



Office of State Revenue  
NSW TREASURY

ABN: 77 456 270 638

## Revenue Ruling No. BF14

### Value of Tobacco for Assessment Purposes

#### PREAMBLE

Section 41 of the Business Franchise Licences (Tobacco) Act, 1987, provides that the fee to be paid by an applicant for a licence includes an amount based on the value of tobacco sold by the applicant during the relevant period.

Section 45 of the Act enables the Minister to determine the basis upon which and the means by which a value is to be attributed to tobacco sold during any period. This is designed to prevent tobacco from being sold at an artificially low price, so as to attract a lesser licence fee. This Ruling sets out the Minister's determination under section 45.

#### RULING

1. In accordance with section 45 of the Act, the Minister has determined the value of tobacco to be the wholesale list price for tobacco as published from time to time by tobacco manufacturers and importers, excluding:
  - (i) Any amount included in the selling price in consideration of a licence fee;
  - (ii) the selling price of tobacco sold to duty free stores where the tobacco was intended for sale to travellers proceeding overseas;
  - (iii) the selling price of tobacco sold to airlines, shipping companies, providers of airlines or shipping companies and service bodies where the tobacco was intended for sale to passengers and/or crews proceeding overseas;
  - (iv) the selling price of tobacco sold to service bodies where the tobacco was intended for sale to service personnel serving overseas; and
  - (v) the selling price of tobacco sold to overseas residents.
2. Rebates granted by wholesalers must not be deducted from the wholesale list price of tobacco when calculating licence fees payable.

R. P. DALEY,  
for Chief Commissioner.  
9 June 1988

Lang Centre  
Cnr Hunter and Marsden Streets  
Parramatta NSW  
GPO Box 4042  
Sydney NSW 2001  
DX 456 Sydney  
Phone (02) 9639 6200  
Facsimile (02) 9639 6464  
Internet [www.nsw.gov.au](http://www.nsw.gov.au)