

ELECTRONIC CIGARETTE TAX INFORMATION

1) ELECTRONIC CIGARETTE TAX IN GENERAL

Effective August 19, 2015, the County Council of Montgomery County, Maryland imposed an excise tax on every person who supplies an Electronic Cigarette Product to a dealer in the County; or supplies and services a vending machine with an Electronic Cigarette Product.

The term Electronic Cigarette Product means any product containing or delivering nicotine or any other substance intended for human consumption that can be used by a person to simulate smoking through inhalation of vapor or aerosol from the product. The term includes any such device, whether manufactured, distributed, marketed, or sold as an e-cigarette, e-cigar, e-pipe, e-hookah, or vape pen, or under any other product name or descriptor. It also includes any refill, cartridge, or any other component of an Electronic Cigarette, or accessory of an Electronic Cigarette whether or not sold separately.

If any dealer transports or causes to be transported into the County an Electronic Cigarette Product, that dealer is liable for the payment of the tax imposed, unless that dealer obtains from the supplier of the Electronic Cigarette Product a written certification, in a form approved by the Director, that the supplier is liable for and is paying the tax.

2) ACCOUNT SETUP AND PAYMENT

Payment can only be made online via a secure ACH system. To register and create a new account, please visit <http://www.montgomerycountymd.gov/ecigtax>. The site is currently under construction and will be available in the next few weeks. If you have any questions, contact The Division of Treasury – Excise Tax Unit, 255 Rockville Pike, Suite L-15, Rockville, Maryland 20850. Email: excisetax@montgomerycountymd.gov or Telephone (240)-777-8994.

3) SCHEDULED DUE DATES

Monthly returns must be filed on or before the last day of each month, covering the immediate preceding month.

4) INTEREST AND PENALTY

Avoid interest and penalties by filing correct returns on time and by paying correct tax due with return. The law provides for penalty of 5% and interest of 1% per month or fraction of a month for late filing of returns or for failure to make a timely remittance of tax due.

5) RECORDS

Records and information in support of all tax returns must be maintained for a period of at least three (3) years. Such records should be available and open to inspection by the Director of Finance or an authorized representative.

6) RATE OF TAX (Effective August 19, 2015)

The 30% tax rate is effective after 12:01 a.m., August 19, 2015.

7) CONFIDENTIALITY

Individual taxpayer information provided on the return is confidential and is not shared with other entities.