

# MINNESOTA • REVENUE

## CIGARETTE TAX TOBACCO PRODUCTS TAX Sales Delivered to Consumers

May 2, 2005

	Yes	No
Separate Official Fiscal Note Requested		X
<b>Fiscal Impact</b>		
DOR Administrative Costs/Savings	X	

Department of Revenue  
Analysis of S.F. 1260 (Solon) 1<sup>st</sup> Engrossment

	<b>Fund Impact</b>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Effective August 1, 2005

### EXPLANATION OF THE BILL

The proposal establishes requirements for consumer delivery sales (i.e. accepting orders and shipping) of cigarettes and smokeless tobacco. The proposal creates registration requirements for distributors of cigarettes and smokeless tobacco. Additionally, the bill provides penalty and enforcement provisions.

### REVENUE ANALYSIS DETAIL

- The proposal provides for additional regulatory control of cigarettes and smokeless tobacco. It does not change the tax base for cigarettes or tobacco products.

Source: Minnesota Department of Revenue  
Tax Research Division  
[http://www.taxes.state.mn.us/taxes/legal\\_policy](http://www.taxes.state.mn.us/taxes/legal_policy)

sf1260(hf1893)\_1 / rrs