



Form 44CT Cigarette and Tobacco Tax Return Electronic Filing Instructions

Per North Dakota Century Code (N.D.C.C.) § 57-36-02 (1), each person engaged in the business of selling cigarettes, snuff, cigars, electronic smoking devices, or tobacco in North Dakota, including any distributor or dealer, shall secure a license from the attorney general before engaging or continuing to engage in business. Per N.D.C.C. § 57-36-09 (2), each licensed distributor shall report to the tax commissioner all purchases and sales of cigarettes, cigars, pipe tobacco, electronic smoking devices, or other tobacco products made from or to any persons either within or without this state.

Returns are due on the 15th of the month for the prior month or following the end of the quarter. If the 15th of the month falls on a weekend or state holiday, the due date is extended to the next business day.

If a distributor or dealer fails to file the required Form 44CT and supporting schedules, there is imposed a penalty of 5% of the tax amount due or \$5, whichever is greater. If return is filed and paid after the month that it is due, interest is also due on the unpaid tax at a rate of 1% for each month or portion of a month after penalty applies.

- Form 44CT is to be filed electronically as prescribed by the Office of State Tax Commissioner through North Dakota Taxpayer Access Point (TAP). Information on signing up for TAP and gaining account access is listed below.
- Amended returns are also filed in TAP by going to the tobacco tax account and clicking on the links referencing amend return. Enter correct totals. Amended return will replace the original return.
- Returns must be filed, even if there are no sales or purchases to report for the filing period.

For purposes of this report, the following definitions apply:

"Chewing tobacco" means any leaf tobacco that is intended to be placed in the mouth.

"Cigar" means any roll of tobacco wrapped in tobacco.

"Cigarette" means any roll for smoking made wholly or in part of tobacco or processed tobacco and encased in any material except tobacco. The term also means any product of a cigarette-making machine.

"Dealer" includes a retailer and any person other than a distributor who is engaged in the business of selling cigarettes, cigarette papers, cigars, pipe tobacco, electronic smoking devices, or other tobacco products, or any product of a cigarette-making machine.

"Distributor" includes any person engaged in the business of producing or manufacturing cigarettes, cigarette papers, cigars, pipe tobacco, electronic smoking devices, or other tobacco products, or importing into this state cigarettes, cigarette papers, cigars, pipe tobacco, electronic smoking devices, or other tobacco products, for the purpose of distribution and sale thereof to dealers and retailers. The term also includes a dealer that fabricates, repackages, compounds, or mixes electronic smoking devices for purposes of sale to a consumer.

"Electronic smoking device" means a device that may be used to deliver an aerosolized, vaporized, or heated substance containing nicotine, regardless of whether the nicotine is natural or synthetic, to an individual inhaling from the device, and includes an electronic cigarette, e-cigar, e-pipe, vape pen, and e-hookah. The term includes any substance containing nicotine, regardless of whether the nicotine is natural or synthetic, that may be aerosolized, vaporized, or heated by the device, regardless of whether the device is sold separately. The term does not include:

- a. A cigarette as defined in N.D.C.C § 51-25-01;
- b. A cigarette as defined in this section;
- c. A drug, device, or combination product, as those terms are defined in the federal Food, Drug, and Cosmetic Act [52 Stat. 1040; 21 U.S.C. 301 et seq.], approved for sale by the United States food and drug administration; or
- d. A battery or battery charger when sold separately.

"Other tobacco products" means snuff and chewing tobacco.

"Pipe tobacco" means any processed tobacco that, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco to be smoked in a pipe.

"Retailer" means a person engaged in the business of selling cigarettes, cigars, pipe tobacco, electronic smoking devices, or other tobacco products to consumers.

"Snuff" means any finely cut, ground, or powdered tobacco that is intended to be placed in the mouth or nose.

Electronically File Report

Completed reports are to be filed electronically through North Dakota Taxpayer Access Point (TAP). New users will need to register for North Dakota TAP access at www.tax.nd.gov/tap . Follow the steps below to create your TAP account. For TAP sign up questions, call 701-328-1257 or email taphelp@nd.gov .

- Sign Up for Access
 - Create a TAP logon and password. An authorization code will be either mailed or emailed to you or the business depending on the access level chosen.
- Log into TAP
 - Once you receive your authorization code log into TAP at www.tax.nd.gov/tap . The authorization code is only used the very first time you log into TAP. You may discard the code after successfully logging into TAP.

