

# Premium Cigar Tax

Use this form to report premium cigar purchases, credits and sales during the month. Be sure to include invoice numbers (not bill-of-lading or standing order numbers). Do not include non-tobacco products such as pipes, cleaners, papers, lighters or cigarettes. Complete a separate schedule for each schedule type. Read the instructions on page 2 before you complete this schedule.

Licensee	Address	Minnesota tax ID number	Period of return (mo/yr)
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Schedule Type:     **1** - Taxable Purchases/Sales     **2** - Credits     **3** - Out-of-State Sales  
 (Check one)

	Invoice		Purchased From or Sold To:			Column A Number of Single Cigars	Column B Total Wholesale Sales Price on Cigars	Column C Tax Based on Wholesale Sales Price (Column B x 95%)	Column D Tax Based on Single Cigar Cap (Column A x \$3.50)	Column E TAX DUE (Enter lesser of Column C or Column D)
	Date	Number	Name	Address	State					
<b>1</b>	<b>Enter total from previous page, if any</b>									
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>										
<b>8</b>										
<b>9</b>										
<b>10</b>										
<b>11</b>										
<b>12</b>										
<b>13</b>										
<b>14</b>										
<b>15</b>										
<b>16</b>										
<b>17</b>	<b>TOTAL</b> (Use this worksheet to complete Form CT301; see instructions for Form CT301)									

# Schedule CT301-PC Instructions

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Use Form CT3101-PC, Premium Cigar Tax Multiple Schedule, to report purchases, credits, and sales.

Premium cigars that should be included on this schedule are defined as:

- hand-constructed and hand-rolled
- has a wrapper made entirely from whole tobacco leaf
- has a filler and binder made entirely of tobacco, except for adhesives or other materials used to maintain the size, texture, or flavor, and
- has a wholesale price of \$2.00 or more.

## Type of Schedule

There are three schedule types on this form

Schedule 1: Taxable Purchases/Sales into Minnesota

Schedule 2: Credits

Schedule 3: Out-of-State Sales

Check one Schedule Type box to indicate what you're reporting (e.g., check the box for Schedule 1 if you're a resident distributor reporting taxable purchases). You must complete a separate form for each schedule type.

**Resident Distributor- Fill out Schedule Types 1, 2 & 3**

**Nonresident Distributor- Fill out Schedule Type 1 only**

## Schedule 1

### Taxable Purchases/Sales

Report each transaction on a separate line for each cigar brand.

**Resident distributors.** Itemize all untaxed cigar purchases received during the month. When you complete the schedule, enter the cigars as shown on the purchase invoices.

Don't enter net amounts which reflect shortages or overages. If you're shorted merchandise, enter the amount shorted on Schedule 2 as appropriate. If you received more merchandise than you ordered, enter the amount on a separate line of Schedule 1.

Enter the total cigar amount on line 17. Report this total on line 8 of Form CT301, *Tobacco Tax Monthly Return*.

**Nonresident distributors.** Itemize all cigar products that you sold into Minnesota during the month. Report returns you received from Minnesota customers as a negative sale on Schedule 1. Enter the total cigar amount on line 17. Report this total on line 8 of Form CT301.

**Definition of Wholesale Sales Price.** "Wholesale sales price" is the price at which a distributor purchases a tobacco product. Wholesale sales price includes applicable federal excise tax, freight charges, or packaging costs, regardless of whether they were included in the purchase price.

## Schedule 2

### Credits (Resident Distributors Only)

"Credits" are cigars you sold to exempt organizations or returned to the manufacturer.

Enter cigars that you sold to exempt organizations during the month (e.g., federal military bases, federal prisons). Also enter cigars that you returned to the manufacturer during the month. You must receive a credit memo from the manufacturer before you can claim credit for any returned or short-shipped products. Include copies of sales invoices and credit memos with this form. Enter total credits on line 17. Report this total on line 9 of Form CT301.

## Schedule 3

### Out-of-State Sales (Resident Distributors Only)

Report sales in the month that the cigars were removed from your premises.

Itemize all sales of cigars shipped out-of-state during the month.

Enter total out-of-state sales on line 17. Report this total on line 10 of Form CT301.

When you file your Form CT301, include a copy of Form CT301-PC and required sales invoices and credit memos.

## Questions?

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

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Fax: 651-297-1939

Phone: 651-556-3035, weekdays from 8 a.m. to 4:30 p.m.

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