

# Administrative Release

Comptroller of Maryland • Alcohol and Tobacco Tax Bureau • Goldstein Treasury Building  
P.O. Box 2999 • Annapolis, Maryland 21404-2999 • Telephone: 410-260-7314 • Fax: 410-974-3201  
Web Site: <http://compnet.comp.state.md.us/red/>

**TT-6**

**July 12, 2004**

**To:** Licensed Cigarette Wholesalers

**Subject:** Maryland Cigarette Sales Below Cost Act Minimum Price Calculation

In our notice dated June 9, 2004, we advised you that the office was reviewing the minimum price calculation for cigarettes. Under specific review was whether the minimum price calculation should incorporate the net affect of the tax (less the stamping discount), as it currently is calculated, or the full amount of the tax. By that notice, the industry was afforded a thirty day comment period.

The comment period expired on July 9, 2004. Having received no objections from the industry, and based on our interpretation of the Commercial Law Article section 11-501, we are herewith advising that the minimum price calculation will be altered effective July 22, 2004, to utilize the full face value of the tax stamps (not reduced by the stamping discount). Concurrently, we will have the on-line calculator adjusted to reflect this change.

Should you have any questions concerning the Cigarette Sales Below Cost Act, minimum price calculations, or the use of the online calculator, please contact Ms. Linda Bates at 410-260-7532.

Larry W. Tolliver  
Director