- Add access to account(s)
 - Once logged in, the user can request access to an account by selecting “Add Access” and then will enter the following information about the taxpayer and account:
 - Select ID Type (FEIN or SSN)
 - Enter FEIN or SSN
 - Select Account Type (Cigarette and Tobacco Tax)
 - Enter Account Number (CIG-XXXX)
 - Enter Letter ID (from a recent letter issued on the account). Your TAP authorization code will not work for this step; it must be a letter specific to your tobacco tax account.
 - Enter Contact Details and then submit request.

Form 44CT Filing Instructions

Two options are available for providing return data when filing Form 44CT return with supporting schedules in ND TAP:

- Manual entry of data directly into ND TAP
- Upload of an excel spreadsheet template into ND TAP

Data can be manually entered schedule by schedule which will pre-fill fields on the Form 44CT return. Supporting schedules 1, 3, 4 and 6 provide table grids for data to be entered. Form 44CT allows in-state wholesalers to enter beginning and ending cigarette inventory. After completing the supporting schedules, Form 44CT can be reviewed before submitting.

The other option for providing return data is to import Form 44CT and supporting schedules into TAP using the Excel Import Template. The Excel template and template instructions can be found at www.tax.nd.gov/tobacco and clicking on the “Reporting” link. Three code tables apply to the Excel import. Be sure to review instructions in full before utilizing the template and import codes. After the template imports, you will be able to review supporting schedules and Form 44CT before submitting.

Note: Supporting schedules are in descending order in TAP. These schedules are completed first and amounts are carried onto Form 44CT.

Note: On Form 44CT and all supporting schedules, quantity of cigarettes are entered as individual sticks and not by packs or cartons. To calculate the equivalent number of cigarettes from roll-your-own tobacco, divide total ounces by .09 and round up to the next whole number (never round down). Tobacco products and electronic smoking devices are entered by their wholesale purchase price, exclusive of any discount or other reduction. Snuff, chewing tobacco, and plug tobacco are entered in ounces. E-liquids are entered in milliliters.

Note: At any time, a TAP return can be saved before submitting. If a return is saved, the edit links must be clicked on to re-open the return so that data can be entered or corrected. Once the return is accurate and completed in full, at the end of the return click on the “Submit” button so return can be processed.

Import Data:

You may elect to import Form 44CT and supporting schedule data into TAP by utilizing the Excel Import Template found at www.tax.nd.gov/tobacco and clicking on the “Reporting” link. Click “Yes” to import your Excel file. Click “No” to manually enter the required data directly into the return.

Schedule 6 – Electronic Smoking Devices Imported or Acquired:

Enter all electronic smoking devices and e-liquids imported or acquired during the reporting period. For electronic smoking devices list the purchase price, exclusive of any discount or other reduction. E-liquids are reported in milliliters. Indicate if system is closed or open.

Add a Record: Click this link to open the Schedule 6 Table Grid.

Schedule 6 Table Grid: List the supplier’s name in the first field. Next, enter the wholesale purchase price of electronic smoking devices, exclusive of any discount or other reduction or milliliters of E-liquid imported or acquired in North Dakota during the filing period. For electronic smoking devices, indicate if system is closed or open.

Use one line for each supplier. Each transaction during the filing period may be listed separately or all transactions for the filing period may be totaled and summarized by supplier.

Click “Add a Record” link if additional Schedule 6 data needs to be entered.

Schedule 5 – Standing Rock Cigarette and Tobacco Sales:

Under an agreement between the State of North Dakota and the Standing Rock Sioux Tribe, the Tax Commissioner’s Office is responsible for administering the Standing Rock Sioux Tribe’s cigarette and tobacco taxes. Tribal taxes are identical to the state’s taxes; however, sales of cigarette and tobacco products on the Standing Rock Reservation must be tracked separately from all other sales in North Dakota and reported on Schedule 5.

Line 1 – Cigarettes Sold to Standing Rock Retailers: Enter the quantity of cigarettes, including the equivalent number of cigarettes from roll-your-own tobacco, sold to retailers on the Standing Rock Reservation. To calculate the equivalent number of cigarettes from roll-your-own tobacco, divide total ounces by .09 and round up to the next whole number.

Line 1a – Return of Unsalable Cigarette Products to the Manufacturer: Enter the number of unsalable cigarettes originally sold on the Standing Rock Reservation, but later returned to the manufacturer for credit or refund. Supporting documentation from the manufacturer must be maintained for all product returned for credit or refund.

