EIN00012
04-11-16

INSTRUCTIONS - FORM 1350 TOBACCO TAX RETURN

YOU MUST FILE A RETURN FOR EACH FILING PERIOD, EVEN WHEN NO TAX IS DUE.
LABELS ARE INCLUDED FOR YOUR CONVENIENCE.

You must complete this return if you're a tobacco products distributor responsible for the tax imposed by Idaho Code section 63-2552. The return is due on the 20th day of the month immediately following the tax period.

If you're required to file a monthly report with Idaho to comply with the federal Prevent All Cigarette Trafficking (PACT) Act, you must file your PACT Act report by the 10th day of the month. Instead of filing a PACT Act report on the 10th and your tax return on the 20th, you can meet both filing requirements by filing your tax return on the 10th. **However, you must include with your return either an addendum or internal report that lists the brand of cigarettes and smokeless tobacco you're selling.** If you're a delivery seller, please include the name, address, and phone number of your common carrier. You still have the option of paying any tax you owe on or before the 20th.

You must file a return even if you don't owe any tax for the period. You must sign your return to make it valid. Unsigned returns may result in penalty or interest, or both. Include your title, the date, and phone number of your business.

Verify your information on the form. Draw a line through any errors and write in the correct information. If you've made changes, mark the "Address Change" box. Check the "Cancel Permit" box if you want to cancel your Idaho tobacco tax permit.

Report amounts on lines 1 through 8 at the "wholesale sales price" of the tobacco products. "Wholesale sales price" is the established price a manufacturer or any person charges a distributor for a tobacco product without any discount or other reduction.

SCHEDULES - If you need schedules, visit our website at **tax.idaho.gov** and click on "Tax Types," then select "Tobacco tax" (**tax.idaho.gov/i-1048)**, or call us at 334-7660 in the Boise area or toll free at (800) 972-7660.

Round amounts to the nearest whole dollar.

Line 1. Complete Form TB 1350A and enter the amount from line 36.

For any taxable roll-your-own tobacco reported on line 1 from nonparticipating manufacturers, complete the additional Form TB 1301-NP.

Line 2. In-state distributors: Complete Form TB 1350B and enter the amount from line 36.
Out-of-state distributors: enter "zero."

Line 3. In-state distributors: Complete Form TB 1350C, Part I and enter the amount from line 13.
Out-of-state distributors: enter "zero."

Line 4. Complete Form TB 1350C, Part II and enter the amount from line 13.

Line 5. Enter the total "wholesale sales price" of tobacco products returned to the manufacturer for credit. You must attach documentation. Include the returned goods receipt and bill of lading or Form TB 403 with your return. Form TB 403 must have prior approval from the Idaho State Tax Commission.

Line 6. If you entered tax-paid purchases on line 1 of the return, deduct the amount of those tax-paid purchases on this line. Enter any other allowable deductions not taken on lines 2 through 5 at "wholesale sales price." Attach a detailed statement of explanation.

Line 7. Enter the total of lines 2 through 6.

Line 8. Subtract line 7 from line 1. If a negative figure, put the figure in [brackets].

Line 9. **Tax due or refund.** Multiply line 8 by 40%. If the amount reflects a refund, put the figure in [brackets].

Line 10. **Adjustment from previous periods.** Attach the letter you received from the Tax Commission that advised you of this adjustment. If the amount is a credit, put it in [brackets].

If you paid tax on tobacco products sold on or after January 1, 2000, and later wrote off the accounts as bad debts because they were worthless, use line 10 to apply the bad debt credit to this return or, if no tax is due, to be refunded.

Line 11. Subtract line 10 from line 9. If there is no entry on line 10, enter the figure from line 9 on line 11. If the figure on line 11 is a negative amount, also enter it on line 14.

Line 12. **Penalty.** You must file and pay by the due date listed on the tax return. If you don't, the following penalties apply:

If you file on time but your payment is late, the penalty is 0.5% of the tax due (see line 11) for each late month. This penalty begins the first day you are late and continues until you pay the tax.

If you file late, the penalty is 5% of the tax due (see line 11) for each late month. This penalty begins the first day you are late and continues until you file your return or pay the tax.

If you file late and don't pay the tax when you file, there is an additional late penalty of 0.5% of the tax due (see line 11) for each late month. This penalty begins the day after you file the late return until you pay the tax.

