

**453A.6 Tax imposed.**

1. There is imposed, and shall be collected and paid to the department, a tax on all cigarettes used or otherwise disposed of in this state for any purpose equal to six and eight-tenths cents on each cigarette.

2. The said tax shall be paid only once by the person making the “first sale” in this state, and shall become due and payable as soon as such cigarettes are subject to a “first sale” in Iowa, it being intended to impose the tax as soon as such cigarettes are received by any person in Iowa for the purpose of making a “first sale” of same. If the person making the “first sale” did not pay such tax, it shall be paid by any person into whose possession such cigarettes come until said tax has been paid in full. No person, however, shall be required to pay a tax on cigarettes brought into this state on or about the person in quantities of forty cigarettes or less, when such cigarettes have had the individual packages or seals thereof broken and when such cigarettes are actually used by said person and not sold or offered for sale.

3. Payment of the tax shall be evidenced by stamps purchased from the department by a distributor or manufacturer and securely affixed to each individual package of cigarettes in amounts equal to the tax as imposed by [this chapter](#), or by the impressing of an indicium upon individual packages of cigarettes, under regulations prescribed by the director.

4. Any other person who purchases or is in possession of unstamped cigarettes shall pay the tax directly to the department.

5. The per cigarette amount of the tax shall be added to the selling price of every package of cigarettes sold in this state and shall be collected from the purchaser so that the ultimate consumer bears the burden of the tax.

6. All excise taxes collected under [this division](#) by a distributor, manufacturer, or any individual are deemed to be held in trust for the state of Iowa.

7. Cigarettes shall be sold or dispensed only in packages or quantities of twenty or more cigarettes.

8. Any permit holder owning, renting, leasing, or otherwise operating a cigarette vending machine into which loose tobacco products are inserted and from which assembled cigarettes are dispensed shall do all the following:

a. Pay directly to the department, in lieu of the tax under [subsection 1](#), a tax equal to three and six hundredths cents on each cigarette dispensed from such machine.

b. Allow to be inserted into such machine only loose tobacco products whose manufacturer and brand family are then currently listed on the directory maintained by the director under [chapter 453D](#).

c. On or after January 1, 2014, allow to be dispensed from such machine only cigarettes which are in compliance with the requirements of [chapter 101B](#).

d. Maintain in good working order on such machine a secure meter that counts the number of cigarettes dispensed by the machine, which meter cannot be accessed except for the sole purpose of taking meter readings, and cannot be reset or otherwise altered by the permit holder.

[C24, 27, 31, 35, §1570; C39, §**1556.01**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §98.6]

[83 Acts, ch 165, §1](#); [85 Acts, ch 32, §1](#); [88 Acts, ch 1005, §1](#); [88 Acts, ch 1153, §1](#); [91 Acts, ch 267, §509, 510](#)

C93, §453A.6

[99 Acts, ch 151, §74, 75, 89](#); [2004 Acts, ch 1073, §36](#); [2007 Acts, ch 17, §3, 4, 12](#); [2012 Acts, ch 1110, §27](#)

Referred to in [§453A.35](#), [§453A.35A](#), [§453A.40](#), [§453A.43](#)  
Inventory tax, [§453A.40](#)

Collection of tax on cigarettes and tobacco products subject to taxation prior to July 1, 2014, not prohibited by 2014 Acts, ch 1109; [2014 Acts, ch 1109, §14](#)