Line 5 – Penalty and Interest: If you file your return or pay the tax due after the due date, penalty is 5% of the amount on Line 4 or \$5, whichever is greater. If you file or pay your return after the month it was due, interest is also due on the unpaid tax at a rate of 1% for each month or portion of a month after penalty applies. TAP will calculate penalty and interest and list on Line 5 when applicable.

Line 7 – Tobacco Products Sold to Standing Rock Retailers: Enter the purchase price or ounces of tobacco products other than cigarettes sold to retailers on the Standing Rock Reservation.

Line 8 – Return of Unsalable Tobacco Products to Manufacturer: Enter the purchase price or ounces of tobacco products other than cigarettes originally sold on the Standing Rock Reservation, but later returned to the manufacturer for credit or refund. Supporting documentation from the manufacturer must be maintained for all product returned for credit or refund.

Line 13 – Penalty and Interest: If you file your return or pay the tax due after the due date, penalty is 5% of the amount on Line 12 or \$5, whichever is greater. If you file or pay your return after the month it was due, interest is also due on the unpaid tax at a rate of 1% for each month or portion of a month after penalty applies. TAP will calculate penalty and interest and list on Line 13 when applicable.

Schedule 4 – Sales of Untaxed Cigarettes to Native American Retailers on Reservations:

Enter the number of untaxed cigarettes for each sale of cigarettes to Native American retailers on the following Reservations: Fort Berthold, Spirit Lake, Turtle Mountain, and the portion of the Lake Traverse Reservation located in North Dakota. To calculate the equivalent number of cigarettes from roll-your-own tobacco, divide total ounces by .09 and round up to the next whole number. Do not include sales of cigarettes on the Standing Rock Reservation in Schedule 4.

Add a Record: Click this link to open the Schedule 4 Table Grid.

Schedule 4 Table Grid: Using the drop-down box, select the Reservation the cigarette or roll-your-own product was sold. The date sold and invoice number are entered next. A drop-down box is available listing state licensed tobacco retail stores. Select the retail store from the drop-down box and then enter their state tobacco license number. State tobacco license numbers can be found at www.tax.nd.gov/tobacco and then clicking on the “Reporting” link. If retail store is not listed in drop-down box, select “Other” and then in the next field enter the retail store name and address information. Cigarette quantity sold is entered in either the PM (Participating Manufacturer) or NPM (Non-Participating Manufacturer) cigarette field. For a listing of which cigarettes are manufactured by a PM and which by an NPM go to www.tax.nd.gov/tobacco and click on the “Participating Manufacturers and Non-Participating Manufacturers” link. If NPM cigarettes were sold, the NPM Brand field is required and you must list the NPM cigarette brand.

Click “Add a Record” link if additional Schedule 4 data needs to be entered.

Schedule 3 – Tobacco Products Imported or Acquired:

Enter all tobacco products imported or acquired during the reporting period. For cigars, pipe tobacco, and other tobacco products list the purchase price, exclusive of any discount or other reduction. Snuff, chewing tobacco, and plug tobacco are reported in ounces. If weight is not identified on packages of product taxed by weight, check the estimated weight box.

Add a Record: Click this link to open the Schedule 3 Table Grid.

Schedule 3 Table Grid: List the supplier’s name in the first field. Next, enter the wholesale purchase price of cigars, pipe tobacco, and other tobacco products, exclusive of any discount or other reduction or ounces of snuff, chewing tobacco and plug tobacco imported or acquired in North Dakota during the filing period. If weight is not identified on packages of snuff or chewing and plug tobacco, enter a reasonable weight as accurate as possible and check the estimated weight box.

Use one line for each supplier. Each transaction during the filing period may be listed separately or all transactions for the filing period may be totaled and summarized by supplier.

Click “Add a Record” link if additional Schedule 3 data needs to be entered.

Schedule 2 – Deductions from Inventory:

Enter any applicable cigarette and tobacco product deduction from inventory information for the reporting period. Native American cigarette deductions on lines 1a – 1e are pre-filled based on data entered on Schedules 4 and 5 and tobacco product deductions for sales on the Standing Rock Reservation on line 6c are pre-filled based on data entered on Schedule 5.

**** Cigarette Deductions:**

Line 3a – Sales outside of North Dakota: For wholesalers with inventory located in North Dakota, enter the number of cigarettes sold outside of North Dakota.

Line 3b – Sales to Military Base Exchanges: Enter the number of cigarettes sold to a military base exchange located within North Dakota.

