

License Application to Make Retail Sales of Cigarette and Other Tobacco Products

To be completed by applicant when applying for a license with a city or county.

Applicant's Minnesota tax ID number

▲ The Minnesota tax ID must be issued in the same legal name of the licensee below.

FOR MUNICIPAL USE ONLY

License number
Period covered
Date of issuance

Cigarettes/tobacco products will be sold (a separate license is required for each location or vending machine):

Over counter Through vending machine Both

Print or type

Licensee's legal name	Federal employer ID number (FEIN)
Business trade name (doing business as)	Daytime phone
Complete address of business location (permit location)	County
City	State Zip code
Mailing address (if different than business address)	City State Zip code
	Other phone number
	Fax number
	Email address

Business information

Type of legal organization (check one):

Sole proprietor Minnesota corporation: Enter date of incorporation _____

Partnership Out-of-state corporation: State of incorporation _____

Other (describe) _____ Are you registered to do business in Minnesota? Yes No

Corporate officers or partners (attach a list if necessary)

Name	Title
Address	City State Zip code
Name	Title
Address	City State Zip code

Statement of understanding

As a licensed tobacco products or cigarette retailer, I understand that:

1. I can purchase cigarettes only from a Minnesota distributor or subjobber who holds a license with the Minnesota Department of Revenue.
2. I must obtain a tobacco products distributor license if I purchase untaxed tobacco products from an out-of-state company.
3. I may not sell cigarettes affixed with Minnesota Native American stamps unless my retail business is located on a reservation that has a tax agreement with the State of Minnesota.
4. I may not purchase from or exchange cigarettes or tobacco products with another retailer.
5. I must keep complete and legible cigarette and tobacco products invoices on the licensed premises, or make invoices available within one hour of request, for at least one year after the date of the purchase.
6. I know that the Minnesota Department of Revenue and/or law enforcement may conduct cigarette and tobacco inspections of the premises, including inspections of inventory, invoices and licenses, and I understand that a refusal to allow an inspection is grounds for revocation of my license.
7. I know that failure to comply with all requirements can result in criminal penalties, including the loss of cigarettes and tobacco products.

Sign here

Licensee signature	Title	Print name	Date	Daytime phone
Licensing agent's signature	Title	Print name	Date	Daytime phone

License applicant: Submit this form to the licensing authority along with the license application.

Licensing authority: Mail or fax a copy of approved form to:
 Minnesota Revenue, Mail Station 3331, St. Paul, MN 55146-3331. Fax: 651-297-1939
 Phone: 651-297-1882. TTY: Call 711 for Minnesota Relay.

**-CERTIFICATION OF COMPLIANCE-
MINNESOTA WORKERS' COMPENSATION LAW**

Minnesota Statute, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business or engage in an activity in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of MSS Chapter 176. The information required is: the name of the insurance company, the policy number, and dates of coverage or the permit to self-insure. This information will be collected by the licensing agency and retained in their files.

This information is required by law, and licenses and permits to operate a business may not be issued or renewed if it is not provided and/or is falsely reported. Furthermore, if this information is not provided or falsely stated, it may result in a \$1,000 penalty assessed against the applicant by the Commissioner of the Department of Labor and Industry.

Insurance Company Name: _____
(NOT the insurance agent)

Policy Number: _____

Dates of Coverage: _____ to _____
(or)

I am not required to have workers' compensation liability coverage because:

- I have no employees
- I am self insured (include permit to self-insure)
- I have no employees who are covered by the workers' compensation law (these include: Spouse, Parents, Children and certain farm employees)

I certify that the information provided above is accurate and complete and that a valid workers' compensation policy will be kept in effect at all times as required by law.

