



Excise 22

Bringing Untaxed Cigarettes or Tobacco Products into Colorado

UNTAXED TOBACCO PRODUCTS

Anyone in possession of tobacco products, on which the excise tax is not paid by a Colorado licensed distributor must pay the Colorado tobacco products tax within 30 days of receiving the product. This includes tobacco products such as cigars and pipe tobacco ordered on the Internet, by mail or by telephone. Payment can be made using form DR 0225, which may be obtained at www.TaxColorado.com, the Official Taxation Web site.

Colorado statutes state that failure to pay the excise tax within 30 days will result in a 500% penalty, plus tax and interest. Tobacco products are also subject to sales or use taxes. Payment of the tax does NOT change the existing requirement that the first person or entity to bring any tobacco product into Colorado must be licensed as a tobacco distributor.

UNSTAMPED CIGARETTES

Every pack of cigarettes sold to consumers in Colorado must have a Colorado cigarette stamp affixed to the bottom of the pack; this includes cigarettes ordered by telephone, mail, or online. The tax stamps represent either a \$.84 or \$1.05 cent stamp depending on the number of cigarettes in the pack.

The stamp should clearly indicate "State of Colorado." Cigarettes that do not have a stamp affixed are contraband (illegal). It is unlawful for any person, firm, limited liability company, partnership or corporation to import cigarettes into Colorado for sale or resale without obtaining a license or without first affixing the proper stamp to each package of cigarettes. Unstamped cigarettes not in the possession of a licensed cigarette wholesaler are subject to seizure at any place in Colorado and should not be sold to a consumer.

A penalty of twenty-five cents per cigarette will be imposed upon any unstamped cigarettes, either purchased or possessed.

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having the authority to bind the Department, has not formally reviewed, and/or approved these FYIs.