Greetings from the Blue-grass State!

By the time this article is printed the 2017 Kentucky Derby will be in the history books... I hope your picks fared well.

I have considered several topics, but I keep coming back to one. In some ways, it would be more appropriate in November than May. Let us call it Thanksgiving. That Norman Rockwell picture of the family gathered around the overflowing dinner table comes to mind. Everyone is comfortable and the feeling of belonging permeates the air.

In place of that image, insert your view of a Uniformity Committee Meeting or a Regional or Annual Tobacco Tax Conference.

Corny? Maybe... however, have you ever talked to any of your peers at these events about your family, a pet, retirement? Maybe you have received a card, a telephone call, an email or a FB message from an FTA peer...during those life moments... a birthday, promotion, birth, illness or in sympathy. I have. Many of you I have known only briefly, others decades. Thanksgiving I say...

Thanksgiving is also a time to appreciate not only what we have but also what we have accomplished. Accomplishments tend to rest on the work of many. Several devote considerable effort, others key insight, and there are those that provide support and encouragement. This federation, this forum has come far. The partial list of accomplishments below highlight areas where we have worked together for our common benefit. I wager several of these successes are due in part to your contributions.

Thank You!

I know that the Savannah Uniformity Meeting will be a success; regrettably, I will not be able to attend, so I will see all at the next appointed time. In closing, many of you I have known only briefly, others decades...know you are appreciated personally and professionally.

Sincerely, Jim

Message from the Uniformity Committee Chairs — Hillary Bunker and Tim Harris

Our first meeting of 2017 was held in Tucson, Arizona and it’s hard to believe that the May meeting in Savannah, Georgia is quickly approaching. We were pleased with the presentations in Tucson and are looking forward to the new projects the various subcommittees are working on this year. For those that were unable to attend, one of the new breakout topics was a meeting just for Industry members. (Cont’d pg 2)
Message from Hillary and Tim, (continued from page 1).

There was a lot of good feedback that came from this meeting and we will be following up on it in May. Again, we would like to thank all of the subcommittee chairs for the hard work they put in, not just at the meetings, but year round.

We would also like to thank the FTA for updating the Tobacco Uniformity website with current information on all of the chairs, as well as new documents, and past versions of the Leaf Sheet.

There are multiple states that will be rolling out electronic filing in 2017 and are working with the Uniformity Committee Chairs as they go through this process. We are looking forward to feedback as these states move on in the process.

As always, feel free to reach out to either one of us or any of the subcommittee chairs if you have questions related to Uniformity, ideas for topics to discuss, or how you can get more involved. There will be Uniformity presentations at all of the Regional Meetings so please come talk to us!

- Hillary and Tim

The Technology Committee Update

The first production schemas and filing guide have been finalized and approved; State Cigarette 2017 V1.0, State Tobacco 2017 V1.0, and FTA Tobacco Uniformity Electronic Filing Guide April 2017 V1.0 are available on FTA website. The hard work and collaboration from the states and industry members have produced a good starting point towards uniform filing. As more states start to implement electronic filing these approved schemas will continue to change and adapt to the different reporting needs.

The Uniformity meeting in Savannah, GA will determine the next direction for the Technology Subcommittee. We will continue to discuss the schemas in regards to updating codes and other issues as they arise.

~ Kara and Mark

“The first…schemas and filing guide have been finalized and approved.”

The Forms Committee Update

The Forms Committee has been busy. At the January meeting in Tucson, we walked the group through the Uniform Tobacco Transaction Schedule by flowing real data from actual invoices to the Uniform Schedule. The purpose was to demonstrate how each of the data fields on the form work and how the “State Description” field works for a particular state. Both the Forms and Technology Committees recognized the need for a new data field on the form and schema. This resulted in a vote by the group to add a new column called “Unit Description”.

The topic of a tobacco cover page was introduced again with a request for volunteers. Since the Tucson meeting, the Forms Committee has spoken with Randy Winkler (Alabama) regarding the draft cover page.

We also met separately for a full day to walk through the cigarette cover page which is still a work in progress. The results will be discussed at the May meeting.
Forms Committee Update, (continued from Page 2).

Since the Tucson meeting we have standardized the cover page to look more like a form, which will also be presented at the May meeting in Savannah.

We look forward to seeing everyone in May.

