



September 24, 2009

NOTICE TO SAN FRANCISCO CIGARETTE RETAILERS

RE: CIGARETTE LITTER ABATEMENT FEE

In July 2009, the Cigarette Litter Abatement Fee was passed by the Board of Supervisors and signed by the Mayor. The fee is imposed on the sale of cigarettes in San Francisco at \$0.20 per pack. **The fee is effective as of October 1, 2009** and due and payable to the Treasurer's Office in quarterly installments. The first quarterly statement will be mailed to cigarette retailers by December 1, 2009 and payment will be due on or before January 31, 2010.

The ordinance is available the following web address: www.sfgov.org/treasurer/cigarettefee.

Cigarette retailers must report cigarette sales based on its cigarette sales records for the reporting period, or, if that is impracticable, its inventory purchase invoices for the reporting period.

Cigarette retailers must be prepared to demonstrate by records which can be verified by audit that the method used properly reflects their cigarette sales. Such records include but are not limited to: (A) Normal books of account ordinarily maintained by the reasonably prudent businessperson engaged in the activity in question; (B) Bills, receipts, invoices, cash register tapes, or other documents of original entry supporting the entries in the books of account; and (C) Schedules or working papers used in connection with the preparation of returns and the calculation of fees. Pursuant to Section 105.5(a) of the San Francisco Administrative Code, cigarette retailers must maintain records for a period of four years.

Please begin collection of the fee on October 1, 2009.

Information about the Cigarette Litter Abatement Fee is available at the Treasurer's Office website, at www.sfgov.org/treasurer/cigarettefee. If you have any questions about the fee, please contact Loretta Lieberman in the Treasurer's Office at 415-554-7339.

Sincerely,

George Putris
Tax Administrator