House Bill 242 of the 148th General Assembly changes the method and rates in which other tobacco products are taxed at wholesale in Delaware. Use modified Form TP-1 for monthly reporting of all tax periods beginning after August 31, 2017.

Effective September 1, 2017, all other tobacco products with the exception of moist snuff will be taxed at thirty percent (30%) of the wholesale price. Moist snuff will be taxed at a rate of ninety two cents ($0.92) an ounce.

Effective January 1, 2018, vapor products will be taxed at a rate of five cents ($0.05) per fluid milliliter. Vapor products are defined as any nicotine liquid solution or other material containing nicotine that is intended to be used with or in an electronic smoking device.

LINE 1: Complete schedule OTP-A and enter the total wholesale price of all other tobacco products except moist snuff and vapor product purchased and brought in Delaware or manufactured in Delaware.

LINE 2: Complete schedule OTP-B and enter the total wholesale price paid of all other tobacco products except moist snuff and vapor product sold to out of state wholesalers/retailers.

LINE 3: Complete schedule OTP-E and enter the total wholesale price of all other tobacco products except moist snuff and vapor product sold to Delaware wholesaler and retail.

LINE 4: Complete schedule OTP-C and enter the total wholesale price of all other tobacco products except moist snuff and vapor product returned to the manufacturer.

LINE 5: Complete schedule OTP-D and enter the total wholesale price of all other tobacco products except moist snuff and vapor product sold to exempt organizations.

LINE 6: Total lines 1 through 5 and enter the result on line 6.

LINE 7: Multiply the product of line 6 by (0.30) and enter the result on line 7.

LINE 8: In the space provided on line 8 enter the total taxable ounces of moist snuff from the attached complete schedules in 8A. Multiply the total taxable ounces of moist snuff by ($0.92) and enter the result on line 8B.

LINE 9: In the space provided on line 9 enter the total taxable fluid milliliters of vapor products from the attached complete schedules in 9A. Multiply the total taxable fluid milliliters of vapor product by ($0.05) and enter the result on line 9B. **Vapor product is taxable for tax periods beginning after 12/31/2017. Do Not use this line until your January 2018 monthly filing.**

LINE 10: Add lines 7, 8 and 9 and enter the result on line 10. This is your total other tobacco products tax due.