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**July 2010** 



# STANDARD FOR PIPE TOBACCO AND ROLL-YOUR-OWN TOBACCO NOTICE

On July 23, 2010, TTB published Notice No. 106, Standards for Pipe Tobacco and Roll-Your-Own Tobacco. This advanced notice of proposed rulemaking requests public comments on standards that have been proposed to distinguish between pipe tobacco and roll-your-own tobacco for Federal excise tax purposes based upon certain physical characteristics of the two products. In the notice, we also request comments on any other physical characteristics that may be used for such purposes. Public comments on Notice No. 106 are due to TTB on or before September 20, 2010.

#### Read the Notice and Learn How to Submit a Comment

## CHIPRA AND FLOOR STOCKS TAX TEMPORARY REGULATIONS

On Friday, July 23, 2010, TTB published T.D. TTB-85 in the Federal Register. This final rule adopts, with minor technical changes, the temporary regulations that implemented certain provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). These regulations involve increases in the Federal excise

tax rates on tobacco products and cigarette papers and tubes, the floor stocks tax provisions of the Act, and the new statutory criteria for denial, suspension, or revocation of tobacco permits. The final rule is effective on August 23, 2010.

## **Read the Final Rule**

### FLOOR STOCKS TAX COLLECTIONS

TTB continues to review, analyze and collect tobacco data to facilitate the selection of companies for floor stocks tax audits. To date, our audits have identified more than \$7.2 million in additional floor stocks tax liabilities plus applicable penalties and interest. Total floor stocks tax collections to date are \$1.2 billion.

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#### THIS ISSUE

Greetings! We hope you are having a delightful and flourishing month! This edition of Tobacco News contains information about two recent rulemaking actions and the latest on floor stocks tax collections.

If you have content ideas or questions for the editors please send them to:

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