

PUBLICATION 403 ■ LDA

DECEMBER 2010

NEW CALIFORNIA COUNTERFEIT-RESISTANT CIGARETTE TAX STAMP

BOARD OF EQUALIZATION

(Names updated 2011)

BETTY T. YEE, First District

SEN. GEORGE RUNNER (RET.), Second District

MICHELLE STEEL, Third District

JEROME E. HORTON, Fourth District

JOHN CHIANG, State Controller



KRISTINE CAZADD, Executive Director

CALIFORNIA'S COUNTERFEIT-RESISTANT CIGARETTE TAX STAMP

Building upon the success of the high-tech stamping system in California, the Board of Equalization (BOE) introduces a new upgraded tax stamp which is now being implemented in the state. The new tax stamp uses layered security printed on the stamp and combines overt and covert counterfeit-resistant features in the printed design. The upgraded stamp integrates high-security inks and forensic security features that provide ready authentication for BOE enforcement activities. These security features provide multiple hurdles that counterfeiters must overcome—enabling the BOE to prevent tax stamp counterfeiting, as well as tax evasion and illicit cigarette trade.

Check for the following features on all new California cigarette tax stamps:

- All stamps are predominantly **gold-yellow**.
- A **color-shifting effect** visible to the naked eye on the left edge of all stamps; a green-to-blue shift effect should occur when the stamp is tilted slightly. Hold the stamp in front of you and note the color, then tilt the pack and see if the color changes on the stamp. If the ink doesn't appear shiny and change to blue, it's not a genuine stamp.
- A **unique 6-digit serial number** on the right side of the stamp, printed over an outline of the State of California. No two stamps will have the same serial number. If you see two stamps with the same serial number, you know at least one is counterfeit.

- **Tamper-evident surface cuts**, which make it difficult to remove or tamper with the tax stamps.
- An **image of a bear**, along with the abbreviation "CA" and the words "CALIFORNIA TAX PAID." This California-specific information clearly identifies the stamp's jurisdiction- no other state's stamp looks like ours.

Stamps are affixed to all cigarette and little cigar packs and show either 10, 20, or 25 as the denomination in the top right corner. On the same plane, a star icon that has micro text inscribed inside is visible.



If you notice any cigarette packs at your retail location that are missing a stamp, are improperly stamped, or if a stamp does not appear to be genuine, notify the BOE at 888-334-3300.

To assist in even more accurate authentication of the stamp, a special low cost double filter validation device is available for purchase. This validator uses filters consisting of two types of polarizing material that reveal different color shades from the same ink. Through the right-hand filter, the ink appears bright, while through the other filter it appears dark. If you do not see this effect when using the validator, the stamp may not be genuine.

Validators are specifically designed to match the color-shift feature on genuine cigarette tax stamps.

This device provides retailers and enforcement agencies with a tool that is:

- Easy to use
- Practical
- Hand-held
- Effective
- Small and light as a credit card
- Reasonably-priced



Genuine stamps are simple to authenticate, yet very difficult to reproduce. Validators enable retailers and enforcement agencies to immediately determine the authenticity of a cigarette tax stamp.

Validator Purchasing Information

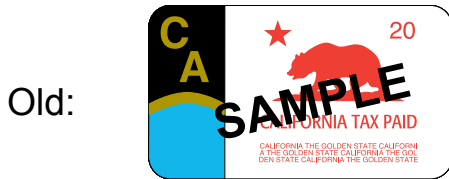
Validators can be purchased using an online ordering system, accessible through the BOE website at www.boe.ca.gov.

Validators will be distributed by an authorized BOE vendor. Each validator is \$5.00, plus

sales tax and shipping and handling. Valid credit card payment is required at time of purchase. Validators will be shipped directly to the purchaser.

Please visit www.boe.ca.gov for additional information and details on the new stamp.

For your reference, below are sample images of the old and new stamp.



California Board of Equalization
P.O. Box 942879
Sacramento, CA 94279



Note: the old encrypted stamp (above) is still valid.

Thank you for helping us to prevent tax evasion and counterfeiting in the state.