

(a)

**DIVISION OF CONSUMER AFFAIRS  
AUDIOLOGY AND SPEECH-LANGUAGE  
PATHOLOGY ADVISORY COMMITTEE**

**Continuing Professional Education Requirements  
Allocation of Credit**

**Adopted Amendment: N.J.A.C. 13:44C-6.2**

Proposed: June 20, 2016, at 48 N.J.R. 1059(b) (see also 48 N.J.R. 1408(a)).

Adopted: April 13, 2017, by Steve C. Lee, Director, Division of Consumer Affairs.

Filed: June 8, 2017, as R.2017 d.136, **without change**.

Authority: N.J.S.A. 45:3B-24.

Effective Date: July 3, 2017.

Expiration Date: January 15, 2023.

**Summary of Public Comment and Agency Response:**

The official comment period ended August 26, 2016. **The Director received no comments on the proposal.**

**Federal Standards Statement**

A Federal standards analysis is not required because there are no Federal laws or standards applicable to the subject matter of the adopted amendment.

**Full text** of the adoption follows:

**SUBCHAPTER 6. CONTINUING PROFESSIONAL EDUCATION  
REQUIREMENTS**

**13:44C-6.2 Allocation of credit**

(a)-(b) (No change.)

(c) A licensee may obtain continuing education credit hours from the following sources:

1. (No change.)

2. Teaching a new undergraduate course related to the practice of audiology or speech-language pathology at a college or university accredited by a regional accrediting body recognized by the United States Department of Education, Office of Postsecondary Education, or new graduate course in a college or university accredited by the American Speech-Language-Hearing Association or the Accreditation Commission for Audiology Education: six credit hours for each new course up to a maximum of 12 credit hours.

i. (No change.)

3.-4. (No change.)

5. Attendance at an in-service workshop related to the practice of audiology or speech-language pathology provided by an organization licensed by the New Jersey Department of Health, the New Jersey Department of Education, or an agency of another state that substantially meets the requirements of the New Jersey Department of Health or New Jersey Department of Education: one credit hour per each hour of attendance up to a maximum of 10 credit hours;

6. (No change.)

7. Successful completion of either undergraduate course work at a college or university accredited by a regional accrediting body recognized by the United States Department of Education, Office of Postsecondary Education or graduate course work in a college or university accredited by the American Speech-Language-Hearing Association or the Accreditation Commission for Audiology Education, related to audiology and speech-language pathology taken beyond that required for professional license that the licensee has never taken before: five credit hours per course credit, up to a maximum of 15 credit hours;

8.-9. (No change.)

**TREASURY—TAXATION**

(b)

**DIVISION OF TAXATION**

**Cigarette Tax Act Rules**

**Readoption with Amendments: N.J.A.C. 18:5**

**Adopted New Rule: N.J.A.C. 18:5-12.7**

**Adopted Repeals: N.J.A.C. 18:5-5.6 and 6.26**

Proposed: January 17, 2017, at 49 N.J.R. 186(a).

Adopted: June 5, 2017, by John J. Ficarra, Acting Director, Division of Taxation.

Filed: June 6, 2017, as R.2017 d.133, **without change**.

Authority: N.J.S.A. 54:40A-20.

Effective Dates: June 5, 2017, Readoption;  
July 3, 2017, Amendments, New Rule, and  
Repeals.

Expiration Date: June 5, 2024.

**Summary of Public Comment and Agency Response:**

**No comments were received.**

**Federal Standards Statement**

A Federal standards analysis is not required because the rules readopted with amendments, a new rule, and repeals do not involve any Federal standards or requirements.

**Full text** of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 18:5.

**Full text** of the adopted amendments and new rule follows:

**SUBCHAPTER 1. DEFINITIONS**

**18:5-1.1 Words and phrases defined**

The following words and phrases, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Act” or “the Cigarette Tax Act” means, and refers to, N.J.S.A. 54:40A-1 et seq.

“Cigarette” means any roll for smoking made wholly or in part of tobacco, or of any other substance or substances other than tobacco, irrespective of size, shape, or flavoring, the wrapper or cover of which is made of paper or any other substance or material, excepting tobacco.

“Consumer” means any person, except a distributor or a manufacturer, who acquires for consumption, storage, or use in the State of New Jersey, cigarettes to which New Jersey revenue tax stamps have not been attached.

“Director” means the Director of the Division of Taxation. “Director” shall mean and include any employee or employees of the Division of Taxation, deputized or authorized, either generally or specifically, to act on behalf of the Director.

“Distributor”:

1. “Resident distributor” means and includes any person resident or located within the State of New Jersey, who brings or causes to be brought into the State of New Jersey, unstamped cigarettes purchased directly from the manufacturers thereof and stores, sells, or otherwise disposes of the same, after they reach the State of New Jersey.

2. (No change.)

“Manufacturer” means and includes any person, wherever resident or located, who manufactures or produces, or causes to be manufactured or produced, cigarettes, and sells, uses, stores, or distributes the same regardless of whether they are intended for sale, use, or distribution within or without the State of New Jersey.

“Manufacturer’s representative” means and includes any person, employed by a manufacturer, who, for promotional purposes, sells, stores, handles, or distributes cigarettes, within the State of New Jersey,

limited exclusively to cigarettes manufactured by the employing manufacturer.

“Package” means the smallest individual receptacle immediately surrounding the cigarettes in or from which cigarette sales are normally made or intended to be made at retail and not the carton, box, case, or other covering in which such packages are contained, placed, or transported.

“Person” means any individual, firm, corporation, co-partnership, joint venture, association, receiver, trustee, guardian, executor, administrator, or any other person acting in a fiduciary capacity, or any estate, trust, or group, or combination acting as a unit, the State Government of New Jersey and any political subdivision thereof, and the plural, as well as the singular, and the feminine and neuter, as well as the masculine, unless the intention to give a more limited meaning is disclosed by the context.

“Retail dealer” means any person who is engaged in the State of New Jersey in the business of selling cigarettes at retail. Any person placing a cigarette vending machine at, on, or in, any premises is deemed to be a retail dealer for each vending machine.

“Stamp” means any impression, device, stamp, label, or print manufactured, printed, or made as prescribed by the Director and includes decalcomania tax stamps.

“Taxpayer” means any person required to report or to pay any taxes, interest, penalties, or license fee, imposed pursuant to the provisions of the Act, as amended and supplemented.

