

**STATE OF NEW JERSEY  
DIVISION OF TAXATION**



**CIGARETTE TAX  
DISTRIBUTOR / WHOLESALER  
LICENSE APPLICATION  
PACKET**

## **IMPORTANT NOTICE**

### **TO CIGARETTE DISTRIBUTORS, WHOLESALEERS AND RETAIL DEALERS**

This notice is a reminder that offering, giving or soliciting a price rebate or a concession of any kind in connection with the sale of cigarettes is a violation of New Jersey law. The violator will be considered a Disorderly Person, subject to a fine up to \$1,000 and six months in jail for each individual violation. (N.J.S.A 56:7-20).

Civil penalties relative to suspension or revocation of any licenses issued under the “Cigarette Tax Act” may occur after notification of any violation and a hearing by the Director. Mandatory suspensions may be imposed as follows (N.J.S.A. 56-7-33):

- A minimum suspension may be imposed for not less than 10 or more than 20 consecutive business days for first offenders.
- Subsequent or plural offenders may have their licenses suspended for not less than 30 consecutive business days.
- Third offenders may have their licenses revoked.

It is the policy of the Division’s Office of Criminal Investigations to pursue this type of violation in a vigorous manner.

Your cooperation in this matter is greatly appreciated.



**SPECIFICS RELATING TO INDIVIDUAL PRINCIPALS TO BE NOTED BELOW  
IF ANY SPACES PROVIDED FOR ANSWERS ARE FOUND INADEQUATE, ATTACH SEPARATE SHEET(S)**

8. Name of owner(s), individuals having an interest, partners, joint ventures, officers and directors	TITLE and SOCIAL SECURITY NUMBER	HOME ADDRESS Street, City, State, Zip Code	DATE OF BIRTH
Print			
Signature			
Print			
Signature			
Print			
Signature			

9. Names and addresses of stockholders (list percentage of stock owned) with more than 5% interest \_\_\_\_\_

10. Names and addresses of employees directly involved in the purchase or sale of cigarettes receiving in excess of \$30,000 per annum compensation other than those persons listed under items No. 9 and 10 \_\_\_\_\_

11. Names and addresses of persons having contracts, (including sales contracts and compensation arrangements) loans, mortgages, pledges of securities with the applicant other than bona fide lending institutions or those licensed under the Casino Control Act.

12. To the best of your knowledge, have any of the aforementioned (include entity) been convicted, or are there charges pending relating to any offense in any jurisdiction which would be at the time of conviction a crime involving moral turpitude?  Yes  No

If the foregoing answer is YES, furnish details as to the date, place, court, offense, sentence, etc., on a separate sheet.

13. Name of company where you purchase cigarettes \_\_\_\_\_

Applicant agrees to comply with the New Jersey Cigarette Tax and Unfair Cigarette Sales Acts and the rules and regulations promulgated thereunder.

**NOTE:** Distributors and wholesale dealers are required to secure a separate license for each place of business, whether established or temporary, from which cigarettes are sold or intended to be sold. A separate application for each place of business must be tendered. Any changes that occur in this application after submission, or after a license has been issued, must be brought to the attention of the Division of Taxation within ten (10) days after the change(s) has occurred. Failure to do so may be cause for rejection, suspension or revocation of license. The Division of Taxation reserves the right before issuing a Distributor's License or Wholesale Dealer's License to conduct a thorough investigation of the activities of the applicant and its principals. Any misrepresentation found in this application shall be cause for rejection or revocation of the license.

I certify on behalf of the applicant, and under penalty of perjury, that the information contained in this application is true and correct to the best of my knowledge and belief.

Sworn to before me this \_\_\_\_\_

\_\_\_\_\_ Day of \_\_\_\_\_

20\_\_\_\_ at \_\_\_\_\_

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
NOTARY PUBLIC

\_\_\_\_\_  
TITLE

## INSTRUCTIONS FOR COMPLETING NEW OR RENEWAL CIGARETTE DISTRIBUTOR OR WHOLESALER LICENSE APPLICATIONS

The completed application, Form CRD-3, is required to be submitted in the original and with one copy by all persons operating **9 or more** outlets.

