

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Tobacco Products (Licensing)

Circular No. 79

**TOBACCO PRODUCTS (LICENSING) ACT, 1986
RETAILERS OF TOBACCO PRODUCTS**

The State Taxation Office is aware that there are some tobacco merchants located interstate who are attempting to do business in South Australia.

Investigations have revealed that these merchants are not licensed under the Tobacco Products (Licensing) Act, 1986.

This circular is issued to bring to the attention of retailers of tobacco products and/or their agents the requirements of the legislation and penalties that apply in respect to some offences. It is not intended to be a complete statement of the law and must not be construed to waive or modify any legal obligation provided in the Act.

LICENCES

In the ordinary course of business it is usual for retailers to hold a *Restricted* licence and purchase tobacco products from wholesalers issued with *Unrestricted* licences.

The Act places a clear obligation on the holder of a restricted licence to ensure when purchasing tobacco products for sale in pursuance of that licence that the vendor is a licensed tobacco merchant.

Section 30 of the Act requires licensed tobacco merchants to endorse every invoice that they issue in respect to the sale of tobacco products by **wholesale** with the following:-

<p>SOLD BY LICENSED TOBACCO MERCHANT - LICENCE NO. (quote licence no.)</p>

Merchants failing to quote their licence number are liable upon conviction to a penalty of \$10,000.

PENALTIES FOR RETAILERS

The Act provides that a merchant who breaches the condition of a restricted licence may be prosecuted in respect of that breach and/or be subjected to reassessment of licence fees based on the value of tobacco products sold that were purchased in that manner at a rate of 105 percent.

Furthermore, if an offence against the provisions of the Act is suspected the tobacco products in the merchant's possession or on or adjacent to the merchant's premises may be seized.

ENQUIRIES

Any merchant who is in doubt about the licence status of a vendor or person offering to supply tobacco products should feel welcome to contact the State Taxation Office to discuss the matter or clarify the merchant's licence status.

Telephone Enquiries: Mr Peter Mackenzie, (08) 226 3779

Written Enquiries: Commissioner of Stamps
 Compliance Branch
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 ADELAIDE SA 5001

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COMMISSIONER OF STAMPS

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