Remote Sellers Joint LTN/TPN

- The Department released a draft notice on the treatment of luxury products for TPT purposes.

- Any remote seller of tobacco products (i.e. those without physical presence in Arizona) are subject to the same economic nexus threshold (i.e. $100,000) as any other remote seller into Arizona.

- Vape and CBD are also subject to the same threshold.

- As a reminder, if you have physical presence in Arizona, you are not considered a remote seller and the economic nexus threshold will not apply.

Public Comment

- The notice is available for public comment at https://azdor.gov/legal-research/public-comment-rulings-procedures-and-other-documents.

- Please send any comments to Howard Cohen at hcohen@azdor.gov.

- Please contact azesale@azdor.gov for any questions related to remote seller thresholds.

The Department is aware certain distributors are having issues with beginning inventory not matching ending inventories on monthly filings.

Please note the beginning inventory of the month should always match the prior reported month's ending inventory.

Affected distributors should have received a notice and need to work with the Department on amending the impacted returns. Please note this only affects limited distributors and disregard this message if you have not received a letter.

Below is an example **of a return (May 2022 return)** obtaining / matching all its **beginning inventories from its April 2022 return ending inventories.**
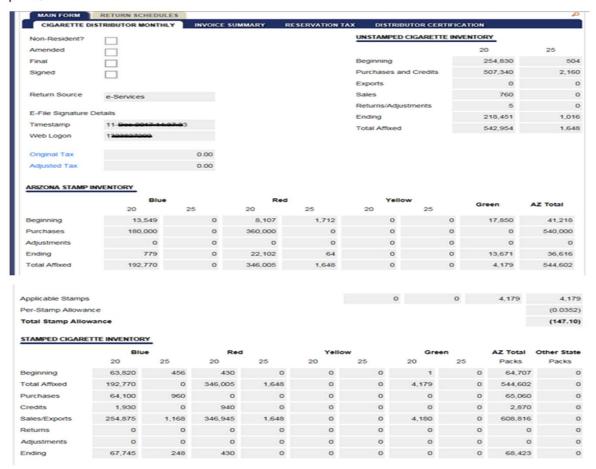
The three inventories to be matched up are:

1. Unstamped Cigarette Inventory
2. Arizona Stamp Inventory
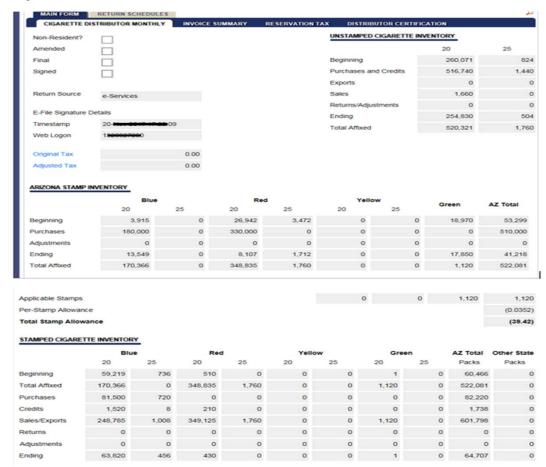3. Stamped Cigarette Inventory

May Cigarette Return

May -2022 Return

April Cigarette Return

April-2022 Return

	Blue		Red		Yellow		Green	AZ Total
	20	25	20	25	20	25		
Beginning	3,915	0	26,942	3,472	0	0	18,970	53,299
Purchases	180,000	0	330,000	0	0	0	0	510,000
Adjustments	0	0	0	0	0	0	0	0
Ending	13,549	0	8,107	1,712	0	0	17,850	41,218
Total Affixed	170,366	0	348,835	1,760	0	0	1,120	522,081

When reporting tobacco product, if you do not know the brand code, you can look it up on the ALTO site.

If you enter anything other than the product code on the upload sheet, it will accept the information but raises flags for review.