



CITY of CRYSTAL

4141 Douglas Drive North • Crystal, Minnesota 55422-1696

Tel: (763) 531-1000 • Fax: (763) 531-1188 • www.crystalmn.gov

APPLICATION FOR BUSINESS LICENSE - TOBACCO AND RELATED PRODUCTS

Applicant Name:	
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City Code Chapters 10 and 11 indicate the requirements for tobacco licenses.

City License Requirements:

- Application for Business License
- Background Investigation form(s) – required for any person(s) as indicated in Section 3 and/or 4 of the Application for Business License. Make additional copies as necessary. Copy of the front and back of applicant’s driver’s license required.
- MN Department of Revenue Form CT102 – *License Application to Make Retail Sales of Cigarette and Other Tobacco Products*
- Fees - Required at the time of submittal.
 - License Fee - The license period is January 1-December 31 (non-refundable, not prorated): \$325
 - Background Investigation Fee: \$100 per individual

Additional Resources

- [MN Department of Health Clean Indoor Air Act](#)
- [License Requirements for Retailers Fact Sheet 2 - Sales of cigarettes and tobacco products in Minnesota](#) (attachment).

Questions? Contact Chrissy Serres, City Clerk at 763- 531-1145 or Chrissy.Serres@crystalmn.gov

OFFICIAL USE ONLY

Rec'd ___/___/___ by _____ Fee Total Rec'd _____ Payment Type _____
(License Fee: 0100.4135; Investigation Fee: 0100.4605)

Approval Date ___/___/___	_____ Assumed Name Verified
	_____ Background Check(s) Sent
	_____ Background Check(s) Completed



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APPLICATION FOR BUSINESS LICENSE

If the applicant is an individual, this application must be completed by such person, if a corporation, by an officer; if a partnership, by one of the general partners; if an unincorporated association, by the manager or managing officer.

SECTION 1 – APPLICANT INFORMATION	
Name of applicant (name of individual, partnership, corporation or association):	
Applicant address (city, state and zip):	
Applicant cell phone:	Applicant email address:

Business name:	
Doing Business As (DBA) (also known as an Assumed Name):	
Business address (city, state and zip):	
Business phone:	Business email address:
Business website:	
Do you own the business premises (for business within the city of Crystal)? <input type="checkbox"/> Yes or <input type="checkbox"/> No or <input type="checkbox"/> N/A If no, attach a complete copy of the executed lease. Is the business premises either planned to be or under construction or undergoing substantial alteration? <input type="checkbox"/> Yes or <input type="checkbox"/> No If yes, attach a set of preliminary plans showing the design of the proposed premise to be licensed if you have not already.	

Are you registered to do business in Minnesota? <input type="checkbox"/> Yes or <input type="checkbox"/> No
Have you filed a "Certificate of Assumed Name" with the Office of the Minnesota Secretary of State? <input type="checkbox"/> Yes or <input type="checkbox"/> No
Check one: <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Minnesota corporation; date of incorporation: _____ <input type="checkbox"/> Out-of-state corporation; state of incorporation: _____ <input type="checkbox"/> If a subsidiary of any other corporation, please describe fully the relationship of the corporation to any other corporation including the name, business address, state of incorporation, and names of stockholders, directors and officers (attach additional pages as necessary): _____ _____
<input type="checkbox"/> Other, please describe: _____

Minnesota Tax ID Number (if sole proprietor, provide Social Security Number):	Federal Tax ID Number:
If a Minnesota Tax ID number is not provided (other than sole proprietor), please explain:	

PREVIOUS BUSINESSES/EMPLOYMENT (Required for Sole Proprietors only)

List every business or occupation in which you have been engaged during the preceding five years, as well as the names and addresses of your employers and partners, if any. *Attach additional pages as necessary.*

COMPANY NAME	TYPE OF BUSINESS	ADDRESS	DATES OF EMPLOYMENT	PARTNERS (if any)

