



TOBACCO PRODUCTS/CIGARETTE LICENSE APPLICATION

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Applicant's Full Name: \_\_\_\_\_

Applicant's Address: \_\_\_\_\_

Business Phone No. \_\_\_\_\_ Home Phone No. \_\_\_\_\_

Type of Business: \_\_\_\_\_

Type of Cigarette Sales: Vending Machine \_\_\_\_\_ Display/Counter \_\_\_\_\_

Other (please specify) \_\_\_\_\_

\_\_\_\_\_

**License Fee ----- \$100.00**

Fees are payable prior to January 1 of each year and are effective through December 31. Enclosed is my check payable to the City of Moorhead for payment of the license fee.

I agree to abide by the laws, ordinances and regulations pertaining thereto.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

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(For Office Use Only)

CHECK NUMBER \_\_\_\_\_ RECEIPT NUMBER \_\_\_\_\_

LICENSE NUMBER \_\_\_\_\_ LICENSE EXPIRES \_\_\_\_\_

FINAL APPROVAL \_\_\_\_\_

**License Application to Make Retail Sales of Cigarette and Other Tobacco Products**

To be completed by applicant when applying for a license with a city or county.

Print or type

Applicant's Minnesota tax ID number

← The Minnesota tax ID must be issued in the same legal name of the licensee below.

FOR MUNICIPAL USE ONLY

License number
Period covered
Date of issuance

**Cigarettes/tobacco products will be sold** (a separate license is required for each location or vending machine):

Over counter       Through vending machine       Both

Licensee's legal name	Federal employer ID number (FEIN)
Business trade name (doing business as)	Daytime phone
Complete address of business location (permit location)	County
City	State      Zip code
Mailing address (if different than business address)	City      State      Zip code
	Other phone number
	Fax number
	Email address

Business information

**Type of legal organization** (check one):

Sole proprietor       Minnesota corporation: Enter date of incorporation \_\_\_\_\_

Partnership       Out-of-state corporation: State of incorporation \_\_\_\_\_

Other (describe) \_\_\_\_\_      Are you registered to do business in Minnesota?     Yes     No

**Corporate officers or partners** (attach a list if necessary)

Name	Title
Address	City      State      Zip code
Name	Title
Address	City      State      Zip code

Statement of understanding

**As a licensed tobacco products or cigarette retailer, I understand that:**

1. I can purchase cigarettes only from a Minnesota distributor or subjobber who holds a license with the Minnesota Department of Revenue.
2. I must obtain a tobacco products distributor license if I purchase untaxed tobacco products from an out-of-state company.
3. I may not sell cigarettes affixed with Minnesota Native American stamps unless my retail business is located on a reservation that has a tax agreement with the State of Minnesota.
4. I may not purchase from or exchange cigarettes or tobacco products with another retailer.
5. I must keep complete and legible cigarette and tobacco products invoices on the licensed premises, or make invoices available within one hour of request, for at least one year after the date of the purchase.
6. I know that the Minnesota Department of Revenue and/or law enforcement may conduct cigarette and tobacco inspections of the premises, including inspections of inventory, invoices and licenses, and I understand that a refusal to allow an inspection is grounds for revocation of my license.
7. I know that failure to comply with all requirements can result in criminal penalties, including the loss of cigarettes and tobacco products.

Sign here

Licensee signature	Title	Print name	Date	Daytime phone
Licensing agent's signature	Title	Print name	Date	Daytime phone

**License applicant:** Submit this form to the licensing authority along with the license application.

**Licensing authority:** Mail or fax a copy of approved form to:  
 Minnesota Revenue, Mail Station 3331, St. Paul, MN 55146-3331. Fax: 651-297-1939  
 Phone: 651-297-1882. TTY: Call 711 for Minnesota Relay.

# Sales of Cigarettes and Tobacco Products in Minnesota

*Continued from opposite side:*

**Subd. 7. Sale of cigarette packages with Indian stamp.**

- (a) A retailer doing business off of an Indian reservation who sells or offers to sell more than 200 but fewer than 5,000 cigarettes with Indian stamps is guilty of a misdemeanor.
- (b) A retailer doing business off of an Indian reservation who sells or offers to sell 5,000 or more, but fewer than 20,001 cigarettes with Indian stamps is guilty of a gross misdemeanor.
- (c) A retailer doing business off of an Indian reservation who sells or offers to sell more than 20,000 cigarettes with Indian stamps is guilty of a felony.