“Vending machine” means any currency-in-the-slot operated mechanical device or contrivance used for the automatic sale, dispensation, or merchandising of cigarettes in their original package.

## SUBCHAPTER 2. IMPOSITION OF TAX

### 18:5-2.1 Cigarettes subject to tax; taxable status

(a) The Act imposes a tax on the sale, possession for sale, use, or consumption, or storage for use of all cigarettes within the State of New Jersey.

(b) All cigarettes acquiring a taxable status in New Jersey immediately become subject to the tax. All cigarettes, not expressly exempted, are deemed to have (or to have acquired) a taxable status pursuant to the provisions of the Act, and the tax is required to be paid thereunder if they fall within any of the following categories:

1.-6. (No change.)

7. Lost, stolen, or unaccounted for, in transit, storage, or otherwise, in New Jersey except transit in interstate commerce.

### 18:5-2.2 Method of paying tax

(a) (No change.)

(b) The Director may, in his or her discretion, if more practical, collect the taxes due pursuant to the provisions of the Act otherwise than by means of tax stamps, provided any other method used will adequately protect the revenue due the State of New Jersey.

### 18:5-2.3 Computation of tax

The provisions of the Act impose a tax computed at the rate of \$0.135 for each cigarette.

### 18:5-2.5 Cigarettes ceasing to be subject to tax

(a) Unstamped cigarettes possessed subject to tax may cease to be subject to such tax provided the cigarettes are:

1. Sold to the United States Government or agencies thereof.

i. Sales of unstamped cigarettes may be made by licensed distributors only to such agencies as are duly authorized by the Director to receive the same.

(1) (No change in text.)

(2) A duly receipted invoice or a copy thereof must be obtained from the governmental agent designated to accept delivery, which duly receipted invoice must be appended to Schedule D (Form CR-5), Sales of Unstamped Cigarettes to United States Government, of the

distributor’s monthly report upon which every sale must be reported in complete detail;

2. Sold to out-of-State jobbers or dealers. Such sales of unstamped cigarettes may be made by licensed distributors within the State of New Jersey only to such out-of-State persons who can properly identify themselves as registered or licensed cigarette jobbers or dealers in the state into which the cigarettes are to be transported.

Recodify existing 1.-2. as i.-ii. (No change in text.)

iii. All cigarettes so sold must be reported on the licensed distributor’s monthly report in the complete detail required by Schedule C (Form CR-4), Sales, Deliveries, and Transfers of Cigarettes from New Jersey;

iv. Under no circumstances may a licensed distributor sell unstamped cigarettes at his or her place of business in New Jersey to a purchaser who is identified as a jobber or dealer in a state that does not have a cigarette tax and who declares the immediate destination of the cigarettes to be to a state not having a cigarette tax;

3. Exported to points outside of New Jersey by common carrier. Duly licensed distributors may ship unstamped cigarettes by common carrier to themselves or to customers outside of New Jersey, provided there is obtained from the carrier a manifestation or other memorandum indicating that the cigarettes were consigned to the distributor’s place of business or a customer, outside of New Jersey.

i. Such manifests, invoices, bills of lading, or other evidence covering such shipments must be properly completed and preserved for examination and audit;

ii. All such shipments must be listed by the distributor on its monthly tax report on Schedule C (Form CR-4), Sales, Deliveries, and Transfers of Cigarettes from New Jersey;

4. Exported to points outside of New Jersey not by common carrier. Duly licensed distributors may ship unstamped cigarettes by personally controlled conveyance, or transportation other than a common carrier, to themselves or to customers outside of New Jersey, provided prior notice of such shipments is received, in writing, by the Director.

i. Invoices, bills of lading, or other evidence covering such shipments must be properly completed and preserved for examination and audit.

ii. All such shipments must be listed by the distributor on its monthly tax report on Schedule C (Form CR-4), Sales, Deliveries, and Transfers of Cigarettes from New Jersey; and

5. Distributed to hospitalized veterans in State hospitals. Such distribution of unstamped cigarettes may be made by approved representatives of the United States Veterans Administration to veterans hospitalized in any hospital owned and operated by the State of New Jersey, when such cigarettes are acquired directly through donations from the manufacturer, or others bonded to handle unstamped cigarettes through donations made therefor.

i. All such acquisitions must be reported by the approved representative of the United States Veterans Administration on or before the 20th day of the month following receipt of such cigarettes.

ii. In addition, there must be maintained a record of distribution and a file of all purchase invoices and bills of lading covering all purchases of unstamped cigarettes.

(b) All of the records required by this section must be preserved for a period of four years, unless authorization to destroy them in a lesser period is received from the Director.

## SUBCHAPTER 3. REVENUE TAX STAMPS

### 18:5-3.1 Purchase of stamps

(a) Only duly licensed distributors may purchase and affix cigarette revenue tax stamps of the proper denomination to packages of cigarettes.

(b) (No change.)

### 18:5-3.2 Types of stamps available; denominations

(a) Heat decalcomania tax stamps applied by machine in denominations of \$2.70 are sold only in multiples of 30,000 stamps.

(b) Heat decalcomania tax stamps applied by machine in denominations of \$3.375 are sold only in multiples of 7,200 stamps.

(c) Heat decalcomania tax stamps applied by hand in denominations of \$2.70, and \$3.375 are sold in blocks of individual sheets of 100 stamps and only multiples of 1,000 stamps.

## 18:5-3.3 Purchase of stamps; location

Decalcomania tax stamps are available and may be purchased only at the Division of Revenue and Enterprise Services, PO Box 252 Trenton, NJ 08646.

## 18:5-3.4 Purchase of stamps; discount allowed

(a) The following discounts shall be allowed on all sales of cigarette revenue tax stamps to licensed distributors, provided the distributor is in compliance with all of the provisions of the Act and this chapter:

1. A discount of .00166667 percent is allowed on all sales of hand applied cigarette revenue tax stamps in denominations of \$2.70, when the number purchased is 1,000 stamps or more, or in multiples of 30,000 stamps for machine applied stamps.

2. A discount of .00133333 percent is allowed on all sales of hand applied cigarette revenue tax stamps in denominations of \$3.375, when the number purchased is 1,000 stamps or more, or in multiples of 7,200 stamps for machine applied stamps.

