



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
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TOBACCO AND NICOTINE PRODUCTS WHOLESALE SALES AND USE TAX: FLOOR STOCKS TAX NOTICE

P.L. 2018 c. 50, signed into law on July 1, 2018, amended the Tobacco and Nicotine Products Wholesale Sales and Use Tax Act (N.J.S.A. 54:40B-1 et seq.). The amendments impose a \$0.10 per fluid milliliter tax on sales of liquid nicotine.

What is a Floor Stocks Tax?

The liquid nicotine Floor Stocks Tax is a one-time tax imposed on liquid nicotine that you have in your possession at the close of business on September 28, 2018.

New Tax Rate

The rate of tax on liquid nicotine is \$0.10 per fluid milliliter based on the volume of the liquid nicotine as listed by the manufacturer, and a proportionate rate on all fractional parts of a fluid milliliter of volume of liquid nicotine as listed by the manufacturer.

The Floor Stocks Tax Return

Form TPT-FL is the Tobacco Products Tax Floor Stocks Tax Return that is required to be filed by all distributors, wholesalers, and retail dealers that are in possession of liquid nicotine.

Distributors, wholesalers, and retail dealers must:

- Take an inventory on the close of business on September 28, 2018;
- Report the liquid nicotine in inventory on Form TPT-FL;
- Calculate the tax due at the rate of \$0.10 per fluid milliliter; and
- File Form TPT-FL with the Division of Taxation and remit any tax due by October 20, 2018.

Additional Questions:

If you need assistance or clarification with any part of the new Tobacco Products Tax Law, including liquid nicotine, email us at Tobacco.tax@treas.nj.gov.