



Wholesalers must now apply for a permit to sell tobacco

New rules for the selling of tobacco come into force on 1 July 2019. Wholesalers who wish to sell tobacco products to parties other than consumers must now apply for a permit from the municipality in order to do so. The person applying for the permit must be able to show that he or she is a suitable person to run such a business.

From 1 July 2019, if you wish to sell tobacco products to parties other than consumers, for example to retailers or other wholesalers, you must apply for a permit in order to do so.

Important dates

- You may continue to sell tobacco products provided you apply to your municipality for a permit before 1 November 2019. You may then continue selling tobacco products until the municipality has made a decision on your application.
- If you do not apply for a permit before 1 November 2019, you may not continue to sell tobacco products.

Your application must include a self-monitoring programme

When you submit your application to the municipality, you must include a self-monitoring programme. A permit cannot be issued without an appropriate self-monitoring programme. Your programme should include the procedures your business will follow to ensure that you and your staff comply with the legal requirements for the selling of tobacco products. The municipality will assess your programme as part of your application.

New law on tobacco and similar products

From 1 July 2019, wholesalers who wish to sell tobacco products to parties other than consumers, for example to retailers or other wholesalers, must apply for a permit from the municipality in order to do so. The Tobacco Act (1993:581) and the Act on Electronic Cigarettes and Refill Containers (2017:425) will be replaced from this date by a new law: the Act on Tobacco and Similar Products (2018:2088).

What type of permit can you apply for?

You can apply for either an open-ended permit or a time-limited permit.

- Open-ended permit: This is valid until such time as you choose to revoke the permit yourself or it is revoked by the municipality.
- Time-limited permit: This is valid for a specific time period.

Where should you submit your application?

Applications for permits must be submitted in writing. You must submit your application to the municipality where your company has its registered office. If your company does not have a registered office in Sweden, you must submit your application to the municipality where your company is permanently established.

Is there a charge for applying for a permit?

Municipalities are entitled to charge an administration fee for assessing your permit application. Fees are set by the municipality, so they may vary from one municipality to another.

What happens after you have submitted your application to the municipality?

The person applying for a permit to sell tobacco products to parties other than consumers must be able to show that their financial and personal situation and circumstances in general are such that he or she is a suitable person to run such a business. The municipality may also ask to see a plan showing how the purchase of the business has been financed.

When a legal entity, for example an 'aktiebolag' (a limited liability company), a 'handelsbolag' (partnership) or a 'kommanditbolag' (limited partnership), applies for a permit, the municipality may wish to investigate all those exerting significant influence in the company. People with significant influence could be shareholders exerting significant influence, finance providers, board members, executive directors and/or partners in the company. The municipality may also investigate any private individual who has lent money to a person purchasing a business.

A municipality must not grant a permit to an applicant wishing to run a wholesale operation without first obtaining an opinion from the Police and Swedish Customs. Municipalities may request information from the Swedish Tax Agency and Enforcement Authority to help them assess an applicant's financial suitability. The municipality may ask an applicant to provide information from the Swedish Tax Agency and the Swedish Enforcement Authority themselves.

What happens after you have been granted a permit?

Once you have been granted a permit to sell tobacco products, it is important that your business complies with existing laws and regulations. The municipality, the Public Health Agency of Sweden and the Police may check your business at any time as part of the supervision process. Supervision may involve the municipality, the Public Health Agency of Sweden or the Police visiting your business. A municipality may also check a business without visiting it, for example by requesting information from the Tax Agency or the Police.

What information may the municipality seek from other authorities?

Police. The municipality may want to check whether the applicant has a criminal record. If the applicant does have a criminal record, the municipality may decide not to grant a permit for the selling of tobacco products to parties other than consumers. Not all crimes are deemed to be equally serious; generally, it is crimes that may be relevant to your business – for example financial crimes and crimes relating to tobacco – that could make it difficult for you to obtain a permit. A municipality may not grant a permit for wholesale trade without requesting an opinion from the Police.

The Swedish Tax Agency and the Swedish Enforcement Authority. The information municipalities may request from the Tax Agency or Enforcement Authority relates to the applicant's record of paying taxes or other charges relating to their tax account. It is important for the applicant to have made the correct contributions to the public purse, such as various taxes and duties such as employer's contributions. It may be more difficult to obtain a permit if the applicant has often been late with their tax payments and has received demands for payment, or if a debt has been passed on from the Tax Agency to the Enforcement Authority.

Swedish Customs. Information that Swedish Customs base their opinion on may be information about transport and customs surcharges, penalties or information that relates to administrative failings on the part of the applicant.