TITLE 86: REVENUE

PART 440
CIGARETTE TAX ACT

Section 440.30 Tax - Who Liable For

a) All retailers of cigarettes as defined in Section 1 of the Act are liable for the tax therein impos cigarettes are required to prepay the tax and to collect it as a separate item from retailers.

b) The Act defines "retailer" as follows:

1) "RETAILER" MEANS ANY PERSON WHO ENGAGES IN THE MAKING OF TRANSFERS OF THE OWNERSHIP OF, OR TITLE TO, CIGARETTES TO A PURCHASER FOR USE OR CONSUMPTION AND NOT FOR RESALE IN ANY FORM, FOR A VALUABLE CONSIDERATION.

2) "RETAILER" SHALL BE CONSTRUED TO INCLUDE ANY PERSON WHO ENGAGES IN THE MAKING OF TRANSFERS OF THE OWNERSHIP OF, OR TITLE TO, CIGARETTES TO A PURCHASER, FOR USE OR CONSUMPTION BY ANY OTHER PERSON TO WHOM SUCH PURCHASER MAY TRANSFER THE CIGARETTES WITHOUT A VALUABLE CONSIDERATION.

c) THE ACT DEFINES "DISTRIBUTOR" AS MEANING ANY AND EACH OF THE FOLLOWING

1) ANY PERSON ENGAGED IN THE BUSINESS OF SELLING CIGARETTES IN THIS STATE WHO BRINGS OR CAUSES TO BE BROUGHT INTO THIS STATE FROM WITHOUT THIS STATE ANY ORIGINAL PACKAGES OF CIGARETTES, ON WHICH ORIGINAL PACKAGES THERE IS NO AUTHORIZED EVIDENCE UNDERNEATH A SEALED TRANSPARENT WRAPPER SHOWING THAT THE TAX LIABILITY IMPOSED BY THIS ACT HAS BEEN PAID OR ASSUMED BY THE OUT-OF-STATE SELLER OF SUCH CIGARETTES, FOR SALE OR OTHER DISPOSITION IN THE COURSE OF SUCH BUSINESS.

2) ANY PERSON WHO MAKES, MANUFACTURES OR FABRICATES CIGARETTES IN THIS STATE FOR SALE IN THIS STATE.

3) ANY PERSON WHO MAKES, MANUFACTURERS OR FABRICATES CIGARETTES OUTSIDE THIS STATE, WHICH CIGARETTES ARE PLACED IN ORIGINAL PACKAGES CONTAINED IN SEALED TRANSPARENT WRAPPERS, FOR DELIVERY OR SHIPMENT INTO THIS STATE, AND WHO ELECTS TO QUALIFY AND IS ACCEPTED BY THE DEPARTMENT AS A DISTRIBUTOR UNDER SECTION 4b OF THE ACT.

(Source: Amended at ___ Ill. Reg. ____, effective _____)