Line 3c – Return of unsalable Cigarette Products to Manufacturer: Enter the number of unsalable cigarettes that were **subject to state tax on the original sale** but were subsequently returned to the manufacturer for credit or refund. **Do NOT include sales on the Standing Rock Reservation.** Supporting documentation from the manufacturer must be maintained for all product returned for credit or refund.

Line 3d – Cigarettes donated to North Dakota Veterans Home or State Hospital: Enter the number of cigarettes donated to the North Dakota Veterans Home or the State Hospital.

Line 3e – Cigarettes sold for resale to other Licensed Distributors: Enter the number of cigarettes sold for resale to other licensed distributors located within North Dakota.

**** Tobacco Product Deductions:**

Line 6a – Sales outside of North Dakota: For wholesalers with inventory within North Dakota, enter the purchase price or ounces of tobacco products other than cigarettes sold outside of North Dakota.

Line 6b – Sales to Military Base Exchanges: Enter the purchase price or ounces of tobacco products other than cigarettes sold to a military base exchange located within North Dakota.

Line 6d – Tobacco sold for resale to Native American retailers on all other reservations: Enter the purchase price or ounces of tobacco products other than cigarettes sold for resale to **Native American retailers** located on the following reservations: Fort Berthold, Spirit Lake, Turtle Mountain, and the portion of the Lake Traverse Reservation located in North Dakota.

Line 6e – Return of unsalable Tobacco Products other than cigarettes to the manufacturer: Enter the purchase price or ounces of tobacco products other than cigarettes that were **subject to state tax on the original sale** but were subsequently returned to the manufacturer for credit or refund. **Do NOT include sales on the Standing Rock Reservation.** Supporting documentation from the manufacturer must be maintained for all product returned for credit or refund.

Line 6f – Tobacco products donated to North Dakota Veterans Home or State Hospital: Enter the purchase price or ounces of tobacco products other than cigarettes donated to the North Dakota Veterans Home or the State Hospital.

Line 6g – Tobacco sold for resale to other Licensed Distributors: Enter the purchase price or ounces of tobacco products other than cigarettes sold for resale to other licensed distributors located within North Dakota.

Schedule 1 – Cigarettes Imported or Acquired:

Enter the number of cigarettes imported or acquired during the reporting period. Cigarettes must be reported in the appropriate column as PM Cigarettes or NPM Cigarettes. Roll-your-own (RYO) tobacco is entered in ounces as PM RYO or NPM RYO. Tap will automatically calculate roll-your-own ounces to the equivalent number of cigarettes.

Add a Record: Click this link to open the Schedule 1 Table Grid.

Schedule 1 Table Grid: Using the drop-down box, select the manufacturer for cigarettes or roll-your-own product sold. Based on manufacturer selected, the PM or NPM cigarette and RYO fields will be available to enter amounts. If manufacturer is not listed, select “Other” and list that manufacturer in the Other Manufacturer field. For a listing of cigarette and roll-your-own manufacturer and brand information go to www.tax.nd.gov/tobacco and click on the “Participating Manufacturers and Non-Participating Manufacturers” link.

Use one line for each cigarette and roll-your-own manufacturer. All transactions for the filing period should be totaled and summarized by manufacturer.

Click “Add a Record” link if additional Schedule 1 data needs to be entered.

Form 44CT - Cigarette & Tobacco Tax Return:

After completing the supporting schedules, Form 44CT will be mostly complete. Calculations will be on Form 44CT in TAP, including tax amount due and penalty and interest amount if applicable. Form 44CT should be reviewed for accuracy before proceeding.

Line 1 – Beginning Inventory: For wholesalers with inventory located in North Dakota, enter the number of cigarettes on hand at the beginning of the month for both PM and NPM cigarettes. This quantity will be the same as the ending inventory, line 1e, of the previous month.

Line 1e – Ending Inventory: For wholesalers with inventory located in North Dakota, enter the number of cigarettes on hand at the end of the month for both PM and NPM cigarettes. This quantity will be the same as the beginning inventory, line 1, in the following month.

Line 5 – Compensation: Licensed distributors are eligible for compensation for reporting and remitting wholesale cigarette tax. Compensation may not be deducted if the return is filed after the due date, not paid in full, or paid after the due date.

Line 7 - Penalty and Interest: If you file your return or pay the tax due after the due date, penalty is 5% of the amount on Line 4 or \$5, whichever is greater. If you file or pay your return after the month it was due, interest is also due on the unpaid tax at a rate of 1% for each month or portion of a month after penalty applies.

