

# B-A-MR50 Instructions Schedule of Modified Risk Tobacco Products - 50% Risk Modification Order Instructions

## General Instructions

The Form B-A-MR50, Schedule of Modified Risk Tobacco Products - 50% Risk Modification Order must be completed and attached to all of the following forms, whichever is applicable, when taking a tax reduction for a modified risk tobacco product issued a risk modification order by the USFDA under 21 U.S.C. § 387k(g)(1) (Note: Modified Risk Tobacco Products - means a tobacco product that is sold or distributed for use to reduce harm or the risk of tobacco-related disease associated with commercially marketed tobacco products):

- B-A-5, Monthly Return of Resident Cigarette Distributor
- B-A-6, Monthly Return of Nonresident Cigarette Distributor
- B-A-101, Monthly Other Tobacco Products Excise Tax Return
- B-A-102, Monthly Vapor Products Tax Excise Tax Return

Complete all information at the top of Form B-A-MR50, including Application for Schedule for Period Beginning and Ending, Legal Name (first 35 characters), Trade Name, Mailing Address, City, State, Zip Code, State of Domicile, FEIN or SSN, NCDOR ID/License Number, Name of Contact Person, Phone Number, and Fax Number. **Note:** For Contact Person, pursuant to N.C.G.S. 105-259, tax information is confidential. If a contact person is someone other than an owner, officer, member, or partner of the business entity, complete and submit Form Gen-58, Power of Attorney and Declaration of Representative, which grants authority to an individual to represent a taxpayer before the Department of Revenue and to receive and inspect confidential tax information. If a reporting service is used to file required returns or reports, the taxpayer must submit Form Gen-58, Power of Attorney and Declaration of Representative, for each individual preparer(s) of the return or report. Reporting services are reminded to always submit returns or reports using the taxpayer's legal name and mailing address.

This schedule is due with the applicable tax return on or before the 20th day of the month following the month in which the modified risk tobacco products, under a risk modification order, were first purchased or received from the manufacturer. A schedule with the applicable return are filed when received by the Department or postmarked by the due date. If the due date falls on a Saturday, Sunday, or state holiday, the schedule with the applicable return **MUST BE RECEIVED** by the Department or **MUST BE POSTMARKED** on the next business day. This also applies to returns when no tax is due. Records must be kept for three years from the due date of the return to which the records apply. **Note: Do not enter negative amounts and round amounts entered to the nearest whole number.**

**Amended Returns:** Prior period adjustments are not allowed on current returns. If you must amend a previously filed Schedule of Modified Risk Tobacco Products - 50% Risk Modification Order, you must complete Form B-A-MR50, Schedule of Modified Risk Tobacco Products - 50% Risk Modification Order showing the required adjustments for the amended period. You must also mark the return as amended by filling in the circle indicating an amended schedule and file with the appropriate amended tax return.

## Line-by-Line Instructions

### **Part 1. Other Tobacco Products - List of Modified Risk Tobacco Products Subject to 50% Tax Reduction**

Complete all information including Modified Risk Tobacco Product Number (Note: This number should begin with "MR" and should be issued by the USFDA), Product Manufacturer, Product Category, Cost Price of Modified Risk Tobacco Product, and 50% Reduction of Cost Price of Modified Risk Tobacco Product. If adequate space is not available, write "See attached" in the table of the form and attach a separate document labeled, "Part 1. Other Tobacco Products - List of Modified Risk Tobacco Products Subject to 50% Tax Reduction". Make sure to include your Legal Name and NCDOR ID, and all required information on the separate document.

Enter the total from Part 1 on Line 4 of Form B-A-101.

### **Part 2. Cigarette - List of Modified Risk Tobacco Products Subject to 50% Tax Reduction**

Complete all information including Modified Risk Tobacco Product Number (Note: This number should begin with "MR" and should be issued by the USFDA), Product Manufacturer, Product Category, Number of Packs of Twenty and/or Twenty-Five

Tobacco Product. If adequate space is not available, write "See attached" in the table of the form and attach a separate document labeled, "Part 2. Cigarette - List of Modified Risk Tobacco Products Subject to 50% Tax Reduction". Make sure to include your Legal Name and NCDOR ID, and all required information on the separate document.

Enter the total from Part 2 on Line 8 of Form B-A-5 or on Line 1 of Form B-A-6, whichever is applicable.

**Part 3. Vapor Products - List of Modified Risk Tobacco Products Subject to 50% Tax Reduction**

Complete all information including Modified Risk Tobacco Product Number (Note: This number should begin with "MR" and should be issued by the USFDA), Product Manufacturer, Product Category, Number of Milliliters of Modified Risk Tobacco Product, and 50% Reduction of Number of Milliliters of Modified Risk Tobacco Product. If adequate space is not available, write "See attached" in the table of the form and attach a separate document labeled, "Part 3. Vapor Products - List of Modified Risk Tobacco Products Subject to 50% Tax Reduction". Make sure to include your Legal Name and NCDOR ID, and all required information on the separate document.

Enter the total from Part 3 on Line 4 of Form B-A-102.

**Failure to comply with provisions of Article 2A of Chapter 105 of the North Carolina General Statutes is a Class 1 Misdemeanor.**

**MAIL TO:**

North Carolina Department of Revenue  
Excise Tax Division  
Post Office Box 25000  
Raleigh, North Carolina 27640-0950

**QUESTIONS:**

Contact the Excise Tax Division at:  
Telephone Number (919) 707-7500  
Toll Free Number (877) 308-9092  
Fax Number (919) 250-7898