

STATE OF MONTANA  
DEPARTMENT OF JUSTICE  
AGENCY LEGAL SERVICES BUREAU

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**NOTICE**  
**To All Montana-Licensed Retailers**  
May 6, 2005

The legislature has amended a statute to require all Montana-licensed retailers that buy roll-your-own tobacco (RYO) on which the tax has not been paid to file a wholesaler report with the Department of Justice in addition to the forms required by the Department of Revenue. The amendment is in HB 169, Section 3.

If you buy RYO directly from the manufacturer or importer and the tax has not been paid on that product, you must file a wholesaler report on your sales of RYO no later than the 15th day of the month following the reporting month. For instance, if you sell 30 ounces of RYO on which you paid the tobacco taxes during the month of March, you must file a wholesaler report by April 15.

Wholesalers will be assessed a penalty when reports are filed 20 or more days after the last day of the reporting month. The late filing penalty consists of \$50 for each business day the filing is late, for a maximum penalty of \$1000 per late filing. You must file a report each month, whether or not you had any sales in that particular month.

If you buy RYO from a wholesaler who has paid the tax on the product, you need NOT file a wholesaler report with the Department of Justice.

The wholesaler reporting forms are on the Attorney General's website at <http://www.doj.state.mt.us/safety/tobaccosettlement.asp>. In addition, a copy of the form is attached to this notice. The full text of HB 169 can be found at the Legislative website located at <http://data.opi.state.mt.us/bills/2005/billhtml/HB0169.htm>.

Please call me or e-mail if you have any questions.

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