



NCDOR

NORTH
CAROLINA
DEPARTMENT
OF REVENUE

Excise Tax Division
North Carolina Department of Revenue
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Important Notice: License Renewal and Expiration for Tobacco Products Tax

During the 2019 legislative session, Session Law 2019-169 modified N.C.G.S. §105-113.12(a) and N.C.G.S. 105-113.36(b) regarding licenses required by Article 2A – Tobacco Products Tax. This modification becomes effective January 1, 2020.

N.C.G.S. §105-113.12(a) and N.C.G.S. 105-113.36(b) were both modified to require a distributor, wholesale dealer, or retail dealer to renew their Tobacco Products Tax license. Pursuant to S.L. 2019-169, § 4.2.(e), **all current** Tobacco Product Tax licenses will expire on June 30, 2020. For all licenses issued after January 1, 2020, licenses will be in effect until June 30 of the year following the second calendar year after the date of issuance or renewal. A license for each place of business is renewable upon signed application with no renewal license tax, unless applied for after the June 30 expiration date.

Taxpayers who hold a current Tobacco Products Tax license will be required to complete a B-A-2: Application for Cigarette Distributor's License and Tobacco Products (Other than Cigarettes) or Update to an Existing Application. The application must be completed in its entirety for each place of business in order to renew the license. Form B-A-2 is available on the Department's website at:

https://files.nc.gov/ncdor/documents/files/B-A-2-webfill_10-31-19_v1_Final.pdf

The North Carolina Department of Revenue completes compliance checks before the issuance or renewal of a license. Compliance checks include verification of the business registration and account status with the North Carolina Secretary of State's office. All businesses, must either be formed in this State or be authorized to transact business in this State. Also, compliance checks include checking to verify if there are any delinquent tax returns or any outstanding tax debts for **any tax type** administered by the North Carolina Department of Revenue. If there are, a license will not be issued or renewed. In addition, a bond is required before any license will be issued.

Important Reminders

- All licenses issued to a distributor, wholesale dealer, or retail dealer will expire on June 30, 2020.
- The Excise Tax Division recommends that you submit an application or updated application by March 1, 2020 to ensure receipt of a new license
- To avoid the assessment of the renewal license tax for existing licensees, the licensee must submit Form B-A-2 before the license expires on June 30
- A license cannot be renewed over the phone
- Normal processing time is one month
- Based upon results of compliance checks, some licenses may take longer than normal to process
- High call volumes are expected during this renewal process

Questions regarding this notice may be directed to the Excise Tax Division at telephone number (919) 707-7500 or toll free (877) 308-9092.

If a written response would require the Department to interpret the law in a manner not specifically addressed in a statute, regulation, or Departmental or IRS publication, the person requesting the written response must follow the procedure (and pay the required fee) for requesting a private letter ruling available on the Department's website at the following address: <https://files.nc.gov/ncdor/documents/files/nc481.pdf>