## 18:5-3.5 Purchase of stamps; noncredit basis

Licensed distributors may make noncredit purchases of heat applied tax stamps by telephoning their order to the Division of Revenue and Enterprise Services, 609-984-2029 or 609-984-3723 and mailing a money order or check to the Division of Revenue and Enterprise Services, PO Box 250, Trenton, NJ 08646. Once ordered, the stamps will be mailed to the purchaser.

## 18:5-3.6 Purchase of stamps on a credit basis

All purchases of heat applied tax stamps shall be made through telephone order to the Division of Revenue and Enterprise Services, 609-984-2029 or 609-984-3723. Once ordered, these stamps will either be mailed out or picked up at the Division of Revenue and Enterprise Services, 33 West State Street, Trenton, NJ 08608.

## 18:5-3.9 Purchase of stamps; credit basis payments

Payment for all revenue tax stamps purchased on a credit basis must be received by the Director at the Division of Revenue and Enterprise Services, within 30 days (including Saturdays, Sundays, and holidays) of the date of purchase.

## 18:5-3.10 Decalcomania revenue tax stamps

(a)-(c) (No change.)

(d) Decalcomania revenue stamps of the proper denomination are to be affixed to the side, lid, or top of flat, round, or other nonstandard packages of cigarettes, in such manner as not to obscure the United States Surgeon General's health warning. Nothing provided for in this section shall be construed to nullify N.J.A.C. 18:5-10.2, concerning cigarettes displayed in vending machines.

(e) (No change.)

## 18:5-3.11 Stamping machines; authorization to use

(a) The Director may, at his or her discretion, approve the use of stamping machines to affix, print, or impress revenue tax stamps upon individual packages of cigarettes.

(b)-(d) (No change.)

## 18:5-3.16 Registration of tax stamping equipment

(a) (No change.)

(b) Any person who may acquire or have in his or her possession any mechanical cigarette revenue tax stamping equipment is to register with the Director all serial numbers appearing on the equipment.

## 18:5-3.17 Transfer of tax stamping equipment

Any person who may acquire or have in his or her possession any mechanical cigarette revenue tax stamping equipment may not transfer, sell, or otherwise dispose of same without the prior authorization and approval of the Director.

## 18:5-3.18 Suspension or revocation of discount privilege

The Director, may, at his or her discretion, suspend or revoke the discount privilege of any licensed distributor who fails to observe the provisions of the Act or this chapter.

## 18:5-3.19 Suspension or revocation of credit privilege

The Director may, at his or her discretion, suspend or revoke the credit privilege of any licensed distributor who is delinquent in the payment of outstanding credits, abuses his or her credit privilege, or for other good and sufficient reasons.

## 18:5-3.21 Notice of suspension or revocation of discount, credit, or stamping machine privilege

The Director, before suspending or revoking the discount, credit, or stamping machine privilege of any licensed distributor, shall give 10 days notice to the licensee personally, or by mail addressed to his or her last known address, which notice shall recite in detail the reasons and basis for the suspension or revocation, and shall specify the date, time, and place for the hearing.

## 18:5-3.22 Hearing of suspension or revocation of discount, credit, or stamping machine privilege

The Director shall afford any person who has received a notice of a hearing to suspend or revoke the discount, credit, or stamping machine privilege, the right to be heard in person or by attorney, to offer evidence pertinent to the subject of the hearing, and to invoke the powers of the Director with respect to the compulsory attendance of witnesses and the production of books, accounts, papers, records, and documents by subpoena.

## 18:5-3.23 Basis of order suspending or revoking the discount, credit, or stamping machine privilege

After a hearing, the Director, in issuing any order that suspends or revokes the discount, credit, or stamping machine privilege of any licensed distributor shall include in the order the findings of fact upon which such order is based.

## 18:5-3.24 Service of order suspending or revoking the discount, credit, or stamping machine privilege

The Director shall serve any order suspending or revoking the discount, credit, or stamping machine privilege of any licensed distributor by personal delivery of a certified copy, or by mailing a copy thereof to the licensed distributor's last known address.

## 18:5-3.25 Appeal of order suspending or revoking the discount, credit, or stamping machine privilege

Any licensed distributor may within 45 days from the date of any order of the Director suspending or revoking the discount, credit, or stamping machine privilege of such distributor appeal to the Appellate Division of the Superior Court of New Jersey by filing a notice of appeal.

## SUBCHAPTER 4. REFUNDS AND REDEMPTION OF STAMPS

## 18:5-4.1 Refunds—in general

(a) A taxpayer may, within four years after the purchase of any cigarette decalcomania tax stamps, the payment of any floor tax, or original or additional tax assessed against him or her under the Act, file a claim for refund (Form A-3730) with the Director setting forth, in detail, the grounds therefor and outlining, in detail, all pertinent circumstances relating thereto.

(b) No claim for refund may be filed with respect to a tax paid, after protest has been filed with the Director or after proceedings on appeal have been commenced, until such protest or appeal has been finally determined.

(c) (No change.)

## 18:5-4.2 Payment of refunds; rejection of claims

(a) If upon examination of any claim for refund, it is determined by the Director that there has been an overpayment of the New Jersey cigarette tax, the amount of such overpayment, after approval by the Division of Taxation, will be refunded by the State Treasurer.

(b) If the Director rejects the claim for refund in whole or in part, he or she shall make an order accordingly and serve a notice upon the taxpayer.

## 18:5-4.3 Redemption of unused or mutilated tax stamps

(a) A refund equal to the face value, less the discount allowed at the time of the purchase of the stamp by said distributor or dealer, is made to licensed distributors on returned, unused, or mutilated but identifiable cigarette decalcomania tax stamps when accompanied by a properly executed Claim for Refund (Form A-3730).

(b) (No change.)

## 18:5-4.4 Redemption of tax stamps affixed to spoiled packages of cigarettes

(a) A refund equal to the face value, less the discount allowed, on identifiable cigarette decalcomania tax stamps affixed to spoiled packages of cigarettes may be obtained by licensed distributors when an agent of the Director has witnessed the destruction of the spoiled packages of cigarettes and the stamps thereon, and a properly executed Claim for Refund (Form A-3730) is filed.

(b) (No change.)

## 18:5-4.5 Redemption of tax stamps affixed to packages of cigarettes returned to manufacturers

(a) A refund equal to the face value, less the discount allowed, on identifiable cigarette decalcomania tax stamps affixed to packages of cigarettes returned to manufacturers may be obtained by licensed distributors when a properly executed Claim for Refund (Form A-3730) is filed.

