

Dear Interested Party:

During the 2017 Session, the Virginia General Assembly enacted [House Bill 1913](#) and [Senate Bill 1390](#) (2017 Acts of Assembly, Chapters 112 and 453), which require the possession of a newly created Department-issued exemption certificate to purchase cigarettes bearing Virginia revenue stamps for resale exempt from Retail Sales and Use Tax beginning January 1, 2018. Taxpayers who meet certain criteria will go through an expedited process with no application fee, waiting period, or background investigation. Taxpayers qualifying for the expedited process will include: i) taxpayers possessing an active license, in good standing issued by the Department of Alcoholic Beverage Control to sell alcohol; ii) taxpayers possessing an active tobacco products tax distributor's license in good standing, issued by the Department; and iii) such other categories of taxpayers as identified by the Department.

The legislation requires the Department to develop guidelines regarding the exemption certificate with provisions including, but not limited to: i) defining categories of taxpayers who qualify for the expedited process, ii) prescribing the form of the applications for the cigarette exemption certificate, iii) establishing procedures for suspending and revoking the certificate, and v) establishing procedures for renewing the certificate. The Department is currently in the process of developing such guidelines and is soliciting input from interested parties. You can view a description of these guidelines on the Cigarette Resale Exemption Certificate Guidelines webpage [here](#). The draft guidelines and other information will be posted on this website in the future.

Please send any comments and questions you may have regarding the development of these guidelines via e-mail to Andrea Muse at [TAX-Guidelines@tax.virginia.gov](mailto:TAX-Guidelines@tax.virginia.gov) by the close of business on **April 17, 2017**.

Sincerely,

Virginia Department of Taxation