. Business Classification: ☐ Wholesaler ☐ Retailer

9. Ownership information (please attach):

Corporations - Name, title, home address, and Social Security Number of each officer

Partnerships - Name, home address, Social Security Number or FEIN of each partner, or tax identification number.

Sole Proprietorships - Name, home address, Social Security Number, or tax identification number.

LLC - Name, home address, and Social Security Number or FEIN of each member. Social Security Number or tax identification number is required for single member LLCs.

LLP - Name, home address, and Social Security Number or FEIN of each partner

10. How long has the owner been a resident of Virginia? _____

If less than 12 months, provide explanation _____

11. ABC License # (attach copy, if applicable) _____

12. Other Tobacco Products (OTP) Distributor's Permit # (attach copy, if applicable) _____

Owner Signature _____ Title _____

Print Name _____ Date _____

Provide a list of cigarette and tobacco suppliers and supplier account numbers.

Upon verification (to include a site visit) and after a 30-day waiting period, we will issue a unique Form ST-10C to qualified retailers. You can then use Form ST-10C to purchase cigarettes tax exempt.

Instructions for Form ST-10C Application

General: Beginning January 1, 2018, cigarette retailers are required to use Form ST-10C, Cigarette Resale Certificate of Exemption to purchase cigarettes tax exempt for resale in Virginia.

Filing Procedure: Cigarette retailers must be registered for Virginia Retail Sales and Use Tax.

Each location intending to purchase cigarettes tax exempt must complete Form ST-10C Application in its entirety. Call the tobacco unit for special instructions if you are applying for 10 or more locations. Enclose \$50.00 non-refundable fee. Make your check payable to the Virginia Department of Taxation and mail the application and payment to **TOBACCO TAX UNIT, Department of Taxation, P.O. Box 715, Richmond, Virginia 23218-0715**

Expedited Process: Businesses with valid ABC licenses or Other Tobacco Product (OTP) Distributor's permits are exempt from the \$50.00 non-refundable fee. Issuance of exemption certificates to businesses with valid ABC licenses or OTP Distributor's permits will be expedited.

Upon verification (to include a site visit) and after a 30-day waiting period, we will issue a unique Form ST-10C to qualified retailers. You can then use Form ST-10C to purchase cigarettes tax exempt.

Questions: If you have any questions, please call **(804) 371-0730** or visit our website at: **www.tax.virginia.gov**.

Penalty for fraudulent purchase of cigarettes

- Any person who purchases **5,000 (25 cartons) cigarettes or fewer** using a forged business license, a business license obtained under false pretenses, a forged or invalid Virginia sales and use tax exemption certificate, a forged or invalid Virginia cigarette exemption certificate, or a Virginia sales and use tax exemption certificate obtained under false pretenses is guilty of a Class 1 misdemeanor for a first offense and a Class 6 felony for a second or subsequent offense.
- Any person who purchases **more than 5,000 (25 cartons) cigarettes** using a forged business license, a business license obtained under false pretenses, a forged or invalid Virginia sales and use tax exemption certificate, a forged or invalid Virginia cigarette exemption certificate, or a Virginia sales and use tax exemption certificate obtained under false pretenses is guilty of a Class 6 felony for a first offense and a Class 5 felony for a second or subsequent offense.
- Any person who violates the provisions of *Va. Code* § 58.1-1017.3 will be assessed a civil penalty of (i) \$2.50 per pack, but no less than \$5,000, for a first offense; (ii) \$5 per pack, but no less than \$10,000, for a second offense committed within a 36-month period; and (iii) \$10 per pack, but no less than \$50,000, for a third or subsequent offense committed within a 36-month period. The civil penalties will be assessed and collected by the Department of Taxation as other taxes are collected.
- The provisions of *Va. Code* § 58.1-1017.3 will not preclude prosecution under any other statute.

Sales or leases presumed subject to tax; exemption certificates

- All sales of cigarettes, bearing Virginia revenue stamps in the Commonwealth shall be subject to the tax until the contrary is established.
- The burden of proving that a sale, distribution, lease, or storage of tangible personal property is not taxable is upon the dealer unless he takes from the taxpayer a certificate to the effect that the property is exempt under this chapter.

Obtaining a cigarette exemption certificate

- A Cigarette Resale Certificate of Exemption relieves the person who accepts the certificate from any liability for the payment or collection of the tax, except upon notice from the Tax Commissioner that such certificate is no longer acceptable. A valid Cigarette Resale Certificate of Exemption must be signed by and bear the name and address of the taxpayer; indicate the number of the certificate of registration, issued to the taxpayer, and be in the form the Tax Commissioner has prescribed.

Maintaining records

- Every person receiving, storing, selling, handling or transporting cigarettes in any manner whatsoever, must save all invoices, books, papers, canceled checks, or other documents relating to the purchase, sale, exchange, receipt or transportation of all cigarettes for a period of three years. All invoices, books, papers, canceled checks or other memoranda and records will be subject to audit and inspection at all times by any duly authorized representative of the Department of Taxation. Any person who fails or refuses to keep and preserve the records as required in this section will be guilty of a Class 2 misdemeanor. The Department of Taxation may impose a penalty of \$1,000 for each day that the person fails or refuses to allow an audit or inspection of the records.