**See also: Minnesota Statutes, Chapter 297F.21, Contraband.**

**If you suspect cigarette or tobacco tax violations, need assistance, or have any questions:**

Cigarette and Tobacco Tax Unit

Phone: (651) 297-1882

Fax: (651) 297-1939

E-mail: [cigarette.tobacco@state.mn.us](mailto:cigarette.tobacco@state.mn.us)

**Anonymous tip line:**

(651) 297-5195 or (800) 657-3500

**Taxpayer's Rights Advocate**

Call for help with disagreements you have not been able to resolve through normal channels: (651) 556-6013.

**Am I required to obtain a special license to make retail sales of cigarettes and tobacco products in Minnesota?**

Yes. According to Minnesota statutes, businesses in Minnesota that make retail sales of cigarettes and tobacco products to the public are required to have a special retailer's license.

The Minnesota Department of Revenue's Cigarette and Tobacco Tax Unit is

responsible for enforcing the tax laws and verifying compliance with state statutes.

The enforcement effort is aimed at prosecuting tax evaders and protecting legitimate businesses from unfair competition.

When Minnesota loses tax and fee revenues from illegal activities, everyone loses:

honest cigarette retailers and wholesalers are forced to compete with smugglers who can reduce their prices by illegal activities.

**Note:** This brochure summarizes the law and regulation in effect as of the publication date. While the information in this brochure is general, the law is complex and subject to change. If there is a conflict between the brochure and the law or regulations, decisions will be based on the law and regulations.

*License Requirements  
for Retailers*



MINNESOTA • REVENUE

[www.taxes.state.mn.us](http://www.taxes.state.mn.us)

## Retail Licensing Requirement

Retailer sellers of cigarettes and tobacco products in Minnesota must have a Minnesota Cigarette and Tobacco Product Retailer's license prior to purchasing or selling cigarettes or tobacco products. (MN Statute 461.12)

A separate license is required for each location or vending machine from which cigarettes or tobacco products are sold at retail. Whenever you add a new location that requires a license, you must obtain a separate license for that location.

## Responsibilities of License Holders

As a holder of a retailer's license, you must:

- Conspicuously display your license at each retail location so that it is visible to the public.
- Keep complete and legible cigarette and tobacco products invoices at each licensed location for at least one year after the date of the purchase.
- Allow Dept. of Revenue staff or law enforcement officers to review your cigarette and tobacco products purchase invoices on location upon request. All purchase invoices must be available within one hour. (MN Statute 297F.13, Subd.4.)
- Allow our staff to conduct cigarette and tobacco inspections of your premises, including your inventory, invoices and license.

Cigarettes and tobacco products purchased for personal consumption on the internet/mail order or brought in from another state are still subject to taxes and fees. The resale of cigarettes and tobacco products bought on the internet/mail order or brought in from another state is illegal.

## Enforcement

**Records.** You must maintain accurate and complete records, including properly completed purchase invoices.

**License display.** You must display your license at each retail location from which you sell cigarettes or tobacco products according to your licensing authority's rule.

**Inspections.** Dept. of Revenue staff and law enforcement officers can inspect retail locations and seize any untaxed cigarettes or tobacco products, including cigarettes without stamps, with stamps from other states or with counterfeit tax stamps.

**Illegal purchases.** It is illegal for retailers to purchase cigarettes or tobacco products from another retailer or any seller who is not a licensed Minnesota cigarette and/or tobacco distributor or subjobber.

**Illegal sales.** It is illegal for retailers to sell cigarettes or tobacco products in this state without a license or when their license has been suspended or revoked. If you make illegal sales of cigarettes or tobacco products, you are subject to civil and criminal penalties, and possible seizure of your cigarettes and tobacco products.

## Penalties

### Minnesota Statutes, Chapter 297F.20 Cigarette and Tobacco Taxes Criminal Penalty

#### Subd. 6. Unstamped cigarettes; untaxed tobacco products.

(a) A person, other than a licensed distributor or a consumer, who possesses, receives, or transports fewer than 5,000 unstamped cigarettes, or up to \$350 worth of untaxed tobacco products is guilty of a misdemeanor.

