

CIGARETTE TAX UNIT

INSTRUCTIONS FOR PREPARATION AND EXECUTION OF CIGARETTE TAX BONDS AND RIDERS THERETO

The following are requirements this Department regarding the preparation and execution of the Cigarette Licensing forms.

1. Name of principal shown on bond must conform exactly with the name shown on the dealer's application for a license to sell cigarettes.
2. The bond must be signed by both principal, and surety with the official capacity of each signatory clearly set forth next to his signature.
3. Where corporations are concerned, the corporate impression seal must be affixed near the signature of the officer who has executed the bond on behalf of such corporations.
4. The signatures of both principal and surety must be acknowledged before a notary public. Notarization of the signatures alone or the incorrect form of acknowledgement (individual, co-partnership or corporation) will be cause for rejection of the board.
5. The acknowledgement before a notary public must show the following:
 - a. Date
 - b. Venue
 - c. County in which notary is qualified
 - d. Expiration date of notary's commission
6. Acknowledgements of the signatures must not be taken prior to execution of the bond.
7. Copies of corporate resolutions and by-laws of the surety company should be attached to show proper designation of the officer or attorney-in-fact who executes the bond on behalf of the surety company and that the surety company is duly authorized to transact business in New York State.
8. A recent financial statement of the surety company must be submitted.
9. The documents mentioned in item 7 above must be accompanied by a statement of an official of the surety company certifying the correctness of the extract of the corporate resolutions and by-laws, the power of attorney has not been revoked and is still in force and effect as of the date of execution of the bond.
10. The condition of a bond shall be stated in the exact language of the local law.
11. The condition of a credit bond must obligate the surety for interest and penalties which the City of New York may include in any unpaid claim against the principal.
12. All cigarette tax credit bonds must be prepared and submitted as two originals.
13. All copies of bonds must be conformed copies correctly prepared, executed, with signatures acknowledged and supporting attachments affixed to each copy in the same manner as the original bond.
14. When riders are submitted to modify or amend a bond previously filed and approved by this Department, such riders must conform to the same rules of execution, supporting attachments and number of copies as are applicable to bonds.

Your cooperation in following the above instructions will enable this Department to expedite approval of the bonds and to minimize inconvenience and delay resulting when improperly prepared or executed bonds must be returned for correction.