

**From:** TheSmthGrp@aol.com  
**Sent:** Monday, May 23, 2011 11:32 AM  
**To:** Muse, Andrea (TAX)  
**Cc:** Haskins, Mark (TAX); Mayer, Joseph (TAX)  
**Subject:** Re: Local Cigarette Tax Study- List of Potential Issues

Andrea,

I would like to pass along for future meeting agenda's a consideration to address security issues with local stamps. Although there may be some jurisdictions that have proper controls, there are a number that do not and as more are added to the taxing rolls , security procedures should be on our list.

We have had situations where stamps were stolen from the back door of a municipal bldg to the FED X truck----- no claimed to be at fault---- local government said it went out the door and FED X reported they delivered the package given to them when picked up ----- our wholesaler had to pay another \$10,000 for another roll of local stamps. With Tidewater now going to \$7.50 a carton tax like Fairfax at \$8.50 a carton--a Virginia \$10.50- \$11.50 tax creates more incentive for mischief and tax avoidance.

Last week I had a meeting with State Police and Col Flaherty about product stolen recently in Amherst. Since stamping agents maintain prepaid stamp inventory this is a problem along with drivers traveling the State with expensive inventories these days.

Our July meeting is tentatively set to travel to Mc Lane to provide the study group a visual representation of what we have been reporting. TAX may consider then, that they hear a report from Retail regarding various methods of product receipt-then to the shelf.

Thank you for the update and the web site. Very helpful with our communications for this study.

Regards,

Jeff

**JEFF D. SMITH,III**  
**THE SMITH GROUP, INC.**  
**4907 AUGUSTA AVE.**  
**RICHMOND, VIRGINIA 23230**  
**PH: 804-353-2322**  
**FX: 804-355-8986**  
**CELL: 804-240-0271**  
**EMAIL: [THESMTHGRP@AOL.COM](mailto:THESMTHGRP@AOL.COM)**  
**WEBSITE: [WWW.SMITHGROUPVA.COM](http://WWW.SMITHGROUPVA.COM)**

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In a message dated 5/20/2011 4:22:12 P.M. Eastern Daylight Time, [andrea.muse@tax.virginia.gov](mailto:andrea.muse@tax.virginia.gov) writes:

A broad outline of the topics discussed at the April 19, 2011 meeting as issues that should be considered by the working group is attached and has been placed on TAX's webpage for the study, <http://www.tax.virginia.gov/site.cfm?alias=StudyLocalCigarette>, under the "Study Documents" section. Members of the working group are encouraged to send any additional issues that they believe should be included in future discussions to me and I will post them to the webpage. I encourage everyone to visit the webpage regularly to keep abreast as to the progress of the study.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Andrea M. Muse  
Tax Policy Analyst  
Virginia Department of Taxation  
Post Office Box 27185  
Richmond, Virginia 23261-7185  
Phone: (804) 371-2336 | FAX: (804) 371-2355  
[andrea.muse@tax.virginia.gov](mailto:andrea.muse@tax.virginia.gov)