



Iowa Department of Revenue

Director: Courtney M. Kay-Decker
Hoover State Office Building
Des Moines, Iowa 50319
www.iowa.gov/tax

January 5, 2012

Re: Electronic PACT Reporting for Permit «Permit»

The Iowa Department of Revenue (IDR) has deemed it necessary for cigarette/tobacco manufacturers and distributors who sell, transfer, or ship for profit cigarettes, RYO, or smokeless tobacco into Iowa to report PACT ACT information. This is so IDR may determine compliance with the Iowa Cigarette and Tobacco laws pursuant to Iowa Code 453D.5.4 *"In addition to the information required to be submitted pursuant to chapter 453C or this chapter, the director or the attorney general may require a stamping agent, distributor, or tobacco product manufacturer to submit any additional information, including but not limited to samples of the packaging or labeling of each brand family, as necessary to enable the attorney general to determine compliance by the tobacco product manufacturer with this chapter."*

IDR has also developed an electronic process for reporting PACT Act information and is requiring electronic transmission of the reports pursuant to Iowa Code 453A.15(7), *"The director may require by rule that reports required to be made under this division be filed by electronic transmission."* This electronic reporting process utilizes TAB delimited text files which can be created via an Excel spreadsheet or other type of software of your choosing. Please review the information and instructions on how to create and submit files by visiting our website at <http://www.iowa.gov/tax/forms/cigtob.html>. Please contact Dawn Johnson at 515-281-8023 or Scott Fitzgerald at 515-281-5884 with any questions on how to create or submit the files.

Please submit your February 2012 report, due March 12, 2012, using the electronic format. If you are unable to create the report electronically by then, please contact us to make other arrangements. A separate report will be required for each permit number you have.

The federal Prevent All Cigarette Trafficking ("PACT") Act, 15 U.S.C. §§ 375-378, became effective June 30, 2010. Among the changes in the PACT Act, the Jenkins Act was amended to require every person, including cigarette manufacturers, wholesalers, and distributors who sell, transfer or ship for profit cigarettes, roll-your-own ("RYO") tobacco, and smokeless tobacco in interstate commerce to:

1. Register with the United States Attorney General
2. Register with the state tax administrator in any state into which shipments are made, and
3. File monthly reports with the state tax administrator, no later than the 10th of each month.

The Iowa Department of Revenue ("IDR") is the appropriate tax administration agency in the state of Iowa for PACT Act registration and reporting. IDR encourages every person required to file a registration to use the federal form. The form is available at <http://www.atf.gov/alcobol-tobacco/>. Every person filing a federal form also must provide the name of an agent in the state of Iowa to accept service on behalf of the person.

Any person, including cigarette manufacturers and distributors, who sells, transfers, or ships for profit cigarettes, RYO, or smokeless tobacco into Iowa must file a report each month with IDR detailing such sales or shipments. The report must include: 1) the name and address of each person to whom a shipment was made; 2) the invoice date, invoice number, product type, brand, quantity, (and weight where applicable) of cigarettes, RYO, or smokeless tobacco; and 3) the name, address, and telephone number of the person delivering the shipment on behalf of the seller.

PLEASE NOTE: Shipping cigarettes, RYO, or any other tobacco products directly to Iowa consumers is prohibited. It is unlawful for a person other than a holder of a retail permit to sell cigarettes to Iowa consumers. *See* Iowa Code § 453A.36(7). Nothing in the PACT Act alters this prohibition.

Dawn Johnson
Examination Section, Compliance Division
(515) 281-8023 Fax: 515-281-3756
Dawn.Johnson@iowa.gov