

# Bulletin

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TT-50

April 16, 2007

**To:** All Cigarette Wholesalers

**Subject:** Cigarette Sales Below Cost - Alternate Minimum Price

In accord with Regulation 03.02.03.07, several cigarette wholesalers have applied to sell cigarettes to retailers at less than the 5% markup provided by 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 .49%. This percentage is effective statewide as the minimum legal markup from May 1, 2007 until a lower percentage is approved, or April 30, 2008, whichever is earlier. All lower cost percentages, approved for the 2008 license year, will expire April 30, 2008.

The on-line Wholesaler Minimum Price Calculator, which can be accessed from our web site,

<http://compnet.comp.state.md.us/Regulatory%5Fand%5FEnforcement%5FDivision/Alcohol%5Fand%5FTobacco%5FTax%5FBureau/Online%5FServices/>

will be updated with the new minimum markup percentage on May 1. The Wholesaler Alternate Price Calculator is also available at the same web site 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.

John R. Horney  
Acting Director