The license period for all cigarette licenses begins on April 1st and expires on March 31st. of the following year. Fees for licenses are not prorated. The application forms and instructions should be thoroughly reviewed to avoid errors or omissions. Applications not properly completed will be returned.

### DISTRIBUTOR LICENSE

**New Applications.** Eligibility for a Distributor's license is based on the fact that the applicant will be a direct buyer of cigarettes from a manufacturer. A letter from the manufacturer(s) confirming this must be submitted with the application (Form CWD-1), which must be submitted in the original and one copy. A Performance Bond, Form CD-3, in the amount of \$6,000 is required. The bond form must be prepared under the same name as appears on the application and must be negotiated by a surety company authorized to do business in New Jersey. Form CD-5 must be completed and submitted by all **non-resident** applicants. When all completed forms are received, a visit may be made to your business location by an auditor to establish eligibility.

**Renewal Applications.** License application Form CWD-1 must be completed and submitted with the original and one copy. A Bond Certification Certificate may be filed in lieu of a new bond. Renewal applications should be submitted on or before **March 1st**.

### WHOLESALER DEALER LICENSE

**New Applications.** Eligibility is based upon the fact that the applicant sells or intends to sell cigarettes to licensed retail dealers or its own retail outlets. All applicants are required to complete the application form, CWD-1 and submit the original and one copy. **Non-resident** applicants are required to file a \$2,000 Performance Bond, Form CD-3 negotiated through a surety company authorized to do business in New Jersey. It is important that the name of the applicant on the bond corresponds exactly with the name of the applicant on the license application. Form CD-5 must also be completed by **non-resident** applicants. When all completed forms are received, a visit may be made to your business location by an investigator to establish eligibility.

**Renewal Applications.** Renewal applications, Form CWD-1, submitted in the original and one copy, should be filed on or before **March 1st**.

A Bond Continuation Certificate may be filed in lieu of a new bond by those licensees required to post a performance bond.

Form NCOE-1 is required to be filed before any change in ownership or corporate status is undertaken.

### FINGERPRINTS (Ref. N.J.S.A. 54:40-A-4, as amended)

The following individuals related to distributors, wholesale dealers, retail dealers operating more than five cigarette vending machines, and retail dealers who sell cigarettes at retail at more than five premises shall submit with application for a license, fingerprints, which shall be processed through the Federal Bureau of Investigation and the New Jersey State Police, and such other information as the Director may require:

- (1) Individuals having any interest whatsoever in a proprietorship or company.
- (2) Partners in a partnership, regardless of percentage.
- (3) Joint venturers in a joint venture.
- (4) Officers, directors, and all stockbrokers holding directly or indirectly a beneficial interest in more than 5% of the outstanding shares of a corporation.
- (5) Employees receiving in excess of \$30,000 per annum compensation whether as salary, commission, bonus or otherwise and persons who, in the judgment of the Director, are employed in a supervisory capacity or have the power to make or substantially affect discretionary business judgments of the applicant entity with regard to the cigarette business.
- (6) Other persons whom the Director establishes have the ability to control the applicant entity through any means including but not limited to contracts, loans, mortgages or pledges of securities where such control is inimical to the policies of Cigarette Tax Act.

Individuals licensed pursuant to the Casino Control Act shall only be required to produce evidence of such licensure in satisfaction of the foregoing.

The requirement to submit fingerprints also does not apply to retail grocery stores and supermarkets primarily engaged in the self-service sale of foods and household supplies for off-premises consumption or to restaurants, hotels and motels operated by national corporations with such remises in six or more states and primarily engaged in the sale of foods for retail consumption or in the rental of rooms for lodging.

The Director shall not issue any license where he has reasonable cause to believe that anyone required to submit information under the cigarette Tax Act has willfully withheld information requested of him for the purpose of determining the eligibility of the applicant to receive a license, or where the Director has reasonable cause to believe that the information submitted in the application is false and misleading and is not made in good faith.

The Director shall not issue any license where he has reasonable cause to believe that anyone required to be licensed or anyone required to submit information, has been convicted of an offense in any jurisdiction which would be at the time of conviction a crime involving moral turpitude.

The Director may suspend or revoke a license after it has been issued, if upon information received by the Director it is established that other persons may exercise control inimical to the Cigarette Tax Act.