Name: _____
(last, first, middle)

Doing Business As: _____
(business name if different than your name)

Business Address: _____

City, State, Zip: _____ Phone: () _____

Signature: _____ Date: _____

TIPS FOR EMPLOYEE TRAINING

1. Instruct store employees on the health risks associated with tobacco use. Explain that this is the main reason to prevent tobacco sales to minors.
2. Issue a directive alerting employees that your store will not sell tobacco or tobacco-related devices to anyone under age 18. Explain that your store has an obligation to obey the state and local age-of sale laws.
3. Instruct your employees to request picture identification of anyone purchasing tobacco whom appears to be under 27 years old.
4. Post a copy of the state laws in your store in a conspicuous place (such as a break room). Inform employees of where the law is posted. Place state law warning labels on store door, cash registers and wherever tobacco products are displayed.
5. Distribute information about the laws to all employees. Review the laws and your store policy with employees. Request their signature acknowledging their understanding of the law.
6. Inform your employees that any tobacco-related sale to a minor could result in disciplinary action and penalties. Periodically remind employees about the age-of-sale laws, penalties and your store policy.
7. Remind employees that a permission note from a parent does not permit a tobacco sale to a minor. Adults must make their own tobacco purchases.
8. Remind your store employees that there are local and state laws that regulate the placement of tobacco products, tobacco advertising, and the age to purchase, possess and use tobacco.

The tobacco license holder agrees to administer an employee-training program with these components to all employees who sell tobacco and related products at this establishment. Training information is available in the "How To Stop Youth Access To Tobacco Packet" sponsored by the Minnesota Department of Health.

License holder signature

Name of Business

Date

Street Address

City of Owatonna
540 West Hills Circle
444-4300

RETAIL TOBACCO TRAINING PROGRAM COMPONENTS

- A clear definition of what constitutes a tobacco product.
- Instruction on the legal age to purchase tobacco products.
- Health and legal reasons why tobacco shouldn't be sold to youth.
- Employee declarations or statements indicating that they agree to adhere to company policies and procedures and that they acknowledge that selling tobacco to minors is illegal.
- Management support and accountability.
- Instruction on when and how to ask for identification from a customer.
- Age identification checks for any customer who appears to be under 27 years old.
- Instruction on the acceptable forms of ID (including written materials that include samples of acceptable identification).
- Instruction on how to detect a false ID.
- Instruction on when and how to refuse a tobacco related sale.
- Instruction on how to refuse second-part sales (where an adult clearly purchases for a minor).
- The consequences of making an illegal sale.
- Strategies to conduct on-going compliance checks and provide feedback to the tobacco retail outlets.
- Culturally and linguistically appropriate materials for employees.
- Strategies for dealing with difficult customers.
- Examples of rewards and incentives for clerks who refuse to sell tobacco to minors.

In addition to a complete training program, employees should support each other in obeying the laws, following store policies, and making decisions about refusing tobacco-related sales.

Sales of Cigarettes and Tobacco Products in Minnesota

Continued from opposite side:

Subd. 7. Sale of cigarette packages with Indian stamp.

- (a)** A retailer doing business off of an Indian reservation who sells or offers to sell more than 200 but fewer than 5,000 cigarettes with Indian stamps is guilty of a misdemeanor.
- (b)** A retailer doing business off of an Indian reservation who sells or offers to sell 5,000 or more, but fewer than 20,001 cigarettes with Indian stamps is guilty of a gross misdemeanor.
- (c)** A retailer doing business off of an Indian reservation who sells or offers to sell more than 20,000 cigarettes with Indian stamps is guilty of a felony.

See also: Minnesota Statutes, Chapter 297F.21, Contraband.

If you suspect cigarette or tobacco tax violations, need assistance, or have any questions:

Cigarette and Tobacco Tax Unit

Phone: (651) 297-1882

Fax: (651) 297-1939

E-mail: cigarette.tobacco@state.mn.us

Anonymous tip line:

(651) 297-5195 or (800) 657-3500

Taxpayer's Rights Advocate

Call for help with disagreements you have not been able to resolve through normal channels: (651) 556-6013.

Am I required to obtain a special license to make retail sales of cigarettes and tobacco products in Minnesota?

Yes. According to Minnesota statutes, businesses in Minnesota that make retail sales of cigarettes and tobacco products to the public are required to have a special retailer's license.