(b) (No change.)

## 18:5-4.8 Refund for erroneous payments

Where no question of fact or law is involved and it appears from the records of the Director that any monies have been illegally or erroneously collected under the Act from any taxpayer or have been paid by any taxpayer under a mistake of fact or law, the Director may at any time within two years of payment, upon making a record in writing of his or her reasons therefor, certify to the State Treasurer that the taxpayer is entitled to a refund and thereupon the Treasurer shall authorize the payment thereof from the appropriation for such purpose.

## SUBCHAPTER 5. REPORTS

## 18:5-5.1 Reports required

(a) (No change.)

(b) The Act also empowers the Director to prescribe, upon notice, reports from:

1.-2. (No change.)

3. Every person who transports unstamped cigarettes upon the public highways, roads, or streets of New Jersey or who stores unstamped cigarettes in New Jersey.

## 18:5-5.2 Forms of reports

(a) All tax reports are required to be made by electronic methods in accordance with this subchapter and instructions published by the Director, subject to such exceptions as the Director determines are reasonable. As a result of changes in technology, the Director shall determine which electronic methods of filing returns satisfy the requirements imposed under this section.

(b) The Director may require any taxpayer to file such other reports and submit such further information as he or she may require in the administration of the provisions of the Act.

## 18:5-5.3 Penalty for delinquent filing

(a) (No change.)

(b) The Director, if satisfied that the failure to file any report was excusable, may waive the whole or any part of said penalty.

## 18:5-5.4 Place for filing reports; remittance payable

(a) All required tax reports must be forwarded to the New Jersey Division of Taxation, PO Box 187, Trenton, NJ 08695.

(b) Any remittance required to be made should be made payable to "State of New Jersey-Cigarette Tax".

## 18:5-5.5 Secrecy of reports

(a)-(b) (No change.)

(c) The Director is authorized to disclose to the Attorney General any information received under N.J.S.A. 52:4D-4 et seq., or requested by the Attorney General for purposes of determining compliance with and enforcing the provisions of N.J.S.A. 52:4D-4 et seq. The Director and the Attorney General shall share with each other the information received under N.J.S.A. 52:4D-4 et seq., and may share such information with other Federal, State, or local agencies only for the purposes of enforcement of N.J.S.A. 52:4D-1 et seq., 52:4D-4 et seq., or the corresponding laws of other states.

## 18:5-5.6 (Reserved)

## 18:5-5.7 Resident distributors' report

(a) Every licensed resident distributor is required to file a monthly report on Form RCD-1. The following schedules must accompany the return, when applicable:

1. Schedule A;
2. Schedule B;
3. Schedule C;
4. Schedule D;
5. Schedule E;
6. Schedule F; and
7. Schedule GR.

## 18:5-5.8 Nonresident distributors' report

(a) Every licensed nonresident distributor is required to file a monthly report on Form NRCD-1. The following schedules must accompany the return, when applicable:

1. Schedule B;
2. Schedule E;
3. Schedule F; and
4. Schedule GNR.

## 18:5-5.9 Resident wholesale and retail dealers' report

(a) Every licensed resident wholesale and retail dealer, other than licensed distributors, that deals in stamped cigarettes of states other than New Jersey, is required to file a monthly report on Form RCW-1, unless the Director permits otherwise. The following schedules must accompany the return, when applicable:

1. Schedule B;
2. Schedule C; and
3. Schedule H.

## 18:5-5.10 Nonresident wholesale and retail dealers' report

Every licensed nonresident wholesale and retail dealer, other than licensed distributors, is required to file a monthly report on Form NRCW-1, unless the Director permits otherwise. Schedule R must accompany the return, when applicable.

## 18:5-5.11 Carrier reports

(a) Every railroad and steamship company, including the Pullman Company, that sells unstamped cigarettes in its cars or on its boats in the State of New Jersey is required to file a monthly report on Form CTR-1.

(b) This report must be accompanied by a remittance for the full amount of all taxes due computed at the rate specified in N.J.A.C. 18:5-2.3.

## 18:5-5.12 Consumer reports

(a) Every licensed consumer who acquires unstamped cigarettes for consumption, storage, or use subject to the New Jersey cigarette tax, is required to file a monthly report on Form CC-1, together with Schedule A.

(b) This report must be accompanied by a remittance for the full amount of all taxes due computed at the rate specified in N.J.A.C. 18:5-2.3.

## 18:5-5.13 Manufacturer reports

(a) Every manufacturer who consigns or delivers shipments of cigarettes into New Jersey, which it intends to distribute without affixing the cigarette tax revenue stamp, is required to file a monthly report on Form MSS-1 (Manufacturer's Report of Special Shipments of Taxable Cigarettes into New Jersey).



(b) This report must be accompanied by a remittance for the full amount of all taxes due computed at the rate specified in N.J.A.C. 18:5-2.3.

#### 18:5-5.16 Number of reports required

(a) (No change.)

(b) The original and one copy of all required reports and all required schedules are to be filed with the Division of Taxation, PO Box 187, Trenton, NJ 08695.

(c) (No change.)

#### 18:5-5.17 Reports to be executed

(a) All required tax reports are to be signed in the following manner:

1. (No change.)

2. If the licensee is a partnership, by one of the partners; and

3. (No change.)

(b) (No change.)

### SUBCHAPTER 6. LICENSES

#### 18:5-6.1 Licenses required

No person is permitted to engage in, or conduct the business of manufacturing, purchasing, selling, consigning, or distributing cigarettes in the State of New Jersey, nor is any person permitted to acquire unstamped cigarettes for consumption, storage, or use in the State of New Jersey without having first obtained the appropriate license for that purpose pursuant to the provisions of the Cigarette Tax Act and this chapter.

#### 18:5-6.2 Issuance of license; Director's powers

(a) (No change.)

(b) The following individuals related to distributors, wholesale dealers, retail dealers operating more than nine cigarette vending machines, and retail dealers who sell cigarettes at retail at more than nine premises, except retail grocery stores and supermarkets primarily engaged in the self-service sale of food and household supplies for off-premises consumption or to restaurants, hotels, and motels operated by national corporations with such premises in six or more states and primarily engaged in the sale of food for retail consumption or in the rental of rooms for lodging shall submit with applications for a license fingerprints, which shall be processed through the Federal Bureau of Investigation and the New Jersey State Police, and such other information as the Director may require:

1.-4. (No change.)

