



# The Leaf Sheet

Volume 13

JANUARY 2019

## Message from National Chair, Deb Cannon

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### \* Upcoming Meetings:

- \* Central Region  
Fort Wayne, IN  
April 3-4, 2019
- \* Uniformity Meeting  
Oklahoma City, OK  
April 10—11, 2019
- \* Western Region  
Spokane, WA  
May 1– 2, 2019
- \* Northeast Region  
Wilmington, DE  
May 22—23, 2019
- \* Southern Region  
Raleigh, NC  
June 5– 6, 2019
- Uniformity Meeting  
August 16—17, 2019
  - Annual Meeting  
August 18—20, 2019  
Grand Rapids, MI

I'd like to wish everyone a great 2019. As we get ready for the New Year, I want to thank all the participants of the Uniformity Committee for your hard work and dedication. It's amazing how much has been accomplished. I especially want to thank Jim Oliver for serving as our National Chair for two years. Most importantly I want to thank Cindy Anders-Robb, without her none of this would be possible. The hours that these folks have contributed are immeasurable.

As we move into the year, there are many opportunities to learn and contribute to the FTA Tobacco Tax Section by attending regional confer-

## Message from Uniformity Committee Co-chairs

We are excited to kick off the new year in Prattville, AL for the January Uniformity meeting. During the final Uniformity meeting of 2018 and the Tobacco Annual meeting in Orlando we had some great discussions with states and industry on current tobacco

ences, uniformity meetings and the annual meeting in August. More importantly I'm encouraging everyone to become even more involved and JOIN a uniformity committee, uniformity subcommittee, or become a re-



gional officer. The FTA Tobacco Tax Section can benefit from the unique knowledge and skills that each of you possess.

A question I'm often asked is, "Does the FTA Tobacco Tax Section offer training?" Yes, they do and it is out-

standing! The Basic Training is in the fall and the FTA/TTB Advanced class is scheduled for February 2-8 and February 10-15. There is still space available for government so register today! The additional knowledge and skills you will obtain will benefit your entire state / organization... plus you will have fun learning!

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## Message from Uniformity Co-Chairs (cont. from pg. 1)

An Illicit Trade Group was started under the Compliance Subcommittee as a working group. We will hear more about this group here in Prattville.

In other news, the Forms and Technology Subcommittee has been placed back in to separate Subcommittees - the Forms Subcommittee and the Technology Subcommittee. Marci Rosencutter (Kansas) joins Helen Hayes (Core-Mark) on the Forms Subcommittee, and Michelle Corbett (South Carolina) joins Mark Triplett (General Cigar) on the Technology Subcommittee. In addition, Sally Staufer (South Dakota) joins the Compliance Subcommittee. Don Anderson (Idaho) and Dawn Evans (McLane) remain with the Communi-



cation and Legislation Subcommittee. We welcome all of the new chairs and want to extend appreciation and gratitude to new, current, and previous chairs.

Kara Parga (Nebraska), previously on the Forms and Technology Subcommittee, has now joined SICPA/ Meyercord. We wish her well in her new position. She, along with Hillary

Bunker (previous Uniformity Committee State Chair), are tremendous assets to the FTA Tobacco Uniformity Committee. We look forward to working with them and seeing them at the Uniformity meetings in other capacities.

We also want to thank all those who attend these Uniformity meetings. Without your input, expertise, skills, and knowledge, we would not be where we are at today. We still have much to do, but we can accomplish it together. If you would like to become more involved or have any ideas/suggestions, please reach out to any of the chairs. Here is to a great meeting in Alabama!

*~ Jeanne and Tim*

## The Technology Subcommittee Update

The Technology Subcommittee co-chairs and members had been working on the naming conventions for the Table of Codes prior to the annual meeting in August. However, we concluded at the meeting that we were so early in the development of the State Description Code and Jurisdiction Code protocols that to start an open table discussion at the annual meeting would not be productive. We decided that we would put forward just the minimal schema chang-

es that were ready to go to the E-Standards group for approval. Since then, the Electronic Filing Guide continues to evolve as additional states are starting to implement the Uniform Schemas and their specific variations. In addition, the Table of Codes is expanding as additional states contribute the codes needed to accommodate the different ways jurisdictions apply their tax laws to identify and categorize the various tobacco products.

Since the last FTA Annual Meeting, we have identified several new topics for discussion that will be necessary in order to incorporate the variations required by each state:

- The need to adhere to a very specific naming convention for table codes across all jurisdictions.

(cont. pg. 3.)

## The Compliance Subcommittee Update

At the August meeting Compliance announced a white paper had been started on stamping OTP. Jeanne reviewed the material developed thus far.