- Barbara and Helen

The Communications and Legislation Committee Update

Communication and Legislation Chairs, Don Anderson (ID) and Dawn Evans (McLane), focused the discussion on two main topics in Tucson, AZ – The Tobacco Tax Guide and Disseminating Uniformity Information.

The Tobacco Tax Guide is progressing. In March, a tobacco questionnaire was distributed to the states in order to glean information for the guide. Responses are coming in and examples will be presented in Savannah, GA.

A walkthrough of the FTA website took place. Discussion took place on how to improve the website and what information to have out on the website.

(Continued below)

Communications and Legislation Update (continued from above).

Fun Facts from Jerry Leonard - OK DOR

Did you know in April 1921, Iowa became the first state to enact a tax on cigarettes, rolling paper and associated paraphernalia. The tax rate was modest, set at just $1 per 1,000 cigarettes. Iowa today collects $1.36 per pack, ranking it just below the middle of states. The highest state excise tax is levied by New York, at $4.35 and the lowest is found in Missouri at just $.17 cents per pack. There are 29 cigarette manufacturers in the U.S., and some 126 cigarette brands on the market, with annual sales of over $31 billion.
Compliance Subcommittee Update

Jeanne Thompson (KY) and Sissy Sawyer (Altria Client Services) reported the following topics were discussed in Tucson:

**MSA – 2004 Diligent Enforcement**
- Settled & Non-Settled States

**Publicize Case Studies/White Papers/Enforcement**
- State procedures regarding confiscation of product
- Show tax on an invoice

**Best Practices – Audits/**

**Inspections**
- What are states looking for?
- Fines - who is liable?
- Invoices on site

**Tobacco Training**
- Basic Training – 2016 class was represented by 19 different states (51 attendees were from the states and 6 attendees from the industry). The training included a tour of an Altria facility. The next training will be held in fall 2017.
- Audit Training – Next course will be in spring 2018.
- Intermediate Training – To be held again in 2018.

**New Tax Stamp Vendor**
- Multi-Color Corporation has just been awarded the stamp contract for the State of Maine.

**Audit Sampling Techniques Used by Various States**

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Compliance Update, continued...

**FDA Guidance and Practices**
- Samples at trade shows
- Business to business sales

**Government Breakout**
- Updates & current trends

**Industry Breakout**
- Members of industry met separately during the government breakout to conduct their first industry breakout session. The group focused on identifying opportunities to expand the Uniformity Committee by leveraging industry resources. Participants brainstormed many great ideas including engagement strategies, developing a “Benefits of Belonging” case study, and methods for influencing attendance.

~ Jeanne and Sissy

Welcome to Historic Savannah, Georgia! Did you know…?

- Savannah’s Historic District was declared a National Historic Landmark in 1966 and is one of the largest historic landmarks in the country.

- The Historic District is also one of a handful where you can openly drink in the streets. (So go on, take that Bloody Mary for a stroll.)

- The Girl Scouts began here. The Wayne Gordon House, where founder Juliette Gordon Low was born, was purchased and restored by the Girl Scouts in 1953 and opened to the public in 1956.

- Savannah is home to one of the oldest standing buildings in Georgia, The Pirates’ House. Founded in 1753 as an inn, the house welcomed guests from all over the world. Pirates included.

- The climate is subtropical, which means you can dine alfresco year-round (sans parka).
Uniformity Chairs

**Uniformity Chairs**
Hillary Bunker
State of Nevada
Tim Harris
Eby Brown Company LLC

**Uniformity Subcommittee Chairs**

**Communication and Legislation Subcommittee**

Don Anderson
State of Idaho
Dawn Evans
McLane Company Inc.

**Compliance Subcommittee**
Jeanne Thompson
State of Kentucky
Sissy Sawyer
Altria Client Services

**Forms Subcommittee**
Barbara Stoenner
State of Oregon
Helen Hayes
Core-Mark International Inc.

**Technology Subcommittee**
Kara Parga
State of Nebraska
Mark Triplett
General Cigar

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Governor
Bob Warnock, Cook County
Lt. Governor
Rebecca Piroutek, South Dakota
Secretary

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Jim Oliver, Kentucky

**National Vice Chair**
Richard Parrott, California

**National Secretary**
Deborah Cannon, Northern Virginia
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.