

Decision of the Tax Appeal Board - Date: September 14, 1973

Docket No. 506

R. Baylin Company

Manufacturers, Merchants License - Tobacco Products Wholesaler -  
Inclusion of Cigarette Tax in License Tax Base.

The value of tax stamps affixed to cigarettes by a wholesaler prior to their sale must be included in the wholesaler's merchants license (gross receipts) tax base. The cigarette tax is includible in taxable gross receipts as part of the consideration received by the wholesaler for goods sold within Delaware under Section 2901 and 2902, Title 30 of the Delaware Code. The fact that the wholesaler is a cigarette tax stamp affixing agent of the state does not warrant its special treatment for gross receipts tax purposes.