(b) A person, other than a licensed distributor or a consumer, who possesses, receives, or transports 5,000 or more, but fewer than 20,001 unstamped cigarettes, or more than \$350 but less than \$1,400 worth of untaxed tobacco products is guilty of a gross misdemeanor.

(c) A person, other than a licensed distributor or a consumer, who possesses, receives, or transports more than 20,000 unstamped cigarettes or \$1,400 or more worth of untaxed tobacco products is guilty of a felony.

(d) For purposes of this subdivision, an individual in possession of more than 4,999 unstamped cigarettes, or more than \$350 worth of untaxed tobacco products, is presumed not to be a consumer. Cigarettes and tobacco products that are considered contraband may be seized by authorized agents or by any sheriff or other police officer.

# Certificate of Compliance Minnesota Workers' Compensation Law

**PRINT IN INK or TYPE.**

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business or engage in any activity in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. The required workers' compensation insurance information is the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure. If the required information is not provided or is falsely stated, it shall result in a \$2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

**A valid workers' compensation policy must be kept in effect at all times by employers as required by law.**

BUSINESS NAME (Individual name only if no company name used)	LICENSE OR PERMIT NO (if applicable)
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DBA (doing business as name) (if applicable)

BUSINESS ADDRESS (PO Box must include street address)	CITY	STATE	ZIP CODE
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**YOUR LICENSE OR CERTIFICATE WILL NOT BE ISSUED WITHOUT THE FOLLOWING INFORMATION. You must complete number 1, 2 or 3 below.**

**NUMBER 1 COMPLETE THIS PORTION IF YOU ARE INSURED:**

INSURANCE COMPANY NAME (not the insurance agent)

WORKERS' COMPENSATION INSURANCE POLICY NO.	EFFECTIVE DATE	EXPIRATION DATE
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**NUMBER 2 COMPLETE THIS PORTION IF SELF-INSURED:**

I have attached a copy of the permit to self-insure.

**NUMBER 3 COMPLETE THIS PORTION IF EXEMPT:**

I am not required to have workers' compensation insurance coverage because:

I have no employees.

I have employees but they are not covered by the workers' compensation law. (See Minn. Stat. § 176.041 for a list of excluded employees.) Explain why your employees are not covered: \_\_\_\_\_

Other: \_\_\_\_\_

**ALL APPLICANTS COMPLETE THIS PORTION:**

I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

APPLICANT SIGNATURE (mandatory)	TITLE	DATE
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**NOTE: If your Workers' Compensation policy is cancelled within the license or permit period, you must notify the agency who issued the license or permit by resubmitting this form.**

This material can be made available in different forms, such as large print, Braille or on a tape. To request, call 1-800-342-5354 (DIAL-DLI) Voice or TDD (651) 297-4198.

## **ARTICLE A. TOBACCO SALES**

### **2-5A-1: LICENSE REQUIRED:**

No person shall, directly or indirectly or by means of any device, keep for retail sale, sell at retail or otherwise dispose of any tobacco products without a license therefor. (Ord. 98-7, 7-6-1998)

### **2-5A-2: LICENSE APPLICATION AND FEE:**

A. Application: Application for a license shall state the full name and address of the applicant, the location of the building intended to be used by the applicant under the license, the kind of business conducted at such location, and such other information as shall be required by the application form.

B. License Fee: The fee for such license will be set by resolution of the City Council. Licenses shall not be transferable from one person to another. (Ord. 98-7, 7-6-1998)

### **2-5A-3: QUALIFICATIONS OF LICENSEE:**

No license shall be issued to any applicants for sale of tobacco products at any place other than their established place of business, nor shall any license be issued for the sale of tobacco products at a movable place of business nor at more than one place of business. (Ord. 98-7, 7-6-1998)

### **2-5A-4: TOBACCO PRODUCTS; PROHIBITED SALES:**

#### A. Definitions:

**PROBATIONARY PERIOD:** A period of twenty four (24) months from the date of the first offense. For purposes of this Section, an offense is deemed to have occurred when the offense is committed, and not the date of judgment, conviction, or action by the City Council or City Manager. No criminal conviction is necessary.

**SELF-SERVICE MERCHANDISING:** Any open display of tobacco products or tobacco-related devices to which the public has access without the intervention of an employee of the retail establishment.