5. Employees receiving in excess of \$30,000 per annum compensation, whether as salary, commission, bonus, or otherwise, and persons who, in the judgment of the Director, are employed in a supervisory capacity or have the power to make or substantially affect discretionary business judgments of the applicant entity with regard to the cigarette business; and

6. Other persons who the Director establishes have the ability to control the applicant entity through any means including, but not limited to, contracts, loans, mortgages, or pledges of securities, where such control is inimical to the policies of this Act because such person is a "career offender" or a member of a "career offender cartel" as defined in (e) below. Individuals licensed pursuant to the Casino Control Act shall only be required to produce evidence of said licensure in satisfaction of the foregoing.

(c) No license shall be issued where the Director has reasonable cause to believe that anyone required to submit information requested of him or her for the purpose of determining the eligibility of the applicant to receive a license, or where the Director has reasonable cause to believe that information submitted in the application is false and misleading and is not made in good faith.

(d) The Director shall not issue any license under the Cigarette Tax Act, or this chapter, where he or she has reasonable cause to believe that anyone required to be licensed or anyone required to submit information under said Act, or this chapter, has been convicted of any offense in any jurisdiction in this State or pursuant to the laws of another state or of the United States or any of the United States' territories or possessions, which would be at the time of conviction a crime of moral turpitude. Any applicant or person required to submit information who has a

charge pending, pursuant to any of the foregoing, shall disclose that fact to the Director. The Director may then withhold action on new applications or, in the application for the renewal of a license, issue a temporary license until there has been a disposition of the charge. The Director shall have the discretion to waive the prohibition against licensure under this subsection, provided upon presentation of proof that a period of not less than five years has elapsed since the last conviction or the expiration of any period of incarceration imposed with respect thereto.

(e) The Director shall not issue any license where the applicant, or anyone required to submit information has been identified as a "career offender" or a member of a "career offender cartel" in such a manner as to create a reasonable belief that the association is of such a nature as to be inimical to the policies of the Cigarette Tax Act, or this chapter, or to the taxation, distribution, and sale of cigarettes within New Jersey. The Director may submit a request to the Attorney General for advice respecting whether a person is a "career offender" within the meaning of this subsection or is a "contumacious defiant" within the meaning of (f) below.

1.-2. (No change.)

(f) The Director shall not issue any license where the applicant or anyone required to submit information has been found to be contumaciously defiant before any legislative investigative body or other official investigative body of the State of New Jersey or of the United States, when such body is engaged in the investigation of organized crime, official corruption, or the cigarette industry itself.

(g) Each such license shall lapse on March 31 of the period for which it is issued, and each such license shall be continued annually upon the conditions that the licensee shall have paid the required fee and complied with all the provisions of the Cigarette Tax Act and this chapter.

(h) (No change.)

#### 18:5-6.3 Display of license

(a) Each license, or certificate thereof, and such other evidence of license issued to every distributor, wholesale dealer, over-the-counter retail dealer, and vending machine retail dealer is to be exhibited in the place of business for which it is issued, in a conspicuous manner at all times, so as to be readily discernible to the public and to the Director or to his or her duly appointed agent, representative, or employee.

(b) Each license, or certificate thereof, and such other evidence of license issued to every consumer, manufacturer, and manufacturer's representative is to be kept by the person to whom it is issued, so as to be readily available for examination and inspection by the Director or by his or her duly appointed agents, representatives, or employees.

#### 18:5-6.4 Expiration of license; renewable

(a) Each license expires on March 31st of the period for which it is issued.

(b) Licenses are renewable annually on condition that the licensee pay the required fee and comply with all the provisions of the Cigarette Tax Act and this chapter.

#### 18:5-6.6 Licensed distributor files bond

(a) Each licensed distributor is required to file with the Director a bond in an amount not less than the average monthly value of the cigarette stamps used by the licensed distributor to guarantee the proper performance of his or her duties and the discharge of liabilities pursuant to the provisions of the Act.

(b) The bond is to be executed by such licensed distributor as principal, and by a corporation approved by the Director and duly authorized to engage in business as a surety company in the State of New Jersey as surety.

(c) The bond is to run concurrently with the distributor's license and be filed on Cigarette Tax Distributor/Wholesaler License Application Packet CWD-P.

#### 18:5-6.7 Wholesale dealer's license

(a) Each wholesale dealer is to apply for a wholesale dealer's license on Cigarette Tax Form CWD-1.

(b) For each license issued to a wholesale dealer, and for each continuance thereof, there must be paid to the Director a fee of \$250.00.

(c) If a wholesale dealer sells or intends to sell cigarettes at 10 or more places of business, whether established or temporary, a separate license is required for each place of business.

#### 18:5-6.8 Wholesale dealer files bond

(a) Each nonresident licensed wholesale dealer is required to file with the Director a bond in an amount not less than \$2,000 to guarantee the proper performance of his or her duties and the discharge of his or her liabilities pursuant to the provisions of the Cigarette Tax Act and this chapter.

(b) The bond is to be executed by such licensed wholesale dealer as principal, and by a corporation approved by the Director and duly authorized to engage in business as a surety company in the State of New Jersey as surety.

(c) (No change.)

#### 18:5-6.9 Retail dealer's over-the-counter license

(a) Each retail dealer is to apply for an "over-the-counter" retail dealer's license on Combined Cigarette License Application CM-100, if the applicant is applying for one license.

(b) If the applicant is applying for more than one retail dealer's license, Combined Cigarette License Application CM-100, Chain Store and Multiple Outlets, is to be used.

(c)-(d) (No change.)

#### 18:5-6.10 Retail dealer's vending machine license

(a) Each retail dealer is required to apply for a vending machine retail dealer's license on Combined Cigarette License Application CM-100, if the applicant is applying for one license.

(b) If the applicant is applying for more than one vending machine retail dealer's license, Combined Cigarette License Application CM-100, is to be used.

(c)-(d) (No change.)

#### 18:5-6.13 Manufacturer's representative license

(a) Each manufacturer's representative is required to apply for a manufacturer's license on Combined Cigarette License Application CM-100.

(b) (No change.)

#### 18:5-6.14 Additional and separate licenses required

(a) (No change.)

(b) Any person licensed only as a distributor, manufacturer, manufacturer's representative, wholesale dealer, or retail dealer, is not permitted to operate in any other capacity, except under that for which he or she is licensed, unless the appropriate additional license or licenses therefor are first secured.