SECTION 2– LICENSE INFORMATION

<p>Do you hold a business license from any other governmental unit? <input type="checkbox"/> Yes or <input type="checkbox"/> No</p> <p>If yes, please provide details, including the type of license(s) and from which governmental unit:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Have you made application for a business license from any other governmental unit which was denied, revoked or suspended? <input type="checkbox"/> Yes or <input type="checkbox"/> No</p> <p>If yes, please explain the details including date, location, reason and any other applicable information:</p> <p>_____</p> <p>_____</p> <p>Renewal license information should be sent to the following address: <input type="checkbox"/> Applicant address <input type="checkbox"/> Business address <input type="checkbox"/> Other (Indicate name, title, address below)</p> <p>_____</p> <p>_____</p> <p>_____</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Check License Type Applying For</th> </tr> </thead> <tbody> <tr><td> </td><td>Consumer Fireworks</td></tr> <tr><td> </td><td>Tobacco</td></tr> <tr><td> </td><td>Peddler/Solicitor/Transient Merchant</td></tr> <tr><td> </td><td>Tree Trimming</td></tr> <tr><td> </td><td>Secondhand Goods Dealer</td></tr> <tr><td> </td><td>Pawnbroker</td></tr> <tr><td> </td><td>Adult Establishments</td></tr> <tr><td> </td><td>Therapeutic Massage (Enterprise and/or Therapist)</td></tr> <tr><td> </td><td>Animal Kennel</td></tr> <tr><td> </td><td>Refuse Hauler</td></tr> </tbody> </table>	Check License Type Applying For			Consumer Fireworks		Tobacco		Peddler/Solicitor/Transient Merchant		Tree Trimming		Secondhand Goods Dealer		Pawnbroker		Adult Establishments		Therapeutic Massage (Enterprise and/or Therapist)		Animal Kennel		Refuse Hauler
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	Refuse Hauler																						

SECTION 3 – BUSINESS INFORMATION - PARTNERS OR CORPORATE OFFICERS**PARTNERSHIPS**

If the applicant is a partnership, please provide:

- a copy of the partnership agreement.
- names and addresses of all general and limited partners and each partner is required to submit a Background Investigation Consent Release Form.
- names of the managing partners and the percent of interest of each partner in the licensed business.
- a copy of federal and state tax returns for the partnership for the two years prior to this application.

CORPORATIONS

If the applicant is a corporation, please provide:

- a copy of the Certificate of Incorporation, Articles of Incorporation or Association Agreement, and By-laws.
- Name of the managers or other persons in charge of the business (in Section 4) and each manager, proprietor, or agent is required to submit a Background Investigation Consent Release Form.

If the applicant is a corporation, and applying for a license to be owned and operated by it:

Is the corporation's stock publicly traded on a stock exchange? Yes or No

- Complete the below ownership information for all persons who control or own an interest in the corporation in excess of 5%. Additionally, attach a list of owners, officers and/or general and limited partners and their respective percentages totaling 100%.
- Corporations that are publicly traded on a stock exchange do not require owners or officers to submit a Background Investigation Consent Release Form.

OWNERSHIP

Name and Title:	Percent stock or partnership interest: _____%
Residence Address (city, state and zip):	
Cell Phone:	Email Address:
Business Phone:	Business Email Address:

Name and Title:	Percent stock or partnership interest: _____%
Residence Address (city, state and zip):	
Cell Phone:	Email Address:
Business Phone:	Business Email Address:

SECTION 4- PERSON(S) IN CHARGE OF THE LICENSED BUSINESS

Manager is defined as the person responsible for overseeing the daily operations of the business.

Are you the manager of this business? Yes or No

If no:

1. A Background Investigation Consent Release form is required from each person in charge of the business except in the case of a corporation whose stock is publicly traded on a stock exchange and is applying for a license to be owned and operated by it.
2. When a licensee places a manager in charge of a business, or if the named manager in charge of a business changes, the licensee must complete and submit the appropriate documentation required for managers within 14 days, and if a background investigation of the manager is required, the licensee must pay an amount equal to the cost to the investigation.

MANAGEMENT INFORMATION – REQUIRED

Full Name:

Title:

Residence Address (city, state and zip):

Cell Phone:

Email Address:

Business Phone:

Business Email Address:

Is the manager the emergency contact for the business? Yes or No If no, provide alternate contact information below.

Full Name:

Title:

Phone Number:

SECTION 5- WORKERS' COMPENSATION INSURANCE

A valid workers' compensation policy must be kept in effect at all times by employers as required by law.

