

Vapor Products Tax Fact Sheet 3501

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Effective October 1, 2019, there is an excise tax imposed on vapor products. The tax rate is 5 cents per milliliter of liquid or other substance heated to produce vapor for inhalation, regardless of whether the liquid or other substance contains nicotine.

The tax applies to liquids or other substances that function as part of a vapor product or are sold with a vapor product as one packaged item.

The tax does not apply to equipment and devices that are not sold with a liquid or other substance. The tax also does not apply to liquids that are not packaged and sold with equipment that is in whole or in part a vapor product.

Who is Subject to the Tax?

Distributors that sell and ship untaxed vapor products to **retailers** in Wisconsin.

Retailers that sell and ship untaxed vapor products to **consumers** in Wisconsin.

Manufacturers that produce vapor products in Wisconsin for sale in Wisconsin.

Consumers that purchase vapor products from someone who has not paid the vapor products excise tax must pay a use tax. File Form TT-104S.

How Do I Obtain a Permit?

Distributors of vapor products must apply for a permit by completing Form CTP-129, *Cigarette and Tobacco/Vapor Products Permit Application*, found on our website at: www.revenue.wi.gov.

Note: Current tobacco products distributor permit holders do not need to apply for a new permit.



Any Questions?

Visit www.revenue.wi.gov and search "vapor products."

Contact our Excise Tax Unit at 608-266-6701 or DORExciseTaxpayerAssistance@wisconsin.gov.

Applicable Laws and Rules

This document provides statements or interpretations of the following provisions of Wisconsin Statutes enacted as of July 21, 2020: Subchapter III of Ch. 139, Wis. Stats.

Laws enacted and in effect after July 21, 2020, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to July 21, 2020, that is contrary to the information in this document is superseded by this document, pursuant to sec. 73.16(2)(a), Wis. Stats.

Last Updated: July 22, 2020