



Ohio Administrative Code

Rule 109:8-1-03 Quarterly Certifications and Escrow Deposits.

Effective: January 1, 2005

(A) On or after January 1, 2005, to promote compliance with section 1346.02 of the Revised Code, the attorney general may require nonparticipating manufacturers to certify compliance with sections 1346.02 and 1346.05 of the Revised Code on a quarterly basis. The attorney general may also require nonparticipating manufacturers to make the escrow payments required by section 1346.02 of the Revised Code, in quarterly installments during the year in which the sales covered by such payments are made. This rule applies to nonparticipating manufacturers that meet any of the following criteria:

- (1) Nonparticipating manufacturers that have not previously established and funded a qualified escrow fund in Ohio;
- (2) Nonparticipating manufacturers that have not made any escrow deposits for more than one year;
- (3) Nonparticipating manufacturers that have failed to make a timely and/or complete escrow deposit for any prior calendar year;
- (4) Nonparticipating manufacturers that have failed to pay any judgment obtained in any jurisdiction, including any civil penalty stemming from any jurisdiction's escrow deposit laws;
- (5) Nonparticipating manufacturers that have more than one million six hundred thousand of their cigarettes sold during a quarter; and
- (6) In addition to the reasons specified in this rule, the attorney general may require quarterly escrow deposits from a nonparticipating manufacturer if the attorney general has reasonable cause to believe the nonparticipating manufacturer may not make its full required escrow deposit by April fifteenth of the year following the year in which the cigarettes sales were made.

(B) Nonparticipating manufacturers who are required to make quarterly escrow deposits must do so



no later than thirty days after the end of the quarter in which the sales are made. For example, the deadline for making a quarterly escrow deposit for cigarette sales occurring January first through March thirty-first is April thirtieth of the same year.

(C) Nonparticipating manufacturers who are required to make quarterly escrow deposits, shall provide the attorney general with official notification of the quarterly escrow deposit no later than ten days after the deadline for which an escrow deposit is required. Nonparticipating manufacturers shall also provide their quarterly certifications within the same deadline. For example, the deadline for certifying and officially notifying the attorney general of a quarterly escrow deposit for sales of cigarettes that occurred January first through March thirty-first is May tenth of the same year. Nothing in this rule eliminates the requirement under section 1346.05 of the Revised Code for a nonparticipating manufacturer to file its annual certification due on April thirtieth of each year.

(D) For purposes of this rule, the calendar year shall be divided into the following quarters: January first through March thirty-first; April first through June thirtieth; July first through September thirtieth; and October first through December thirty-first.

(E) If the required quarterly escrow deposit is not timely made in full, or the required quarterly certification is not provided to the attorney general, or the attorney general does not receive timely official notice of the quarterly escrow deposit, the delinquent nonparticipating manufacturer and its brand families shall be removed from the directory in accordance with section 1346.05 of the Revised Code.