

Iowa Department of Revenue

Retailer Cigarette/Tobacco Permit FAQs

How do I get a retail permit to sell tobacco cigarettes and other tobacco products?

Complete form [70-014](#) and take the completed application to your city clerk, if the selling location is within city limits, or the county auditor, if the selling location is outside city limits. All items on the form must be completed.

Is a retail permit required if I sell e-cigarettes or vapor products?

Yes.

What retailers are required to have a permit?

Any person selling cigarettes, tobacco products, vapor products, or alternative nicotine products must have a valid retail permit. Whether selling one type of product or a combination of products, only one permit is required.

What happens if I operate my business without a permit?

There are escalating penalties starting at \$200 for operating without a permit.

How much does it cost for a permit?

The price depends on the location of the business and the month issued.

Location	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
• Outside of city limits	\$50.00	\$37.50	\$25.00	\$12.50
• City of less than 15,000	\$75.00	\$56.25	\$37.50	\$18.75
• City of 15,000 or more	\$100.00	\$75.00	\$50.00	\$25.00

When does my permit expire?

The permit expires each year on June 30.

If I no longer sell products required for this permit, can I get a refund on the fees?

Yes. See Iowa Code 453A.13 (4) for information: <https://www.legis.iowa.gov/docs/code/453A.13.pdf>.

If ownership changes, can the permit be transferred to the new owner?

No.

If I move to a new location, is there a charge for a new permit?

Yes. If the location is in a different jurisdiction, the old permit is surrendered and a new application and fee must be submitted to the new jurisdiction. If the new location is within the same jurisdiction, the permit is exchanged for a new permit at no charge.

Where can I buy cigarette and tobacco products?

Cigarettes or tobacco products may only be purchased from an Iowa Cigarette and/or Tobacco Distributor. For a listing of Iowa cigarette and tobacco distributors, see <https://tax.iowa.gov/report/Current-Reports?combine=Cigarette>.

Can I buy tobacco products from someone who is not on the listing?

Only if you become an Iowa Tobacco Distributor and file monthly returns paying the Iowa tax due.

How do I know if the Iowa tax has been paid?

Cigarettes will have an Iowa Cigarette Tax Stamp on the bottom of the pack. Your tobacco invoice should indicate the Iowa tobacco tax is included.

Do I add the cigarette and tobacco tax to my price for the consumer?

No. The cigarette and tobacco tax is already added to your cost of the product. However sales tax must be added to the sales price.

Is there a minimum price I must charge customers for cigarettes?

Yes. For a listing of the current minimum price, see Form 71-023 or: <https://tax.iowa.gov/form-types/cigarette-and-tobacco-tax?combine=Minimum>

What happens if I sell cigarettes below the Iowa Legal Minimum Price?

You can be charged an escalating penalty starting at \$200 for the first offense.

How do I figure my mark up on cigarettes?

A 4% mark up for the Iowa Distributor and an 8% mark up for the Iowa Retailer is already figured into the minimum price formula and shown on the minimum price listing. You may sell cigarettes at a price that is higher than the minimum.

Can I sell any brand of cigarettes?

No. Only approved brands can be sold in Iowa. For a listing of the approved products, see: <https://tax.iowa.gov/report/Current-Reports>.

If I have a Hookah Café, is a retail permit required?

Yes and you must become an Iowa Tobacco Distributor and file monthly returns paying the Iowa tax due, if you are purchasing Shisha Tobacco without Iowa Tax. You must also register and remit Iowa Sales Tax.

Is there an age restriction for my employees who sell cigarettes or tobacco products?

No.

Can I sell cigarettes or tobacco products from a vending machine?

Cigarettes or tobacco products can be sold from a vending machine if no one younger than 18 is present or permitted within the location at any time. If anyone under 18 can be present, the permit type must be changed to over-the-counter sales. In addition, no permit can be issued if other nontobacco products (other than matches) are sold from the same vending machine. The retailer will also need a Cigarette Vendors Permit. This permit is issued from the Iowa Department of Revenue and form [70-015](#) must be completed.

Can I buy or sell cigarettes online?

No. Cigarette and tobacco sales must be in person to insure the customer is 18 or older.

What happens if I am found to have unstamped cigarettes or untaxed tobacco products?

The location is subject to seizure of the non-Iowa stamped cigarettes or untaxed tobacco products. Iowa tax and a civil penalty starting at \$200 will be assessed.

Can I sell other retailers cigarettes?

Yes, as long as you charge the full minimum price and charge the sales tax. The sales tax exemption does not apply for cigarettes. If they want to buy cigarettes without the sales tax, they need to buy them from an Iowa Distributor or Wholesaler.

Can I become an Iowa Cigarette Wholesaler?

Yes. Form [70-015](#) must be completed annually. If you are a retailer and a wholesaler you must keep your wholesale stock separate from your retail stock.

How can I stay up-to-date on changes to the Iowa Minimum Price List or the Iowa Approved Brands Directory?

Sign up for eList notifications from our link “Subscribe to eMail News” located at the bottom of the page at <https://tax.iowa.gov/>

Who can I contact for help and answers to general questions on the permit?

You can contact the Cigarette and Tobacco section at: IDRCigarette@iowa.gov or telephone (515) 281-6134.

