

CIGARETTE DISTRIBUTOR'S TAX RETURN

DUE ON OR BEFORE	
[FOID]	YOUR ACCOUNT NO.

BOARD OF EQUALIZATION
SPECIAL TAXES AND FEES
P O BOX 942879
SACRAMENTO CA 94279-2074

BOE USE ONLY		
RA-B/A	AUD	REG
RR-QS	FILE	REF
EFF		

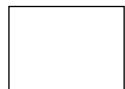
**READ INSTRUCTIONS
BEFORE PREPARING**

PART 1 - CIGARETTE STOCK AND TAX SUMMARY			NUMBER OF CIGARETTES
1. Inventory first of month <i>(Should agree with Part 1, line 6 of previous month's return)</i>	1a. Without stamps affixed	1a.	
	1b. With stamps affixed	1b.	
	1c. Total <i>(add lines 1a and 1b)</i>		
2. Purchased without stamps affixed <i>(Schedule A attached)</i>		2.	
3. Purchased with stamps affixed		3.	
4.		4.	
5. Total cigarettes to account for <i>(add lines 1c through 4)</i>		5.	
6. Deduct inventory end of month <i>(see Instruction 8)</i>	6a. Without stamps affixed	6a.	
	6b. With stamps affixed	6b.	
	6c. Total <i>(add lines 6a and 6b)</i>		
6d. Represents physical inventory - check here <input type="checkbox"/> Date of actual inventory _____			
7. Total distributions during month <i>(subtract line 6c from line 5)</i>		7.	
8. Deduct tax exempt distributions		NUMBER OF CIGARETTES	
8a. Sold and shipped in interstate or foreign commerce <i>(Schedule C attached)</i>		8a.	
8b. Sold to interstate foreign passenger common carriers		8b.	
8c. Sold to U.S. Military exchanges, commissaries, ship stores & U.S. Veterans Admin.		8c.	
8d. Sold by original importers to licensed distributor <i>(see Instruction 4)</i>		8d.	
8e.		8e.	
8f. Total exemptions <i>(add lines 8a through 8e)</i>		8f.	
9. Taxable Distributions <i>(subtract line 8f from line 7)</i>		9.	
10. Rate of tax per cigarette		10. \$	
11. Tax value on taxable distributions <i>(multiply line 9 by line 10)</i>		11. \$	
12. Tax value affixed to packages sold <i>(enter from Part 2, line 8)</i>		12. \$	
13. Difference, if any, between lines 11 and 12		13. \$	

<i>I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return.</i>		EMAIL ADDRESS	
SIGNATURE	PRINT NAME AND TITLE	TELEPHONE ()	DATE

This return must be signed. Make a copy of this document for your records.

BOE-501-CFS, Cigarette Schedule F must be attached.



PART 2 - STAMP ACCOUNT FOR CALENDAR MONTH			TAX VALUE PRIOR TO DISCOUNT
1. Inventory first of month <i>(Should agree with Part 2, line 5 of previous month's return)</i>	1a. Tax value of stamp inventory unaffixed	1a.	
	1b. Tax value of stamps affixed to packages	1b.	
	1c. Total <i>(add lines 1a and 1b)</i>	1c.	\$
2. Tax value of stamps purchased		2.	\$
3. Tax value on tax paid cigarette purchases		3.	\$
4. Total tax value to account for <i>(add lines 1c through 3)</i>		4.	\$
5. Deduct inventory end of month <i>(see instructions 5 & 7)</i>	5a. Tax value of stamp inventory unaffixed	5a.	
	5b. Tax value of stamps affixed to packages	5b.	
	5c. Total <i>(add lines 5a and 5b)</i>	5c.	\$
6. Tax value of stamps used <i>(subtract line 5c from line 4)</i>		6.	\$
7. Deduct unusable stamps for which claim has been filed <i>(see Instructions 5)</i>		7.	\$
8. Tax value affixed to packages sold <i>(to Part 1, line 12)</i>		8.	\$

FILING REQUIREMENTS

Under section 30182 of the Cigarette and Tobacco Products Tax Law, every cigarette distributor in this state must file a return on or before the 25th day of the month following the period for which tax is due, with a remittance payable to the State Board of Equalization (BOE). This return must be filed even if you have no tax liability. A duplicate of the return, together with all supporting records should be retained on the licensed premise for verification by BOE auditors. BOE-501-CFS, *Cigarette Schedule F* must be attached.

INSTRUCTIONS

1. Include only federal tax paid cigarettes in this return.
2. The return must cover all cigarette, stamp and sample transactions for an entire calendar month.
3. Sale of cigarettes from one distributor to another distributor is taxable. An appropriate stamp shall be affixed to packages of cigarettes sold to another distributor.
4. The sale of cigarettes by the original importer of cigarettes manufactured outside the United States to a licensed distributor is exempt (Part 1, line 8d).
5. Amounts shown in Part 2, line 7, must be in agreement with BOE-1024, *Claim for Refund on California Cigarette Stamps*, filed for the month for unusable stamps returned to the BOE. If claim has not been filed for damaged stamps, such stamps should be included in unaffixed inventory (Part 2, line 5a).
6. Adjustments or corrections to a return for a prior month should be made on an amended return for that month or by letter addressed to the BOE explaining the adjustment in detail. **Do not** show such adjustments on this return.
7. Every distributor is required to keep daily records of the number of tax stamps used in their affixing operations. Physical inventories of unused tax stamps on hand at the end of each month must be taken and all unaffixed and affixed tax stamps on hand must be reported on Part 2, lines 5a and 5b.

8. Enter the inventory at the end of the month on Part 1, line 6 and the date of the last physical inventory on line 6c.

If you have a cycle count inventory system and perpetual inventory system in place, the monthly statement shall be based on the perpetual inventory report run on the last business day of the month for which the wholesaler's return is filed. However, at least once every calendar year, the monthly statement shall be based on a physical inventory of cigarettes on hand on the last business day of the month for which the wholesaler's report is filed. A "cycle count inventory system" is a system that provides evidence that all cigarettes are counted on a regular basis, with each item being counted at least once every three-month period. A "perpetual inventory system" is a system in which inventory records are maintained and updated continuously as items are purchased or sold.

If you do not have a cycle count inventory system and perpetual inventory system in place, the monthly statement shall be based on the inventory on hand at the end of the month covered by the return. However, at least once every six months, the monthly statement shall be based on a physical inventory of cigarettes on hand performed within the last five days of the month for which the distributor or wholesaler's return is filed.

9. If applicable, attach the following forms to the original copy of this return filed with the BOE:

BOE-501-CAS, Schedule A - *Distributor's Record of Cigarettes Received*
BOE-501-CBS, Schedule B - *Sales of Cigarettes by Original Importer*
BOE-501-CCS, Schedule C - *Out-of-State Sales of Cigarettes Report*
BOE-501-CFS, Schedule F - *Cigarette Schedule F*

If you need additional information, please contact the State Board of Equalization, Special Taxes and Fees, P.O. Box 942879, Sacramento, CA 94279-0088. You may also visit the BOE website at www.boe.ca.gov or call the Taxpayer Information Section at 800-400-7115 (TTY: 711); from the main menu, select the option Special Taxes and Fees.