Any workers' compensation policy information changes must be submitted to the city.

1. Complete if insured by business.

I have a workers' compensation insurance policy.

Insurance company name (*not* the insurance agent):

Policy Number:

Effective Date:

Expiration date:

2. Complete if self-insured.

I am self-insured for workers' compensation and have attached a copy of the authorization to self-insure from the Minnesota Department of Commerce.

3. Complete if exempt.

I am not required to have workers' compensation insurance because:

I have no employees.

I only have employees who are not required to be covered by the workers' compensation law.

(See Minnesota Statutes § 176.041 for a list of excluded employees.)

Explain why your employees are not covered by the workers' compensation law: _____

SECTION 6- FINANCIAL RESPONSIBILITY

Prior to the issuance of a license, the applicant/business must be current on the following financial obligations.

- 1. Property taxes are current. Yes or No
- 2. Utility bills are current. Yes or No
- 3. State taxes are current. Yes or No
- 4. Federal taxes are current. Yes or No
- 5. Other governmental obligations or claims concerning the applicant/business entity named in this license application are current. Yes or No

If you or the business entity named in this license application have received a notice of delinquency or default, please provide details: _____

If "No" is checked for any of the above, describe the payment plan or other agreement approved by the applicable government entity: _____

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UB Prev UB UB Cert Tax Prev Tax
Date verified compliance on: _____ by staff initials: _____

SECTION 7- DATA PRIVACY ADVISORY

All of the information that you are required to provide on this form is considered to be public data pursuant to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, *with the exception of social security numbers which are considered to be private data*. In the event that a member of the public requests a copy of this application from the City, the City is required to provide the application to that person (all social security numbers will be removed or redacted).

Social security numbers that are being provided on this form are considered to be private data on individuals pursuant to Minnesota Statutes Section 13.355. It is understood that the applicant is not required to provide this information. However, the City will not be able to process the application unless all required social security numbers are supplied.

I have read and understand the above data practices advisory.

Applicant's Signature

Date

SECTION 8 - VERIFICATION

I authorize the City of Crystal to investigate and make whatever inquiries that are necessary to verify the information in this application. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business. The documents and information I have submitted are true and correct to the best of my knowledge.

I, (print name) _____, certify or declare under penalty of perjury under the laws of the State of Minnesota that the foregoing is true and correct to the best of my knowledge.

Applicant's Signature

Date



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BACKGROUND INVESTIGATION CONSENT RELEASE

The following information is required per Crystal City Code Chapters 10, 11 and 12 which requires a comprehensive background investigation for the approval or denial of a City license and Minnesota Statutes Section 299C.72, subd. 2, which authorizes a Minnesota computerized criminal history check for approval or denial of a City license.

Business or Organization Name:	
License Type Applying For:	
Officer/Position Title:	

Name (first, middle, last):		
Former Name(s) (if applicable):		
Date of Birth:		
State ID: <i>(Please provide a copy, front and back, of your driver's license or State issued identification card)</i>	ID Number:	State:
Current Home Address:		
City/State/Zip Code:		
Phone Number:		
Email Address:		

1. Have you lived in Minnesota for all of the past 10 years? Yes or No
If no, provide previous addresses (*attach additional sheets as necessary*).

Address:	
City/State/Zip:	
Dates at Address:	

Address:	
City/State/Zip:	
Dates at Address:	

2. Have you ever been convicted of a felony, crime or violation of any ordinance, other than a traffic violation? Yes or No

If yes, list all such matters including the time, place and offense of all such convictions (*attach additional sheets as necessary*).

I hereby authorize the Minnesota Bureau of Criminal Apprehension and other municipal, state, and federal law enforcement agencies to disclose all criminal history record information on me to the City of Crystal for the purpose of receiving a license from the City. I further authorize any such persons to answer any inquiries concerning my criminal history which may be submitted to them by representatives of the City. I fully understand that the City will use this information in its evaluation of my City license application. Certain information that I am providing on this form is considered to be not public pursuant to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. I understand that I am not required to provide this information or to have the background check conducted. However, the City will not be able to process my license application unless all of the information being requested is supplied and I authorize the background check. The expiration of this authorization shall be for a period of no longer than one year from the date of my signature.

