

Bulletin

Comptroller of Maryland • Field Enforcement Division • Motor-fuel, Alcohol and Tobacco Tax Regulatory Bureau
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TT-62

April 21, 2009

To: All Cigarette Wholesalers

Subject: Cigarette Sales Below Cost - Alternate Minimum Price

In accordance with Regulation 03.02.03.07, several cigarette wholesalers have applied to sell cigarettes to retailers at less than the 5% markup as provided under the Maryland Cigarette Sales Below Cost Act. Those wholesalers who have applied and been approved have been notified individually.

The lowest approved minimum markup percentage is .50%. This percentage is effective statewide as the minimum legal markup from May 1, 2009 until a lower percentage is approved, or April 30, 2010, whichever is earlier. All lower cost percentages approved for the 2010 license year will expire April 30, 2010.

The online Wholesaler Minimum Price Calculator can be accessed from our website:

[http://compnet.comp.state.md.us/MATT_Regulatory_Division/
Alcohol_and_Tobacco_Tax/Online_Services/Calculators/MinPrice.asp](http://compnet.comp.state.md.us/MATT_Regulatory_Division/Alcohol_and_Tobacco_Tax/Online_Services/Calculators/MinPrice.asp)

This link will be updated with the new minimum markup percentage on May 1, 2009. The Wholesaler Alternate Price Calculator is also available at the same website for higher-than-minimum markup calculations.

Should you have any questions concerning the Cigarette Sales Below Cost Act, minimum price calculations or the use of the online calculators, please contact Ms. Linda Bates at 410-260-7312.

Jeffrey A. Kelly
Director