FORM 1350 INSTRUCTIONS -- continued

Note: No penalty is due if no tax is due. The minimum penalty amount is $10, and the maximum penalty is 25%. Even if your payment is only one day late, you still owe the entire monthly penalty.

Interest. Interest accrues on late payments from the due date until paid. Rates are as follows:

1/1/2016 - 12/31/2016, 4% per year
1/1/2015 - 12/31/2015, 4% per year
1/1/2014 - 12/31/2014, 4% per year
1/1/2013 - 12/31/2013, 3% per year

Line 13a. Total due - Add lines 11 and 12. Attach payment for amount due.

Line 13b. Total refund - If there is a refund on line 11, we'll mail you a check.

FORM TB 1350A PURCHASES/SHIPMENTS INTO IDAHO

In-state distributors: Enter the total dollar amount of all purchases of tobacco products taxed and untaxed.
Out-of-state distributors: Enter the "wholesale sales price" of all products shipped into Idaho.

For each purchase or shipment into Idaho, you must enter: the date the tobacco product was actually received into inventory or shipped into Idaho, the invoice number, the invoice date, customer's name and address, and the "wholesale sales price."

Use as many pages as you need to report all purchases/ shipments into Idaho. Carry the total from the last page forward to Form 1350, line 1.

FORM TB 1350B OUT-OF-STATE SALES

Enter the total "wholesale sales price" of tobacco products shipped to retailers outside of Idaho.

For each sales invoice: enter the invoice date, invoice number, customer's name, city and state, and the "wholesale sales price."

Use as many pages as you need to report all sales. Carry the total from the last page forward to Form 1350, line 2.

FORM TB 1350C, PART I, SALES TO OTHER IDAHO DISTRIBUTORS

Enter the total "wholesale sales price" of tobacco products sold to other distributors within Idaho.
For each sales invoice: enter the invoice date, invoice number, customer's name, city and state, and the "wholesale sales price."

Use as many pages as you need to report all sales. Carry the total from the last page forward to Form 1350, line 3.

FORM TB 1350C, PART II, SALES TO EXEMPT ORGANIZATIONS

Enter the total "wholesale sales price" of tobacco products sold to exempt organizations, such as federal military commissaries and Indian tribes.

Complete this form the same way you've completed previous forms.

Use as many pages as you need to report all exempt sales. Carry the total from the last page forward to Form 1350, line 4.

Amended returns. Use this form to amend a tobacco return. Check the "AMENDED RETURN" box at the top of the return. If you didn't keep a copy of the original return, you can get one by contacting the Tax Commission. Complete the entire form using the corrected amounts. Don't enter the net change.

Electronic payments. There's no fee when paying by ACH Debit. If you pay by credit card or e-check, our third-party provider will charge a convenience fee. American Express, Discover, MasterCard, and Visa are accepted. To make credit/debit card, e-check, and ACH Debit payments, use our Taxpayer Access Point (TAP) at **tax.idaho.gov.** For more information, visit our *E-Pay* page at **tax.idaho.gov/epay.**

Check Payments. Make your check or money order payable to the Idaho State Tax Commission. Don't staple your check to your return or send a check stub.

Payments of $100,000 or more. Idaho law requires you to use ACH Debit or ACH Credit (electronic funds transfer) when making payments of $100,000 or more. If you file a paper tax return, indicate on the report that you paid by one of these methods. If you're making an electronic funds transfer for the first time, read more at **tax.idaho.gov/epay**. To request our "ACH Credit Addenda and Bank Information" form, email us at **eft@tax.idaho.gov** or fax (208) 334-7625.

Mail return to: Idaho State Tax Commission, PO Box 76, Boise, ID 83707-0076

CONTACT US

In the Boise Area: 334-7660
or
Toll Free: (800) 972-7660

Hearing impaired (TDD):
(800) 377-3529

IDAHO STATE TAX COMMISSION OFFICES

800 Park Blvd., Plaza IV
Boise, Idaho 83712

1910 Northwest Blvd., Suite 100
Coeur d'Alene, Idaho 83814

1118 F St.
Lewiston, Idaho 83501

440 Falls Ave.
Twin Falls, Idaho 83301

611 Wilson Ave., Suite 5
Pocatello, Idaho 83201

150 Shoup Ave., Suite 16
Idaho Falls, Idaho 83402