General Instructions

The Form B-A-102, Monthly Vapor Products Excise Tax Return is required to be filed by wholesale dealers and retail dealers who first acquire, receive, or handle vapor products in this State, as well as those who bring vapor products into this State. Note: Taxable transactions for other tobacco products (excluding vapor products) must be reported on Form B-A-101, Monthly Other Tobacco Products Excise Tax Return.

Complete all information at the top of Form B-A-102 including Legal Name (first 35 characters), Trade Name, Physical Address, City, State, Zip Code, State of Domicile, FEIN or SSN, NCDOR ID number for the place of business, Contact Person, Phone Number, Fax Number, and Email Address. Note: For Contact Person, N.C.G.S. 105-259 states all tax records and information maintained by the N.C. Department of Revenue are confidential. Tax information can only be provided to the owner or authorized party of a business entity. To appoint an employee, attorney, accountant, or other person to access tax information, Form Gen-58, Power of Attorney and Declaration of Representative, must be supplied to the Department granting power of attorney to release the confidential tax information to the appointed person.

This return and payment (if applicable) are due on or before the 20th day of the month following the month in which the taxable sales and other activities occur. A return must be filed even if no tax is due. A return is filed when it is received by the Department or postmarked by the due date. If the due date falls on a Saturday, Sunday, or state holiday, the return and payment MUST BE RECEIVED by the Department or MUST BE POSTMARKED on the next business day. This also applies to returns when no tax is due.

A failure to file penalty will be assessed when returns are not received by the due date of the return, based upon the amount of tax due on the return. A five percent (5%) per month, up to twenty-five percent (25%) maximum penalty, will be assessed for each month the return is late. A failure to pay penalty of ten percent (10%) of the amount of tax due and not paid will be assessed when the payment is not received by the due date of the return. In addition, interest will be charged at a daily rate from the date the tax is due until the date the tax is paid. The interest rate is subject to change every six months; therefore, the rates should be verified on the Department’s website at www.ncdor.gov.

Amended Returns: Prior period adjustments are not allowed on current returns. If you must amend a previously filed Monthly Vapor Products Excise Tax Return, you must complete Form B-A-102, Monthly Vapor Products Excise Tax Return, showing the required adjustments for the amended period. You must also mark the return as amended by filling in the circle indicating an amended return.

Invoicing Requirements - Sales invoices of wholesale dealers and retail dealers, whether resident or nonresident, liable for the tax shall indicate payment of the excise tax on vapor products by the wording “North Carolina Other Tobacco Products Tax Paid.” All sales invoices of nonresident wholesale dealers and retail dealers shall show point of origin and mode of transportation for all shipments of vapor products into this State. All invoices for vapor products issued by manufacturers must state the amount of consumable vapor product in milliliters.

Line-by-Line Instructions

Computation of Vapor Products Sold/Purchased in Taxable Transactions

Line 1 - Number of Milliliters of Vapor Products Sold/Purchased During the Month

Enter the total in milliliters for all the vapor products sold/purchased during the month. Round to the nearest whole number. Make sure all invoices, or equivalent information, are attached for verification.

Line 2 - Number of Milliliters of Vapor Products Sold Outside North Carolina

Enter the total in milliliters for all the vapor products sold outside North Carolina during the month. Round to the nearest whole number. Make sure all invoices, or equivalent information, are attached for verification.

Line 3 - Number of Milliliters of Vapor Products Sold to the Federal Government or Instrumentalities Thereof

Enter the total in milliliters for all the vapor products sold to the Federal Government or instrumentalities thereof during the month. Round to the nearest whole number. Make sure all invoices, or equivalent information, are attached for verification.

Line 4 - Number of Other Exempt Milliliters of Vapor Products

The allowable exemptions to be used on this line are:
- A sample tobacco product, other than cigarettes, distributed without charge
- A manufacturer’s option
- Modified risk tobacco products
Manufacturer’s Option - A manufacturer who is not a retail dealer and who ships vapor products to either a licensed wholesale dealer or a licensed retail dealer may apply to the Secretary to be relieved of paying the tax imposed on the vapor products shipped to either a wholesale dealer or retail dealer.

Modified Risk Tobacco Products - means a tobacco product that is sold or distributed for use to reduce harm or the risk of tobacco-related disease associated with commercially marketed tobacco products.

Tax reduction:


Modified risk tobacco products must be substantiated by providing the Department with a copy of the order issued by the United States Food and Drug Administration (USFDA) verifying the product as a modified risk tobacco product.

Enter the total price paid for all the products given as samples, sold under the Manufacturer’s Option, or sold as a Modified Risk Tobacco Product during the month before any discount, rebate, or allowance. Make sure all invoices, or equivalent information, are attached for verification.

Line 5 - Total Number of Exempt Milliliters of Vapor Products Sold
Add Lines 2 through 4. Enter the result.

Line 6 - Total Number of Milliliters of Vapor Products Sold/Purchased in Taxable Transactions During the Month
Line 1 minus Line 5. Enter the result.

Line 7 - Total Vapor Products Tax Due
Multiply Line 6 by $0.05. Enter the result.

Line 8 - Penalty
Payment of the Failure to File Penalty is required with any return filed after the date the return is due. If this return is late, the penalty is 5% per month or any fraction thereof, with a maximum of 25% of the tax that is due.

Payment of the Failure to Pay Penalty is required with any payment received after the date the return is due. If the payment is late, the penalty is 10% of the tax that is due.

Line 9 - Interest
Payment of interest is required when payment on any return, with tax due, is late. The interest rate is subject to change every six months; therefore, you should verify the rate on the Department’s website at www.ncdor.gov.

Line 10 - Total Payment Due
Add Lines 7 through 9. Enter the result. This is the amount due to be paid with the return. Your payment should equal the amount on Line 10 on the return. Make checks or money orders payable to the North Carolina Department of Revenue and include your NCDOR ID number on your check or money order. Any payment must be drawn on a U.S. (domestic) bank and payable in U.S. dollars.

G.S. 105-113.30 and 105-113.33 - Penalty for False Statement. Any person making false entries in records, or a false or fraudulent report or statement required under this Article is guilty of a Class 1 misdemeanor.