

Tax Bulletin

Utah State Tax Commission • 210 N 1950 W • SLC, UT 84134

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Tax Bulletin 04-20

Effective: July 1, 2020

Re: New Tax and Bond Requirement for Certain Electronic Cigarettes Products

The 2020 Utah Legislature passed SB 37, imposing a tax on e-cigarette substances and prefilled e-cigarettes. The tax is 56 percent of the manufacturer's sales price. File and pay this tax online at Taxpayer Access Point (tap.utah.gov) using form TC-553, *Tobacco Products Tax Return*.

SB 37 also requires anyone who sells e-cigarette substances and prefilled e-cigarettes to post a bond. The one-time bond amount is at least \$500 and must be posted in addition to other required cigarette or tobacco bond(s).

To submit a surety bond, see form TC-763E, *Electronic Cigarette Tax Surety Bond*. To submit a cash bond, make a \$500 payment in Taxpayer Access Point to your tobacco (TOB) account using the *E-Cigarette Bond* payment type.

Requirements

Starting July 1, 2020, you must begin collecting the tax on e-cigarette substances and prefilled e-cigarettes. Also starting on that date, you may not sell those products unless you have already posted the bond.

QUESTIONS...

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