Applicant Signature:	
Printed Name:	Date:

OFFICIAL USE ONLY
City Code Section: _____
Requested By and Return To: _____

License Application to Make Retail Sales of Cigarette and Other Tobacco Products

To be completed by applicant when applying for a license with a city or county.

Print or Type	Applicant's Minnesota Tax ID Number	The Minnesota Tax ID must be issued in the same legal name of the licensee below.	<i>FOR MUNICIPAL USE ONLY</i>		
			License Authority		
			License Number		
			Period Covered		
			Date of Issuance		
	Licensee's Legal Name		Federal Employer ID Number (FEIN)		
	Business Trade Name (doing business as)		Daytime Phone		
	Complete Address of Business Location (<i>permit location</i>)		County	Other Phone Number	
City		State	ZIP Code	Fax Number	
Mailing Address (<i>if different than business address</i>)		City	State	ZIP Code	
				Email Address	

Business Information	Type of legal organization (check one):				
	<input type="checkbox"/> Sole proprietor	<input type="checkbox"/> Minnesota corporation: Enter date of incorporation _____			
	<input type="checkbox"/> Partnership	<input type="checkbox"/> Out-of-state corporation: State of incorporation _____			
	<input type="checkbox"/> Other (<i>describe</i>) _____	Are you registered to do business in Minnesota? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Corporate officers or partners (attach a list if necessary)					
Name		Title			
Address		City	State	ZIP Code	
Name		Title			
Address		City	State	ZIP Code	

Statement of Understanding	As a licensed tobacco products or cigarette retailer, I understand that:				
	1. I can purchase cigarettes and tobacco from a Minnesota distributor or subjobber who holds a license with the Minnesota Department of Revenue. The Cigarette and Tobacco Distributor List is on our website. Go to www.revenue.state.mn.us and type Distributor List in the Search box.				
	2. I must obtain a tobacco products distributor license if I purchase untaxed tobacco products from an out-of-state company.				
	3. I may not sell cigarettes affixed with Minnesota Native American stamps unless my retail business is located on a reservation that has a tax agreement with the State of Minnesota.				
	4. I may not purchase from or exchange cigarettes or tobacco products with another retailer.				
	5. I must keep complete and legible cigarette and tobacco products invoices on the licensed premises, or make invoices available within one hour of request, for at least one year after the date of the purchase.				
	6. I know that the Minnesota Department of Revenue and/or law enforcement may conduct cigarette and tobacco inspections of the premises, including inspections of inventory, invoices and licenses, and I understand that a refusal to allow an inspection is grounds for revocation of my license.				
	7. I know that failure to comply with all requirements can result in criminal penalties, including the loss of cigarettes and tobacco products.				

Sign Here	Licensee Signature	Title	Print Name	Date	Daytime Phone
	Licensing Agent's Signature	Title	Print Name	Date	Daytime Phone

License applicant: Submit this form to the licensing authority along with the license application.
Licensing authority: Mail, email or fax to:
 Minnesota Revenue, Mail Station 3331, St. Paul, MN 55146-3331.
 Fax: 651-556-5236. Email: cigarette.tobacco@state.mn.us

License Requirements for Retailers

Sales of cigarettes and tobacco products in Minnesota

2

Cigarette and Tobacco Products Taxes Fact Sheet 2

Fact Sheet

Businesses that make retail sales of cigarettes and tobacco products to the public in Minnesota are required to have a special retailer's license. This fact sheet summarizes the requirements for obtaining a retailer's license and the responsibilities of a license holder.

Retail licensing requirements

Retail sellers of cigarettes and tobacco products in Minnesota must have a Minnesota Cigarette and Tobacco Product Retailer's license prior to purchasing or selling cigarettes or tobacco products.

A separate license is required for each location or vending machine from which cigarettes or tobacco products are sold at retail.

Licenses are issued and administered by the city, county or town in which the business is located.

Responsibilities of license holders

License display. You must conspicuously display your license at each retail location so that it is visible to the public, according to your licensing authority's rule.

Records. You must keep complete legible records — including invoices of all your cigarette and tobacco product purchases — at each licensed location or at a central location for at least one year after the date of purchase. All invoices must be made available to Department of Revenue staff or law enforcement officers within one hour of request. Failure to produce records may result in your product being seized as contraband.