Next, a discussion took place on an RFP related to electronic filing. Key take-aways consisted of: including language that conforms to FTA Uniformity standards, (put the language in on the front end), get it into the legislation, and create a white paper. During this January meeting, we will

further develop the white paper concept.

Inspections were discussed. Industry suggested that the findings be communicated. The more documentation the better. Good dialogue took place on stamp roll numbers, cigarette returns and re-distribution. State representatives at Ohio, New Jersey, and Idaho talked about procedures and inspection results.

I, (Sally), am so excited to be involved in the Uniformity Compliance Com-

mittee. Hopefully we will all learn new and innovative ways to address compliance issues for tobacco. There will be many new challenges such as: new audit procedures based on the Uniformity criteria, how to use technology in inspections, the Way-fair decision and how it applies to tobacco, and some that have not been thought of yet. Everyone, bring your ideas and thoughts and let's get started!

*~ Sally*

## The Communications and Legislations Subcommittee Update

Welcome to Alabama and Happy New Year! Our last meeting in 2018 was packed full of great discussion.

An overview was given of the latest and greatest Tobacco Tax Information by State (aka TTIBS) guide. This document contains over 400 pages of data that both Industry and State can reference. New questions to further enhance the TTIBS material were reviewed and approved at the August meeting. Be on the lookout for these later in 2019!

Don introduced, defined and established guidelines on "white papers." The room was then polled for suggestions on topics. The top six topics were chosen, and white paper groups created. We will be discussing white papers in depth at this meeting, so if you see a topic near and dear to your heart, please consider joining that white paper group.

At this meeting, Communication and Legislation is looking forward to the 'always interesting' legislation discussion, starting an RFP for Electronic Fil-

ing, and further diving into white papers. Let the meeting begin!



~ Don  
and Dawn

## The Technology Subcommittee Update (cont. from pg. 2)

- The need to include localities and subsets within the overall jurisdiction code table within each state.
- The need for each jurisdiction to define their state and localities' description codes within the filing guide.

- The need to provide comprehensive code tables that include the ability to turn table elements on and off as required by each state.

The plan is to have an in-depth discussion on each of these topics beginning

in the January meeting with the goal of having proposed solutions developed by the end of the spring meeting.

~ MICHELLE AND MARK

## Fun Facts from Jerry Leonard -OK DOR

In 1970, President Nixon signed the law that placed warning labels on cigarettes and banned television advertisements for cigarettes. The last date that cigarette ads were permitted on TV was extended by a day, from December 31, 1970 to January 1, 1971 to allow the television networks one last cash windfall from cigarette advertising in the New Year's Day football games.

The 'Cork Tip' filter was originally invented in 1925 by Hungarian inventor Boris Aivaz, who patented the process of making the cigarette filter from crepe paper. All kinds of filters were tested, although 'cork' is unlikely to have been one of them.

In ancient America, tobacco was chewed, drunk as tea, inhaled as a powder-like snuff, and consumed as a jelly—but smoking tobacco was by far the most popular.

The Aztecs regarded tobacco as the incarnation of the goddess Cihuacoatl whose body, they believed, was composed of tobacco. Tobacco gourds and pouches were seen as symbols of divinity.

Sugar and cocoa are often added to cigarettes, a fact many diabetic smokers are unaware of.

During WWI, Americans were asked to send cigarettes to soldiers as part of the war effort. During WWII, cigarettes were part of soldiers' rations.

In 1557, European doctors recommended smoking to fight bad breath and cancer.

## How Can You Become More Involved In Uniformity?

- ◆ Regularly check for updates at FTA's updated Tobacco Uniformity website at [taxadmin.org](http://taxadmin.org).
- ◆ If you don't currently require cigarette and/or tobacco returns, and/or PACT Act reports to be filed electronically, do you know when your state is expected to do so?
- ◆ Has your revenue staff coordinated with your AG's staff to ensure the uniform schedules will also fulfill all of their filing requirements? If you're from the AGO, reach out to your Revenue Department.
- ◆ Talk to other states and industry members.
- ◆ Attend meetings!




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## Welcome to Montgomery, Alabama! Did you know...?

