



Excise Tax Division
North Carolina Department of Revenue
Post Office Box 25000
Raleigh, North Carolina 27640-0001
ncdor.gov

IMPORTANT NOTICE: NEW VAPOR PRODUCTS LICENSE REQUIREMENT

The North Carolina General Assembly enacted [Session Law 2023-12](#) requiring a Vapor Products License for applicable wholesale dealers and retail dealers effective July 1, 2024.

New Vapor Product License Requirements¹

Effective July 1, 2024, a wholesaler or retailer of vapor products must obtain a Vapor Products License for all the following locations:

- Each location where a wholesale dealer makes vapor products;
- Each location where a wholesale dealer or a retail dealer receives or stores non-excise-tax-paid vapor products; and
- Each location from where a retail dealer that is a delivery seller receives or stores non-excise-tax-paid vapor products for delivery sales.

Applying for a Vapor Products License

If a licensee has active Other Tobacco Products (OTP) License for a physical location and is required to obtain a Vapor Products License for that location, the person must apply for the Vapor Products License by completing Form B-A-2R, Tobacco Products Renewal Application. Form B-A-2R is available on the Department’s website at: ncdor.gov/b-2r-tobacco-license-renewal-application. If Form B-A-2R is submitted on or before June 30, 2024, the application is considered timely, and no license tax is due. If the licensee fails to submit Form B-A-2R on or before June 30, 2024, the licensee must apply for the Vapor Products License as a new licensee.

All other persons must complete and submit Form B-A-2: Application or Update to an Existing Application for Cigarette Distributor’s License, Tobacco Products License, and Vapor Products License and include a check or money order in the applicable amount for the license tax. The application must be completed in its entirety for each place of business that is required to obtain a Vapor Products license. Form B-A-2 is available on the Department’s website at:

¹ N.C. Gen. Stat. § 105-113.39A(a2) (2024).

Other Tobacco Products (OTP) Licensees with Only Vapor Product Activity

If an Other Tobacco Products (OTP) licensee makes, receives, or stores *only* vapor products, the Department recommends that the licensee cancel its Other Tobacco Products (OTP) License. Note that the licensee must maintain its Other Tobacco Products (OTP) License through June 30, 2024. If the Other Tobacco Products (OTP) licensee does not cancel its license, the licensee will be required to continue to file Form B-A-101, Monthly Other Tobacco Products Excise Tax Return regardless of activity. Failure to file returns may result in revocation of all licenses issued under Article 2A of Chapter 105 of the North Carolina General Statutes, which includes licenses issued for cigarettes, other tobacco products, and vapor products.

How to Cancel a Tobacco License

To cancel a tobacco license, the licensee must submit a written request with the effective date of license cancellation and must return the original license to the Secretary. If the license cannot be returned, the licensee must include a written statement of the reason the license cannot be returned. The licensee will be notified when the license is canceled. The written request and the original license may be returned to:

North Carolina Department of Revenue, Excise Tax Division
Attention: License and Bonding Unit
3301 Terminal Drive, Suite 125
Raleigh, North Carolina 27604

Filing Requirements

All persons holding a Vapor Products License must file Form B-A-102, Monthly Vapor Products Excise Tax Return regardless of activity. All persons holding an Other Tobacco Products (OTP) License must file Form B-A-101, Monthly Other Tobacco Products Excise Tax Return. If a person holds both licenses, the person must file both Form B-A-102 and Form B-A-101.

Bond and Irrevocable Letter of Credit

Licensees who have an active surety bond or irrevocable letter of credit are not required to obtain an additional bond or irrevocable letter of credit. Licensees may obtain an additional bond or irrevocable letter of credit for its Vapor Products License if they desire.

Assistance and Advisement

Questions regarding this notice may be directed to the Excise Tax Division at telephone number (919) 707-7500 or toll free (877) 308-9092. Select menu option “7” and then menu option “2” to be connected with the Licensing and Bonding Unit. You may also contact the Department at the following e-mail address: tobaccorenewals@ncdor.gov.

To the extent there is any change in the rate or amount of tax, change to a statute or regulation, or new case law after the date of this notice, the provisions in this notice may be superseded or voided. 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: ncdor.gov/documents/nc-481-request-written-determination.