Who can I contact for help if my retail location sold cigarettes or tobacco products to a minor?

Start with your city clerk’s office or the county auditor’s office. You can also contact the Attorney General’s Office at (515) 281-8480.

Who do I contact for Federal Tobacco Tax Questions?

Tobacco Tax Bureau – this is a link to Federal Tobacco Questions and Answers:

<http://www.ttb.gov/tobacco/index.shtml>

Iowa Department of Revenue

Retail Cigarette/Tobacco/Nicotine/Vapor Permits FAQs for City Clerks and County Auditors

What retailers are required to have a permit?

Any person or business selling cigarettes, tobacco products, vapor products, or alternative nicotine products in Iowa must have a valid Iowa retail permit.

What should I do if a business is operating without a permit?

Call the local police non-emergency number to report them. Selling cigarettes, tobacco, alternative nicotine, or vapor products without a permit is a violation of Iowa Code chapter 453A.36.

What are my steps for processing the retail applications?

- Application must be approved by the city council or board of supervisors.
- Ensure all items on the application are completed.
- Location address must be where the retail establishment is located. It cannot be a Post Office Box number.
- Once approved by the city council or board of supervisors, assign a permit number to the application. Each city or county creates the permit number based on their own criteria.
- Complete a Retail Cigarette/Tobacco/Nicotine/Vapor Permit from the information on the application. The file for creating the permit can be found at: <https://tax.iowa.gov/cigarette-and-tobacco-tax-information>
- Carefully complete all items in the For Office Use Only section

Do I have to send a copy of the permit or application to the state?

Yes. Send a copy of the completed and approved application to the Iowa Alcoholic Beverages Division (ABD) within 30 days of issuance. ABD does not need a copy of the permit. ABD also needs to be notified of any retailers that did not renew or went out of business.

Email is the preferred method of submission as it allows ABD to confirm receipt. However, you may also fax or mail a copy of the application if you do not have the ability to email.

Email: iapledge@iowaABD.com

Fax: 515-281-7375

Iowa Alcoholic Beverages Division

Attn: Tobacco Enforcement

1918 SE Hulzier

Ankeny, IA 50021

If you have questions about the submission of an application, email iapledge@iowaABD.com or call 866-469-2223, option 3.

If you have questions about the application or permit, email IDRCigarette@iowa.gov or call 515-281-6134.

What if they want a permit for cigarette vending machines?

In addition to the steps outline above, you must also mail or fax a copy of all completed applications to:

Iowa Department of Revenue

PO Box 10472

Des Moines, IA

Fax 515-281-3756 or email IDRCigarette@iowa.gov

Do I only have to notify the state of permits that are issues or cancelled during the renewal period?

No. You need to send a copy of the completed and approved application to ABD within 30 days of issuance regardless of when the permit is issued. Please also notify ABD of any retailers that go out of business/cancel their permit at any point during the year.

When do retail permits expire?

All retail cigarette/tobacco/nicotine/vapor permits expire each year on June 30.

How much do I charge for a retail cigarette/tobacco/nicotine/vapor permit?

The price of a retail permit depends on the location of the business and the month issued.

Location	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
• Outside of city limits	\$50.00	\$37.50	\$25.00	\$12.50
• City of less than 15,000	\$75.00	\$56.25	\$37.50	\$18.75
• City of 15,000 or more	\$100.00	\$75.00	\$50.00	\$25.00

A business with a permit is moving to a new location. Is there a charge for a new permit?

If the new location is within the same jurisdiction, the permit is exchanged for a new permit at no charge. If the location is in a different jurisdiction, the old permit is surrendered and a new application fee must be collected.

Can we refund cigarette/tobacco/nicotine/vapor permit fees?

Yes. The amount of the refund depends on the date the permit is surrendered. The refund amounts are:

- Jul-Sep ¾ of the amount fee
- Oct-Dec ½ of the amount fee
- Jan-Mar ¼ of the amount fee
- Apr-Jun No refund given

What place of business is used for a mobile retailer's permit?

The retailer must have a separate permit for each city and for each county's unincorporated area where cigarettes or tobacco products are sold from the vehicle. A permit must include identification of the vehicle and the permanent place of the business.

May a delivery business receive a cigarette, tobacco, nicotine, or vapor retail permit?

Retail permits should not be issued to delivery services.

Can a retail permit be issued for a residential home?

No. The permit is for retail locations only.

If ownership changes, can the permit be transferred to the new owner?

No. The new owner must apply for a new permit.

Who can I contact for general help on cigarette/tobacco/nicotine/vapor permits?

You can email IDRCigarette@iowa.gov.

Who can I contact for questions on tobacco enforcement against retailers and sales to minors?

You can contact the Attorney General's office at (515) 281-8480.

Where can I obtain a copy of the Retail Cigarette/Tobacco/Nicotine/Vapor Permit Application?

On the Department's website:

<https://tax.iowa.gov/sites/files/idr/forms1/iowa%20Retail%20Permit%20Application%20For%20CigaretteTobaccoNicotineVapor%20%2870014%29.pdf>

Where can I find information about cigarette and tobacco laws in the Iowa Code?

See Iowa Code Section 453A. <https://www.legis.iowa.gov/docs/code/453A.pdf>