



INDIANA DEPARTMENT OF REVENUE

Eric J. Holcomb, Governor
Bob Grennes, Commissioner

Indiana Government Center
100 N. Senate Ave
Indianapolis, IN 46204-2253

March 29, 2021

Dear Customer,

On December 27, 2020, a federal law was passed altering the definition of "Cigarette" in the Prevent All Cigarette Trafficking (PACT) Act to include Electronic Nicotine Delivery Systems (ENDS). An ENDS product is defined as any electronic device that, through an aerosolized solution, delivers nicotine, flavor, or any other substance to the user inhaling from the device, including an e-cigarette; an e-hookah; an e-cigar; a vape pen; an advanced refillable personal vaporizer; an electronic pipe; and any component, liquid, part, or accessory of a device described above, without regard to whether the component, liquid, part, or accessory is sold separately from the device.

The PACT Act requires sellers to both register, and file a monthly report with the state tobacco tax administrator. Reports must include the name and address of the persons delivering and receiving the shipment and the brand and quantity of the "cigarettes" that were shipped. These requirements apply to all sales of cigarettes and smokeless tobacco, including sales to consumers and sales between businesses.

Additionally, delivery sellers who ship cigarettes or smokeless tobacco direct to consumers are required to label packages as containing tobacco, verify the age and identity of the customer at purchase, use a delivery method that checks ID, obtain adult customer signature at delivery and maintain records of delivery sales for a period of four years after the date of sale.

These changes to the PACT Act apply to entities that sell, transfer or ship ENDS products into Indiana and are effective March 28, 2021. The Indiana Department of Revenue (DOR) will begin requiring the monthly reporting of ENDS products in May 2021 for the month of April.

Registration and filing information is available at dor.in.gov/business-tax/cigarette-and-other-tobacco-products-tax. Use Form PACT-REG to satisfy the registration requirement if you are not already filing monthly PACT reports with DOR. ENDS product information should be reported monthly on Schedule OTP-PACT using category "4 = ENDS" for the "Type" field. This report can be filed on paper or electronically. Visit the website shown above for more information.

For questions regarding the PACT Act, you may email the Indiana Department of Revenue at INCigTax@dor.in.gov or call 317-615-2710, Monday through Friday, 8 a.m. – 4:30 p.m. EST.

Sincerely,

Special Tax Division
Indiana Department of Revenue