**297F.07 SALES TO INDIAN TRIBES.**

Subdivision 1. **Wholesalers.** A wholesaler may set aside the part of the wholesaler's cigarette and tobacco product stock necessary to make sales to the established governing body of an Indian Tribe recognized by the United States Department of Interior without paying the tax required by this chapter. The amount of unstamped or untaxed stock that wholesalers may deliver to an Indian reservation is limited to amounts necessary to meet the personal consumption needs of qualified purchasers. The unstamped stock must be kept separate and apart from stamped stock. When shipping or delivering unstamped or untaxed stock to an Indian Tribal organization, the wholesaler shall make a true duplicate invoice. The invoice must show the complete details of the sale or delivery. The wholesaler shall send the duplicate to the commissioner not later than the 18th day of the following calendar month. If the wholesaler fails to comply with this section, the commissioner shall revoke the permission granted to the wholesaler to keep a stock of unstamped goods.

Subd. 2. **Retailers.** Retailers who are Indian Tribal organizations may keep unstamped or untaxed stock intended for sale to qualified purchasers.

Subd. 3. **Qualified purchasers.** A qualified purchaser of unstamped or untaxed stock means only an enrolled member of the Indian Tribe which is offering the stock for sale.

Subd. 4. **Sales to nonqualified buyers.** A retailer who sells or otherwise disposes of unstamped or untaxed stock other than to a qualified purchaser shall collect from the buyer or transferee the tax imposed by section 297F.05, and remit the tax to the Department of Revenue at the same time and manner as required by section 297F.09. If the retailer fails to collect the tax from the buyer or transferee, or fails to remit the tax, the retailer is personally responsible for the tax and the commissioner may seize any product destined to be delivered to the retailer. The product so seized shall be considered contraband and be subject to the procedures outlined in section 297F.21, subdivision 3.

This section does not relieve the buyer or possessor of unstamped or untaxed stock from personal liability for the tax.

**History:** *1997 c 106 art 1 s 7; 2010 c 389 art 6 s 7*