#### 18:5-6.15 Assignment or transfer of license

(a) Any license issued under the Act may be assigned or transferred under the following circumstances:

1. In the case of the death, bankruptcy, receivership, or incompetency of the licensee, or if for any other reason whatsoever, the business of the licensee shall devolve upon another by operation of law, the Director, may, in his or her discretion, extend the said license for a limited time to the executor, administrator, trustee, receiver, or person upon whom the license has devolved.

2. A purchaser or assignee of a licensed wholesaler or licensed distributor, or any other person upon whom the business of a licensed wholesaler or licensed distributor shall devolve by operation of law, shall, upon application to the Director, be entitled to an assignment or transfer of the wholesale or distributor license for the balance of the existing license period upon payment of a transfer fee of \$5.00 and subject to qualification to be a licensed wholesaler or licensed distributor under the provisions of the Act.

3. (No change.)

#### 18:5-6.17 Duplicate and amended license

(a) Any person licensed pursuant to the Act upon payment of a \$1.00 fee may obtain:

1. A duplicate license, or certificate thereof, in the event the original is lost, destroyed, or defaced;

2. (No change.)

#### 18:5-6.18 Sale of cigarettes to persons improperly licensed

All persons duly and properly licensed to sell cigarettes in the State of New Jersey pursuant to the Cigarette Tax Act, may not sell, loan, or exchange cigarettes to, with, or from any person required to be licensed under the New Jersey Cigarette Tax Act, who is not so licensed or is improperly licensed.

#### 18:5-6.19 Suspension or revocation of license

(a) The Director may suspend or revoke the license, or all licenses issued to any person under the Cigarette Tax Act or this chapter who:

1.-4. (No change.)

5. If it is found that:

i. Any applicant has been convicted of a crime as set forth in N.J.A.C.

18:5-6.2(d) or (e);

ii. (No change.)

#### 18:5-6.20 Notice of suspension or revocation of license

(a) The Director, before suspending or revoking any license issued pursuant to the provisions of the Act, shall give 10 days notice to the licensee personally, or by mail addressed to the licensee's last known address.

(b) (No change.)

#### 18:5-6.21 Hearing of suspension or revocation of license

The Director shall afford any person who has received notice of hearing to suspend or revoke any license under the Act, the right to a hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

#### 18:5-6.22 Service of order of suspension or revocation of license

The Director shall serve any order suspending or revoking the license of any person licensed pursuant to the provisions of the Act by personal delivery of a copy, or by mailing a copy to the last known address of the licensee.

#### 18:5-6.23 Appeal of order of suspension or revocation of license

Any person aggrieved by the final order of the Director suspending or revoking the license of such person may appeal therefrom within 45 days from the date of the order to the New Jersey Superior Court, Appellate Division, in the manner and form, and subject to such terms and conditions, as said court shall by rule prescribe.

#### 18:5-6.24 Sales during suspension or revocation of license

No person whose license has been suspended or revoked is permitted to sell cigarettes or to allow cigarettes to be sold on the premises occupied by him, her, or others in any manner or form whatsoever during the period of such suspension or revocation.

#### 18:5-6.25 Abatement of proceedings

No disciplinary proceedings or action by the Director is barred or abated by the expiration, transfer, surrender, renewal, continuance, or extension of any license issued pursuant to the provisions of the Cigarette Tax Act or this chapter.

#### 18:5-6.26 (Reserved)

#### 18:5-6.27 Penalties for sales in violation of N.J.S.A. 52:4D-8

(a) Pursuant to procedures set forth in N.J.S.A. 54:40A-5, the Director may revoke or suspend the holder's Certificate of Authority or suspend or revoke the license of any person that violates N.J.S.A. 52:4D-8. Each offer to sell cigarettes in violation of N.J.S.A. 52:4D-8 and each stamp or metered impression affixed shall be a separate violation. For each violation, the Director may also impose a civil penalty in an amount not to exceed the greater of 500 percent of the retail value of the cigarettes sold, or \$5,000 upon a determination of violation of N.J.S.A. 52:4D-8 or any rule adopted pursuant thereto.

(b) Cigarettes shall be deemed contraband when they have been sold, offered for sale, or possessed for sale in this State in violation of N.J.S.A. 52:4D-8, regardless of whether the violation was knowing under N.J.S.A. 54:40A-30, and those cigarettes shall be subject to forfeiture and seizure as provided in N.J.S.A. 54:40A-30. All cigarettes so forfeited and seized shall be destroyed and not resold.

(c) The Attorney General, on behalf of the Director, may seek an injunction to restrain a threatened or actual violation of N.J.S.A. 52:4D-8, or 52:4D-10.a or .b by a licensed distributor and to compel the licensed distributor to comply with the requirements therein. The State shall be entitled to recover the costs of investigation, costs of the action, and reasonable attorney fees.

(d) It shall be unlawful for any person to sell or distribute cigarettes or acquire, hold, own, possess, transport, import, or cause to be imported, cigarettes that the person knows or should know are intended for distribution or sale in the State in violation of N.J.S.A. 52:4D-8. A violation of this subsection shall be a crime of the third degree.

#### SUBCHAPTER 7. RECORDS

##### 18:5-7.1 Resident distributor records

(a) Resident licensed distributors must maintain and preserve for a period of four years, and make accessible for inspection at all reasonable times, the following records:

1.-2. (No change.)

3. The receiving record, currently posted, of all cigarettes received, whether stamped or unstamped, indicating invoice number, date, quantity, brand, and from whom the cigarettes were received;

4. The invoices, bills of lading, and other records covering all sales of cigarettes, whether stamped or unstamped;

5. (No change.)

6. The daily inventory of all New Jersey cigarette revenue tax stamps;

7. The invoices covering all purchases of New Jersey cigarette revenue tax stamps;

8. The daily record of all revenue tax stamps affixed to cigarettes;

9. (No change.)

(b)-(c) (No change.)

##### 18:5-7.2 Nonresident distributor records

(a) Nonresident licensed distributors must maintain and preserve for a period of four years, and make accessible for inspection at all reasonable times, the following records:

1.-3. (No change.)

4. The invoices, bills of lading, and other records covering all sales of cigarettes stamped with New Jersey revenue tax stamps;

5. All other pertinent papers and documents relating to the purchase, sale, storage, or disposition of cigarettes, whether stamped or unstamped, in New Jersey;

6. The daily inventory of all New Jersey cigarette revenue tax stamps;

7. The invoices covering all purchases of New Jersey cigarette revenue tax stamps;

8. The daily record of New Jersey cigarette revenue tax stamps affixed to cigarettes; and

9. (No change.)