The Minnesota Department of Revenue's Cigarette and Tobacco Tax Unit is

responsible for enforcing the tax laws and verifying compliance with state statutes.

The enforcement effort is aimed at prosecuting tax evaders and protecting legitimate businesses from unfair competition.

When Minnesota loses tax and fee revenues from illegal activities, everyone loses: honest cigarette retailers and wholesalers are forced to compete with smugglers who can reduce their prices by illegal activities.

Note: This brochure summarizes the law and regulation in effect as of the publication date. While the information in this brochure is general, the law is complex and subject to change. If there is a conflict between the brochure and the law or regulations, decisions will be based on the law and regulations.

License Requirements for Retailers



MINNESOTA • REVENUE

Retail Licensing Requirement

Retail sellers of cigarettes and tobacco products in Minnesota must have a Minnesota Cigarette and Tobacco Product Retailer's license prior to purchasing or selling cigarettes or tobacco products. (MN Statute 461.12)

A separate license is required for each location or vending machine from which cigarettes or tobacco products are sold at retail. Whenever you add a new location that requires a license, you must obtain a separate license for that location.

Responsibilities of License Holders

As a holder of a retailer's license, you must:

- Conspicuously display your license at each retail location so that it is visible to the public.
- Keep complete and legible cigarette and tobacco products invoices at each licensed location for at least one year after the date of the purchase.
- Allow Dept. of Revenue staff or law enforcement officers to review your cigarette and tobacco products purchase invoices on location upon request. All purchase invoices must be available within one hour. (MN Statute 297F.13, Subd.4.)
- Allow our staff to conduct cigarette and tobacco inspections of your premises, including your inventory, invoices and license.

Cigarettes and tobacco products purchased for personal consumption on the internet/mail order or brought in from another state are still subject to taxes and fees. The resale of cigarettes and tobacco products bought on the internet/mail order or brought in from another state is illegal.

Enforcement

Records. You must maintain accurate and complete records, including properly completed purchase invoices.

License display. You must display your license at each retail location from which you sell cigarettes or tobacco products according to your licensing authority's rule.

Inspections. Dept. of Revenue staff and law enforcement officers can inspect retail locations and seize any untaxed cigarettes or tobacco products, including cigarettes without stamps, with stamps from other states or with counterfeit tax stamps.

Illegal purchases. It is illegal for retailers to purchase cigarettes or tobacco products from another retailer or any seller who is not a licensed Minnesota cigarette and/or tobacco distributor or subjobber.

Illegal sales. It is illegal for retailers to sell cigarettes or tobacco products in this state without a license or when their license has been suspended or revoked. If you make illegal sales of cigarettes or tobacco products, you are subject to civil and criminal penalties, and possible seizure of your cigarettes and tobacco products.

Penalties

Minnesota Statutes, Chapter 297F.20 Cigarette and Tobacco Taxes Criminal Penalty

Subd. 6. Unstamped cigarettes; untaxed tobacco products.

- (a) A person, other than a licensed distributor or a consumer, who possesses, receives, or transports fewer than 5,000 unstamped cigarettes, or up to \$350 worth of untaxed tobacco products is guilty of a misdemeanor.
- (b) A person, other than a licensed distributor or a consumer, who possesses, receives, or transports 5,000 or more, but fewer than 20,001 unstamped cigarettes, or more than \$350 but less than \$1,400 worth of untaxed tobacco products is guilty of a gross misdemeanor.
- (c) A person, other than a licensed distributor or a consumer, who possesses, receives, or transports more than 20,000 unstamped cigarettes or \$1,400 or more worth of untaxed tobacco products is guilty of a felony.
- (d) For purposes of this subdivision, an individual in possession of more than 4,999 unstamped cigarettes, or more than \$350 worth of untaxed tobacco products, is presumed not to be a consumer. Cigarettes and tobacco products that are considered contraband may be seized by authorized agents or by any sheriff or other police officer.