Line 17 - Penalty and Interest: If you file your return or pay the tax due after the due date, penalty is 5% of the amount on Line 16 or \$5, whichever is greater. If you file or pay your return after the month it was due, interest is also due on the unpaid tax at a rate of 1% for each month or portion of a month after penalty applies.

Wholesalers Certification of NPM Brands:

Enter the taxable sales of NPM brand cigarettes during the reporting period. Also enter the unsalable number of cigarettes that were previously taxed and returned for credit or refund during the reporting period. Report each transaction on a separate line, completing all required information including invoice date, invoice number, NPM brand name and number of cigarettes.

NPM Brands to report – Yes/No: Select “Yes” if there were taxable sales of NPM brands during the reporting period. Select “No” if there were no taxable sales of NPM brands during the reporting period.

Add a Record: Click this link to open the NPM Brands Table Grid. Only add a record if “Yes” was selected indicating there were taxable sales of NPM brands during the reporting period.

NPM Brands Table Grid: Enter the invoice date and invoice number. Use the drop-down box to select the NPM brand name. If the NPM brand name is not listed, select “Other” and enter the other brand name. Enter the number of NPM cigarettes for each invoice with taxable NPM sales.

Click “Add a Record” link if additional Wholesalers Certification of NPM Brands data needs to be entered.

Return Summary:

Review the Return Summary, which includes the total due with the return or the anticipated refund amount. If changes are necessary, click on the appropriate schedule to make changes. The Return Summary can be printed once the return is submitted (see “Confirmation” below).

Confirm: Once all information is correct, read and check the Confirm box. This will serve as your signature that to the best of your knowledge, all information entered on the supporting schedules and Form 44CT is true, correct, and complete.

Contact Details:

Enter contact information including Name, Title, Email and Phone Number. This information may be used by the Tax Commissioner’s Office if follow-up is needed.

Submit: Click the Submit button once ready to send the return to the Tax Commissioner’s Office for processing. Returns submitted in TAP can be edited to make corrections up until 11:59 pm central time of the day the return was submitted.

Confirmation: Once a return is submitted, a confirmation page will appear with important return information. A confirmation number will also be provided. On the confirmation page, options to Print Summary and Print Confirmation appear. If a balance is owed with the return, a message will appear indicating that action is required. Click on the “Make a Payment” box to select a payment method.

Make a Return Payment: Two payment options are available; ACH debit (electronic payment) or Paper Check. **ACH debit is most frequently used and strongly recommended as a secure way to make payment.**

ACH Debit: Authorizes the Tax Commissioner’s Office to debit a checking or savings account for a specified amount on a date you choose. There are no fees for this payment option. The amount due will be automatically listed as the payment amount but you can select a different amount if necessary. Bank information including bank name, account number and routing number will need to be entered the first time using the ACH debit payment method. This bank information can be saved as default so it will not need to be entered for future payments. New bank account information can be entered for future ACH debit payments and be selected as the new default if preferred.

Confirmation: A payment confirmation is provided with ACH debit. This confirmation includes bank account and payment amount information. A confirmation number is also provided. The payment confirmation page can be printed.

Paper Check: Mail a paper check along with a printed payment voucher to the Office of State Tax Commissioner. Be sure to complete payment voucher information including account name, address, account number (CIG-XXXX) and period ending.

Reminders

- Do not mail a paper copy of this report to our office.
- Electronic copies of invoices are not to be included with the Form 44CT electronic report and paper copies are not to be mailed to the Tax Commissioner’s Office; however, invoices must be made available upon request.
- All sales/returns being reported must pertain to the reporting period.
- Amended returns should be filed when an invoice is missing or originally reported in error.
- Roll-your-own tobacco is reported on Schedule 1 in ounces and then converted by TAP to the equivalent number of cigarettes on Form 44CT.
- Currently, Schedule 6 is only for reporting wholesale purchase price of electronic smoking devices and milliliters of E-liquid with no tax liability. This is subject to change.
- If making payment via paper check, make payable to: ND State Tax Commissioner.

Contacts:

Taxpayer Assistance: 701-328-3343
Fax Number: 701-328-1950
Email: cig-tobaccotax@nd.gov
Website: tax.nd.gov

Mailing Address:

Wholesale and Oil Taxes–Tobacco Section
Office of State Tax Commissioner
600 E. Boulevard Ave., Dept. 127
Bismarck, ND 58505-0599