(b) (No change.)

##### 18:5-7.3 Wholesale dealer records

(a) Licensed wholesale dealers must maintain and preserve for a period of four years, and make accessible for inspection at all reasonable times, the following records:

1. (No change.)

2. The invoices and bills of lading together with an accurate record of all sales of cigarettes; and

3. (No change.)

(b)-(c) (No change.)

##### 18:5-7.4 Retail dealer records

(a) Licensed retail dealers must maintain and preserve for a period of four years, and make accessible for inspection at all reasonable times, the following records, invoices, and bills of lading covering all purchases of cigarettes, whether on a cash or credit basis, which must indicate, among other things:

1. (No change.)

2. The address of the seller;

Recodify existing 2.-5. as 3.-6. (No change in text.)

##### 18:5-7.5 Manufacturers' representatives' records

(a) New Jersey manufacturer's representatives must maintain and preserve for a period of four years and make accessible for inspection at all reasonable times, the following records:

1. (No change in text.)

2. Separate invoices for each sale of cigarettes by the manufacturer's representative, which invoices are to contain:

Recodify existing 1.-4. as i.-iv. (No change in text.)

v. The name and address of the licensee to whom the cigarettes were sold, transferred, or exchanged; and

vi. (No change in text.)

##### 18:5-7.6 Director may adjust records

(a) The Director, in his or her discretion, and in such manner as he or she may determine, adjust any taxpayers' records, tax reports, or tax returns to make a fair and reasonable determination of any taxes, fees, penalties, and interest due under the Act whenever it appears that:

1. Any taxpayer fails to maintain its books, records, papers, vouchers, accounts, invoices, or other documents in accordance with sound accounting principles and the requirements of the Act and this chapter;

2. Any taxpayer conducts his or her business or maintains records in such a manner as to directly or indirectly distort his or her true tax liability;

Recodify existing (c)-(d) as 3.-4. (No change in text.)

#### SUBCHAPTER 8. ASSESSMENTS

##### 18:5-8.1 Deficiency assessment

(a) After a report or return is filed with the Director, the Director shall cause the same to be examined and may make such further audits or investigations as deemed necessary.

(b) If the Director determines that there is a deficiency with respect to the payment of any tax due, he or she shall:

1. Assess the additional taxes, penalties, and interest due from the taxpayer;

2. (No change.)

3. Make demand for payment.

##### 18:5-8.2 Arbitrary assessment for withheld reports

(a) If any taxpayer fails to make any report or return required by the Act, the Director may make an estimate of the taxable liability of such taxpayer from any information he or she may obtain, and according to such estimate so made by him or her:

1. Assess the taxes, fees, penalties, and interest due from such taxpayer;

2. (No change.)

3. Make demand for payment.

##### 18:5-8.3 Arbitrary assessment for fleeing, concealment, or removing appropriate

(a) The Director may immediately make an arbitrary assessment under N.J.S.A. 54:49-7 whether or not any report is due by law and may proceed under the arbitrary assessment to collect the tax, or compel posting of security, and give notice of the finding to the taxpayer with a demand for an immediate report or return an immediate payment of such tax, if it appears that:

1. The taxpayer intends to flee the State of New Jersey;

2. The taxpayer intends to remove his or her property, or any property subject to the Act;

3.-4. (No change.)

##### 18:5-8.4 Penalties

Any taxpayer, which shall fail to file any return when due or fail to pay any tax when due, shall be subject to penalties and interest as provided for in the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq. and N.J.A.C. 18:2-2.

##### 18:5-8.5 Payment of assessments

All taxes, penalties, and interest assessed against a taxpayer are to be paid within 15 days after notice and demand has been mailed to the taxpayer by the Director.



## 18:5-8.6 Penalty for non-payment of assessments

If the taxes, penalties, and interest assessed against a taxpayer are not paid within 15 days, there shall be added to the amount of assessment, in addition to any interest and penalties, a sum equivalent to five percent of the tax.

## 18:5-8.9 Certificate of debt, judgment

(a) (No change.)

(b) The Clerk to whom such certificate is issued shall immediately enter upon his or her record of docketed judgments the following information:

1.-6. (No change.)

(c) Such entries shall have the same force and effect as the entry of a docketed judgment in the office of such clerk, and the Director shall have all the remedies and may avail himself or herself of any proceedings for the collection thereof which may be had or taken upon the recovery of a judgment in any court of law in this State, but without prejudice to the taxpayer's right of appeal.

## 18:5-8.10 Protest against assessments

(a) If any taxpayer is aggrieved by any finding or assessment of the Director, within 90 days of the giving of the notice of assessment or finding, the taxpayer may file a protest in writing in the form and manner described in N.J.A.C. 18:32-1.2 and, if desired, request an informal or formal hearing.

(b) If a taxpayer files a timely protest, the Director may grant a formal or informal hearing to the taxpayer, and upon such hearing make an order confirming, modifying, or vacating any such finding or assessment.

## 18:5-8.12 Formal hearings

(a) All evidence at a formal hearing shall be taken before a court recorder and the parties shall not be bound by common law or statutory rules of evidence; all testimony having reasonable probative value shall be admitted; but immaterial, irrelevant, or unduly cumulative testimony may be excluded.

(b) Every party shall have the right to present his or her case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full, true disclosure of the facts.

(c) (No change.)

(d) Upon reaching a determination, the Division of Taxation shall notify a taxpayer or other party in interest or his or her representative by mail of the determination made.

## 18:5-8.13 Service of notice on taxpayer

(a) Any notice required to be given by the Director may be served personally, or by mailing the same at any of the taxpayer's places of business in this State or elsewhere, or at the address given in the last report or return filed by the taxpayer, or if no report or return has been filed, then to such address as may be obtainable.

(b) (No change.)

## 18:5-8.14 Written agreements final for tax liability

(a) The Director is authorized to enter into a written agreement with any taxpayer relating to the liability of such taxpayer in respect to any tax, fee, penalty, or interest heretofore or hereafter imposed by the Act.

(b) The agreement shall be final and conclusive, and except upon a showing of fraud, malfeasance, or misrepresentation of a material fact:

1. (No change.)