**TOBACCO PRODUCTS:** Any substance containing tobacco leaf, including, but not limited to, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco or dipping tobacco.

**TOBACCO-RELATED DEVICES:** Any cigarette papers or pipes for smoking.

**VENDING MACHINE:** Any mechanical, electric, or electronic device which, upon insertion of money, tokens or any other form of payment, dispenses tobacco products.

#### B. Prohibited Sales:

1. Minors: No person shall sell, offer for sale, give away or deliver any tobacco product or tobacco-related devices to any person under the age of eighteen (18) years <sup>18</sup>.

2. Machines: No person shall sell or dispense any tobacco product through the use of a vending machine or tobacco-related devices. This provision does not apply to vending machines in facilities that cannot be entered at any time by persons younger than eighteen (18) years of age.

3. Self-Service Sales Prohibited: A licensee shall not offer for sale or otherwise dispense any tobacco products or tobacco-related devices by self-service merchandising, except this provision will not apply to retail stores which derive at least ninety percent (90%) of their revenue from tobacco and tobacco-related products and which cannot be entered at any time by persons younger than eighteen (18) years of age. (Ord. 98-7, 7-6-1998)

## **2-5A-5: ADMINISTRATIVE REMEDIES:**

A. Administrative Penalty, Suspension, Or Revocation: Any violation of the City's regulations relating to the issuance of a tobacco products license or of any conditions/restrictions attached to the issuance of such license shall be cause for the imposition of an administrative penalty, license suspension, and/or license revocation.

1. The first such violation shall subject licensee to an administrative penalty of seventy five dollars (\$75.00).

2. The second violation within the probationary period shall subject licensee to a three (3) day suspension of the license and an administrative penalty of two hundred dollars (\$200.00).

3. The third violation within the probationary period shall subject licensee to a seven (7) day suspension of the license and an administrative penalty of two hundred fifty dollars (\$250.00).

4. Subsequent violations within the probationary period shall subject licensee to a thirty (30) day license suspension.

5. If any sale of tobacco products occurs on licensee's premises during a period of suspension, the license shall be suspended for a period of twelve (12) months.

6. For purposes of establishing the number of offenses committed by a licensee, the licensee is deemed to have committed only one offense during any twenty four (24) hour day.

B. Individual Penalties: Any individual who sells tobacco products or tobacco-related devices to a person under the age of eighteen (18) years must be charged an administrative penalty of fifty dollars (\$50.00).

C. Administrative Hearing/Waiver: Upon receipt of information indicating that a license violation has occurred, the City Manager or his designee shall personally serve or send by certified mail a license violation notice to licensee and/or the individual who sold a tobacco product to a person under the age of eighteen (18). The license violation notice shall indicate the nature of the violation and whether such violation will result in an administrative penalty, license suspension, or license revocation.

The notice shall also indicate that licensee or individual has the option of requesting a hearing before the City Council prior to the license suspension, revocation, or imposition of a penalty, or waiving such hearing and accepting the disposition described in the license violation notice. The licensee or individual shall file a written request for a hearing within ten (10) days of the date specified in the license violation notice, or licensee or individual shall be deemed to have waived its right to a hearing. Upon receipt of a hearing request, the City Manager or his designee shall schedule a hearing before the City Council at the earliest opportunity and shall send a hearing notice to licensee or individual by certified mail. The decision of the City Council must be in writing. (Ord. 98-7, 7-6-1998)

**2-5A-6: CRIMINAL PENALTIES:**

- A. Penalty: The penalty for violation of any of the provisions of this Article shall be a misdemeanor.
- B. Immunity Clause: A person under eighteen (18) years of age who purchases or attempts to purchase tobacco-related products while under the direct supervision of a responsible adult for training, education, research, or enforcement purposes which have been approved by the City Manager or his designee shall not be subject to a criminal penalty. (Ord. 98-7, 7-6-1998)

**2-5A-7: EXCEPTIONS AND DEFENSES:**

Nothing in this Chapter shall prevent the providing of tobacco products to a minor as part of a lawfully recognized religious, spiritual or cultural ceremony. It shall be an affirmative defense to the violation of this Article for a person to have reasonably and in good faith relied upon representation of proof of age as described in Minnesota Statutes Annotated section 340A.503, subd. 6. (Ord. 98-7, 7-6-1998)