



Excise Tax Division  
North Carolina Department of Revenue  
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[www.ncdor.gov](http://www.ncdor.gov)

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## IMPORTANT NOTICE ON VAPOR PRODUCTS TAX

Consumable vapor products are taxable in North Carolina as a tobacco product other than cigarettes (OTP) requiring licensure with the Department of Revenue and the reporting and payment of Excise Taxes.

Effective October 1, 2018, the Department of Revenue, Excise Tax Division is implementing changes to the reporting and payment requirements for wholesale dealers and retail dealers of consumable vapor products.

Part I of this notice reflects information about a Departmental Form Change for Filing Excise Tax Returns for Vapor Products. Part II includes information for Remitting Payments for Vapor Products Excise Tax.

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### **PART I: DEPARTMENTAL FORM CHANGE FOR FILING EXCISE TAX RETURNS FOR VAPOR PRODUCTS**

***Effective October 1, 2018***

**Departmental Change** –The Department of Revenue is implementing the use of a new form for the reporting and filing of Vapor Products Excise Tax. Beginning October 1, 2018, the Vapor Products Excise Tax (as levied by North Carolina General Statute § 105-113.35(a1)), must be reported using the newly developed Department of Revenue **Form B-A-102, Monthly Vapor Products Excise Tax Return**. Vapor Products will no longer be reported on Form B-A-101, Monthly Other Tobacco Products Excise Tax Return. If wholesale dealers or retail dealers handle both vapor products and tobacco products other than cigarettes, you will be required to file both the B-A-102 for vapor products and the B-A-101 for all other tobacco products other than cigarettes. The new Form B-A-102 for vapor products is available on the Department's website at the following address: <https://www.ncdor.gov/tobacco-products-tax-forms-and-instructions>

The vapor products excise tax continues to require filing and payment on a monthly basis and the report covers sales and other activities occurring in a calendar month and is due within 20 days after the end of the month covered by the report. Vapor Products will continue to be reported in milliliters. This form change is made pursuant to N.C.G.S. § 105-113.37(a), which

indicates in part that “a report shall be filed on a form provided by the Secretary and shall contain the information required by the Secretary.” A monthly Excise Tax report is due even if there is no activity or no excise tax due.

Also effective October 1, 2018, to file an application for refund on tax-paid vapor products returned to the manufacturer, the request for refund must be filed using the newly developed Department of Revenue Form B-A-102R, Application for Vapor Products Excise Tax Refund for North Carolina Tax-Paid Vapor Products Returned to Manufacturer. The new Form B-A-102R for vapor products tax refund requests is available on the Department’s website at the following address: <https://www.ncdor.gov/tobacco-products-tax-forms-and-instructions>

For additional information regarding vapor products excise tax requirements, see the Department’s FAQ’s on Tax on Vapor Products at <https://www.ncdor.gov/documents/frequently-asked-questions-regarding-consumable-vapor-products>

## **PART II: REMITTING PAYMENTS FOR VAPOR PRODUCTS EXCISE TAX**

**Checks or Money Orders ONLY** – Vapor Product wholesale dealers and retail dealers filing Form B-A-102, Monthly Vapor Products Excise Tax Return, may only make payments for the excise tax due via check or money order.

Also, please be aware, if wholesale dealers or retail dealers handle both vapor products and tobacco products other than cigarettes, in addition to separately filing Form B-A-102, Monthly Vapor Products Excise Tax Return and Form B-A-101, Monthly Other Tobacco Products Excise Tax Return, you must also issue two (2) separate checks or money orders. Payment for Excise Tax due on both Vapor Products and Tobacco Products Other Than Cigarettes may not be made using one (1) check or money order for both taxes together. Failure to make separate payments for taxes due on Vapor Products as reported on Form B-A-102 and Tobacco Products Other than Cigarettes as reported on Form B-A-101 may result in your payment being misapplied as well as the assessment of penalties and interest.

Note: The Department’s E-Business Center cannot accept electronic payments for Vapor Products.

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If you have questions about the information in this document, please contact the Department via email at: [NCVaporTax@ncdor.gov](mailto:NCVaporTax@ncdor.gov) or by phone at 1-877-308-9092 (toll-free), and select Option 4 for “Vapor Tax”.

If a written response would require the Department to interpret the law in a manner not specifically addressed in a statute, regulation, or Departmental or IRS publication, the person requesting the written response must follow the procedure (and pay the required fee) for requesting a written determination available on the Department’s website at the following address: <https://www.ncdor.gov/taxes/corporate-income-tax-information/corporate-income-franchise-and-insurance-tax-bulletins/determinations/written-determinations>.