



ADMINISTRATIVE RULES OF MONTANA



42.31.131 CIGARETTE TAX REFUNDS

- (1) Cigarette tax refunds will be issued as provided in (2), (3), and (4). All cigarette tax refunds will be calculated assuming the lowest current statutory discount rate unless documentation is provided supporting a higher discount rate.
- (2) Refund claims by a cigarette manufacturer or wholesaler must contain a notarized affidavit attesting the cigarette tax refund claimed is for state of Montana cigarette tax insignia, which are affixed to the unsaleable cigarettes and the cigarettes have been destroyed or will not be sold at any time.
- (3) Refund claims must be accompanied by a copy of the manufacturer or other vendor credit memo or invoice issued to the Montana wholesaler. In lieu of the credit memo or invoice, the manufacturer or wholesaler may submit a printout showing each customer name, customer credit invoice number, number of Montana stamped cigarettes, tax amount and the date the cigarettes were returned for credit.
- (4) Refunds will be allowed for stale or damaged merchandise during the first 180 days after a change in the tax rate at the previous rate of tax unless it can be verified conclusively that the new tax has been paid on the specific product for which such refund is claimed.
- (5) Cigarette tax distributions are made to an Indian tribe pursuant to an agreement between the Indian tribe and the department. The agreement provides for the collection of a tribal cigarette tax on the Indian reservation and a distribution, less administrative expense, if applicable, to the Indian tribe based on the negotiated quota agreement.
- (6) Cigarette tax credits or refunds for indicia used in sales made on an Indian reservation are made to wholesalers pursuant to the established quota for a particular Indian reservation. The wholesaler can request a credit or a cash refund by filing forms supplied by the department. Upon receipt, the department will process the refund within ten working days.
- (7) Only a preauthorized credit or refund for untaxed (quota) sales on an Indian reservation will be allowed to a wholesaler.

Authorizing statute(s): 16-11-103, MCA

Implementing statute(s): 15-1-503, 16-11-112, 16-11-156, MCA

History: Eff. 12/31/72; AMD, 1980 MAR p. 2283, Eff. 8/1/80; AMD, 1992 MAR p. 668, Eff. 3/27/92; AMD, 1992 MAR p. 2563, Eff. 11/26/92; AMD, 1993 MAR p. 2427, Eff. 10/15/93; AMD, 1995 MAR p. 2853, Eff. 12/22/95; AMD, 1998 MAR p. 681, Eff. 3/13/98; AMD, 2000 MAR p. 3569, Eff. 12/22/00; AMD, 2003 MAR p. 1890, Eff. 8/29/03; AMD, 2004 MAR p. 2935, Eff. 12/3/04.