Upon receipt of your completed application, fingerprint cards for those required to submit fingerprints will be mailed to you under separate cover. Your license will be issued as soon as all required documentation is submitted, **provided that** nothing is uncovered to disqualify licensure later on (Ref. N.J.S.A. 54:40A-5).

**Persons who have acceptable fingerprints on file with the Division of Taxation are not required to submit them a second time.**

If you have any questions you can direct them to (609) 633-9000.

Completed license applications, required forms, bonds and checks must be submitted to the Division of Taxation, Cigarette Tax Group, PO Box 187, Trenton, NJ 08695-0187.

**NOTE:** Application will not be accepted without the required performance bond.



NCOE-1  
(1-11, R-6)

STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION  
CIGARETTE TAX  
PO Box 187  
Trenton, New Jersey 08695-0187

DATE: \_\_\_\_\_

**NOTICE OF CHANGE OF OWNERSHIP ENTITY**

All licensed Distributors and Wholesalers are required to file this form prior to a change of ownership entity.

NOTICE IS HEREBY GIVEN that on \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

the \_\_\_\_\_  
(NAME LICENSE ISSUED)

\_\_\_\_\_ , \_\_\_\_\_  
a licensed cigarette \_\_\_\_\_ of the State of New Jersey and

the holder of license(s) number(s) \_\_\_\_\_

Credit Bond Number \_\_\_\_\_, Performance Bond Number \_\_\_\_\_

will change ownership from:

\_\_\_\_\_ to \_\_\_\_\_  
(INDIVIDUAL, PARTNERSHIP, CORPORATION OR OTHERWISE)

EFFECTIVE \_\_\_\_\_ the new ownership entity will be

known as: \_\_\_\_\_

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

Specify name(s) of new owner(s),  
partner(s) or corporate officers:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMMENTS:

\_\_\_\_\_  
SIGNATURE OF OWNER, PARTNER OR OFFICER



BOND NO. \_\_\_\_\_

**PERFORMANCE BOND  
IN ACCORDANCE WITH CHAPTER 65, P.L. 1948, AS AMENDED**

KNOWN ALL MEN BY THESE PRESENTS, That \_\_\_\_\_  
(Complete and exact name)

\_\_\_\_\_ of \_\_\_\_\_ County  
(Individual, Partnership or Corporation)

of \_\_\_\_\_ and State of \_\_\_\_\_, as principal, and

\_\_\_\_\_ Company, having its principal place of business at

\_\_\_\_\_ in the County of, \_\_\_\_\_ in the State of \_\_\_\_\_

and duly authorized to engage in business as a surety company in the State of New Jersey, as surety, are held and firmly bound unto

the State of New Jersey in the sum of (\$ \_\_\_\_\_), lawful money of the

United States, for payment of which will and truly be made, we hereby bind ourselves, and each of us, our, and each of our heirs, executors, administrators, successors and assigns, firmly by these present.

The condition of this obligation is such that whereas the above bounden principal has applied for a license to engage in the business of distributing cigarettes in the State of New Jersey as provided by law.

NOW THEREFORE, if the said principal, as a licensee, shall properly perform all of his duties and discharge all of his liabilities under the provisions of chapter 65, P.I. 1948, as amended, and shall comply with all of the provisions of the said law, and with such rules and regulations as may be promulgated by the Director of the Division of Taxation, then this obligation shall be void; otherwise to remain in full force and effect.

The term of this bond shall be from \_\_\_\_\_, 20\_\_\_\_, through March 31, 20\_\_\_\_\_.

Signed, sealed and delivered in presence of:

\_\_\_\_\_  
(Corporate Seal)

\_\_\_\_\_  
(If a corporation, signature by the secretary,  
otherwise by any witness)

\_\_\_\_\_  
(Complete and exact name of Principal as at the top of this Bond and  
signature of owner, partner or corporate president or vice-president)

\_\_\_\_\_  
(As To Surety)

\_\_\_\_\_  
(Name of Surety Co. and Authorized Signature)

NOTE: \$6,000 Bond is required for all distributors.  
\$2,000 Bond is required for non-resident wholesalers.  
BOND MUST ACCOMPANY APPLICATION.