2. Shall not be annulled, modified, set aside, or disregarded in any suit, action, or proceeding, such agreement, or any determination, assessment, collection, payment, refund, cancellation, or credit made in accordance therewith.

## SUBCHAPTER 9. TAX A LIEN

## 18:5-9.1 Tax a debt and lien

(a) The taxes, fees, interest, and penalties imposed by the Act, from the time the same are due, constitute a personal debt of the taxpayer to the State of New Jersey, recoverable in any court of competent jurisdiction in an action in debt in the name of the State.

(b) Any debt under (a) above, whether sued upon or not, constitutes a lien on all the property of the taxpayer.

(c) The lien has preference in any distribution of the assets of the taxpayer, whether in bankruptcy, insolvency, or otherwise.

(d) Such lien is not affected by any extension of time which may be granted for filing any tax report or tax return, and continues and remains on all of the taxpayer's property until all the taxes, interest, penalties, or costs heretofore or hereafter imposed or incurred, whether levied or assessed or not, are paid, or a release is obtained from the Director.

## 18:5-9.2 Release of property from lien

(a) The Director, upon the written application of a taxpayer and the payment of an amount equal to the cost of collection, may release any property from the lien of any tax, interest, fee, penalty, certificate, judgment, or levy imposed in accordance with the Act, provided, either:

1. Payment is made to the Director in such sum as he or she deems adequate consideration for such release;

2. A deposit is made of such sum as the Director deems adequate consideration for such release;

3. Deposit be made of security;

4. A bond is filed as the Director deems proper to secure the payment of any debt evidenced by any such tax, interest, penalty, judgment, certificate, or levy, the lien of which is sought to be released; or

5. (No change.)

(b)-(c) (No change.)

## SUBCHAPTER 10. VENDING MACHINES

## 18:5-10.1 Approval of types of cigarette vending machines

(a) In order to protect the collection of any tax imposed by the Act, the Director reserves the right to approve or to disapprove, in his or her discretion, the type of cigarette vending machine that may be used for the sale of packages of cigarettes in the State of New Jersey.

(b) (No change.)

## 18:5-10.4 Sealing and seizure of cigarette vending machines

(a) Any cigarette vending machine not properly licensed or not properly identified pursuant to N.J.A.C. 18:5-10.3, or which is found to contain packages of cigarettes to which New Jersey revenue tax stamps have not been properly affixed or which is operated contrary to, and in violation of, any other provisions of the Act or this chapter, may be seized or sealed by the Director, or his or her authorized delegate, agents, or employees or by any peace officer of the State of New Jersey in such manner as to prevent its further operation.

(b) No person may unseal any such sealed vending machine, except the Director or his or her authorized delegate, unless or until the licensee of such vending machine is in compliance with all of the provisions of the Act and this chapter.

## 18:5-10.5 Interior inspection of vending machines

(a) Any person who owns or operates a licensed cigarette vending machine which is constructed in a manner that any packages of cigarettes it contains are not visible to the public, upon oral request of the Director or his or her delegate, and without any additional notice, is required to unlock and open any and all such machines owned or operated for a complete interior examination and inspection.

(b) If any such cigarette vending machine is located on premises not owned or controlled by the owner or operator of the vending machine, access to such premises and any and all cigarette vending machines located thereon, must be provided at all reasonable times to the Director or his or her duly appointed delegate.

## SUBCHAPTER 11. TRANSPORTATION OF UNSTAMPED CIGARETTES

## 18:5-11.1 Transportation of unstamped cigarettes; permit required

(a) Any person who transports cigarettes not stamped under the Act, upon the public highways, roads, streets, or waterways of the State of New Jersey, other than a common carrier or person licensed pursuant to the Act, is required to have in his or her actual possession, in addition to the documents required by N.J.S.A. 54:40A-32, a permit from the



Director authorizing the transportation of such unstamped cigarettes in, to, or through the State of New Jersey.

(b)-(c) (No change.)

(d) On the date authorized in the permit for the transportation of the unstamped cigarettes, the transporter is required to stop at the first State Police post or station on his or her authorized route and make available for inspection his or her permit, documents required by N.J.S.A. 54:40A-32, and the cigarettes being transported.

SUBCHAPTER 12. PENALTIES

18:5-12.2 Third degree crimes

(a) The following crimes are considered third degree crimes for purposes of the Act:

1. (No change.)
2. The securing or possessing any counterfeit stamping device;
3. The possession of 20,000 or more counterfeit stamped cigarettes by any person; or
4. The sale of cigarettes to which the stamp required by the Act has not been affixed.

18:5-12.3 Misdemeanors

(a) The following misdemeanors are subject to a penalty of not more than a \$1,000 fine, or imprisonment of not more than one year, or both:

Recodify existing 2. and 3. as 1. and 2. (No change in text.)

18:5-12.4 Disorderly persons violations

(a) The following are considered disorderly person violations subject to a penalty of not more than a \$1,000 fine, or imprisonment of not more than six months, or both:

1. Failure to produce invoices of all cigarettes purchased or received;
2. Prevent or hinder the making of a cigarette inventory, examination, and full inspection of any place where cigarettes are sold or stored, or

the inspection of invoices, books, records, or papers required to be kept; or

3. Interfering with the administration of the Act.

18:5-12.5 Civil penalties

(a) The following civil violations are subject to a penalty of not more than \$1,000:

1. (No change.)
2. (No change in text.)
3. The sale or exchange by a manufacturer's representative of brands of cigarettes other than those of his or her employer's manufacturer; or
4. (No change in text.)

(b) The possession of unstamped cigarettes by any wholesale or retail dealer or the failure of any consumer to remit the tax due, is subject to a penalty of not more than \$1,000 per carton.

(c) As stated in N.J.S.A. 54:40A-32, every transporter who violates the provisions of this Act is guilty of a crime in the fourth degree and shall, in addition to such penalties as attached thereto, be liable to a penalty equal to double the amount of tax due on any unstamped cigarettes transported by him or her, which penalty shall be sued for and recovered in the same manner as provided for the penalties imposed by N.J.S.A. 54:40A-24.

18:5-12.7 Fourth degree crimes

(a) The following crimes are considered fourth degree crimes for purposes of the Act:

1. The possession of 2,000, but fewer than 20,000, counterfeit stamped cigarettes by any person.
2. The transportation of cigarettes not stamped as required by the Cigarette Tax Act, without proper invoices.