- Montgomery is the second most populous city of Alabama.
- This city has been a prominent port located along the Alabama River.
- Montgomery was the first capital of the Confederacy.
- Montgomery was a primary site for the Civil Rights Movement. Dr. Martin L. King was the pastor of the Dexter Ave. Baptist church here from 1954 until 1960.
- It was in this great city that Rosa Parks made history by refusing to give up her seat on the bus to a white male. When the news of her arrest was made public the result was a 382 day long Montgomery Bus Boycott. Because of this action, and reaction, the Montgomery bus system was desegregated in December of 1956.
- In 1965, the famous March for Justice led by Dr. Martin L. King. This march started in Selma and ended in Montgomery.
- Montgomery is the current home of the Hyundai Motor Co. first assembly plant to be located in the United States.
- The deadly fire that broke out in Dale's Penthouse on February 7th of 1967 gained enough national attention that it caused the revamping of the fire code standards throughout the country. The fire reportedly began in a cloak room next to the only emergency stair exit. Since the fire was blocking the only exit stairs twenty five people lost their lives to the blaze.
- Montgomery is home to the baseball team called the Montgomery Biscuits.
- Nat King Cole called Montgomery home.



## Forms Subcommittee Update

Shortly after the August 2018 Uniformity meeting, the Forms and Technology Subcommittee was broken back into two separate subcommittees again, (the Forms Subcommittee and the Technology Subcommittee). At the Orlando Uniformity meeting, regarding Forms, we discussed cover pages. During the January 2019 Uniformity meeting, we will be showing and discussing

some sample cover pages and discussing bad debt allowances. Please bring your ideas as to what forms you would like to see the Forms Subcommittee work on next.

~ Marci and Helen



## Uniformity Chairs

Jeanne Thompson  
State of Kentucky

Tim Harris  
Eby Brown Company LLC



## NEW!! Subcommittee Chairs

### Communication and Legislation

Don Anderson  
State of Idaho

Dawn Evans  
McLane Company Inc.

### Compliance

Sally Staufer  
State of South Dakota

### Forms

Marci Rosencutter  
State of Kansas

Helen Hayes  
Core-Mark International Inc.

### Technology

Michelle Corbett  
State of South Carolina

Mark Triplett  
General Cigar

## Tobacco Regional Officers

### Central Region

Sally Staufer, South Dakota  
Governor

Jacob Hunter, Illinois  
Lt. Governor

Betsy Shroyer, Indiana  
Secretary

### Northeastern Region

Deb Cannon, Northern Virginia  
Governor

Florence Sam, DC  
Lt. Governor

Marijane LaMattina, New Jersey  
Secretary

### Southern Region

Mark See, Tennessee  
Governor

Lee Poe, Alabama  
Lt. Governor

Joseph Sewell, Georgia  
Secretary

### Western Region

Justin Scott, Texas  
Governor

John Manning, Utah  
Lt. Governor

Shane Taylor, Wyoming  
Secretary

# Training & Development Opportunities

**FTA/TTB Advanced Class Feb 3—8 and 10—15, 2019 Hyatt Cincinnati - Cincinnati, OH**

This is an opportunity for attorneys, auditors and investigators to learn to identify areas of risk in the taxation of tobacco products. Training incorporates state and federal violations and has been adapted to accommodate a range of experience from fresh hires to old hands. Upon completion of the course, participants will be able to identify indicators of diversion, MSA compliance and techniques for developing evidence for further action.



**FTA Tobacco Basic Training 2019 - TBD**

State & industry attendees will be trained on tobacco terminology, distribution of products, taxation, legislation, the Master Settlement Agreement (MSA), compliance, auditing, etc. In the past, attendees have toured a cigarette manufacturing facility. Stay tuned for dates!

## Tobacco Tax Section Officers

### National Chair

Deb Cannon, Northern Virginia

### National Vice Chair

Gerald Robinett, Missouri

### National Secretary

Al Milak, North Carolina



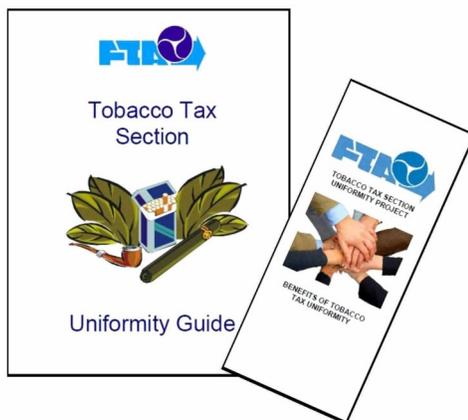
### The Leaf Sheet

**This edition of The Leaf Sheet**  
edited by  
**Don Anderson**  
and **Dawn Evans**

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### FTA Tobacco Tax Section Uniformity Committee Mission Statement

Provide an opportunity for government and industry to partner for the efficient and effective reporting and remittance of tobacco taxes, to minimize tobacco tax evasion, and to act as an information resource to stakeholders.



[www.taxadmin.org](http://www.taxadmin.org)