Purchases. You must purchase your inventory of cigarettes and other tobacco products from a licensed Minnesota cigarette and/or tobacco distributor or subjobber. If you make purchases of cigarettes or tobacco products from other sources, you are subject to civil and criminal penalties, and possible seizure of your cigarettes and tobacco products.

Sales. You must only sell Minnesota-stamped cigarettes or tobacco products on which Minnesota tax has been paid.

You are not allowed to sell cigarettes below cost, as determined by the Department of Commerce under the Minnesota Unfair Cigarette Sales Act (UCSA). In addition, it is illegal for you to sell cigarettes or tobacco products on which Minnesota tax has not been paid (e.g., items you purchased over the Internet, through

mail order or brought in from another state). If you possess or make illegal sales of cigarettes or tobacco products, you are subject to civil and criminal penalties, and possible seizure of your cigarettes and tobacco products.

Inspections. You must allow Department of Revenue staff — without a search warrant — to enter your place of business and inspect the premises, the records you are required to keep, and the packages of cigarettes, tobacco products, and vending devices on the premises.

Definitions

Cigarette. Any roll for smoking made wholly or in part of tobacco that weighs 4.5 pounds or less per thousand:

- (1) the wrapper or cover of which is made of paper or another substance or material except tobacco; or
- (2) wrapped in any substance containing tobacco, however labeled or named, which, because of its appearance, size, the type of tobacco used in the filler, or its packaging, pricing, marketing, or labeling, is likely to be offered to or purchased by consumers as a cigarette, as defined in clause (1), unless it is wrapped in whole tobacco leaf and does not have a cellulose acetate or other cigarette-like filter.

Invoices. A detailed list of cigarettes and tobacco products purchased or sold in Minnesota. Each invoice must contain the following items:

- name of the seller
- name of the purchaser
- date of sale
- invoice number
- an itemized list of goods sold including the cigarette brand, number of cartons of each brand, unit price, and identification of tobacco products by name, quantity, and unit price
- any rebates, discounts, or other reductions

Minnesota Unfair Cigarette Sales Act (UCSA). In Minnesota the practice of selling cigarettes at below wholesale or retail cost is an unfair and deceptive business practice and an unfair method of competition. UCSA is law enacted to protect the public by prohibiting sales of cigarettes at below wholesale or retail cost.

Retailer. Any person who is engaged in Minnesota in the business of selling or offering to sell cigarettes and other tobacco products to consumers.

Continued

Tobacco products. Any product containing, made or derived from tobacco that is intended for human consumption, whether chewed, smoked, absorbed, dissolved, inhaled, snorted, sniffed or ingested by any other means. Tobacco products include cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; fine-cut and other chewing tobacco; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco; e-cigarettes, e-juice, etc.

The definition excludes any tobacco product that has been approved by the United States Food and Drug Administration and is being marketed and sold exclusively as a tobacco cessation or tobacco dependence product, or for any other medical purpose.

Penalties

Criminal penalties are in addition to any civil penalties that may apply.

Unstamped cigarettes or untaxed tobacco products. It is illegal for any person, other than a licensed distributor or a consumer, to possess, receive, or transport unstamped cigarettes or untaxed tobacco products. It is presumed that any individual possessing more than 4,999 unstamped cigarettes or more than \$350 worth of untaxed tobacco products is not a consumer.

If you, directly or indirectly, purchase for resale cigarettes without the proper stamp affixed, your sales and use tax permit may be revoked.

Sales of cigarette packages with Indian stamp. If you are not located on an Indian reservation, it is illegal for you to sell or offer to sell cigarette packages with Indian stamps.

Sales after license revocation. If you sell cigarettes or tobacco products after your license has been revoked, you are guilty of a felony.

Purchases from unlicensed sellers. It is illegal for you to purchase cigarettes or tobacco products from any person who is not a Minnesota licensed distributor or subjobber.

If you purchase for resale from an unlicensed seller more than 20,000 cigarettes or \$500 or more worth of tobacco products, your sales and use tax permit may be revoked.

Anonymous tip line

To report suspected Cigarette or Tobacco Tax violations:

Email: tax.fraud@state.mn.us
 Phone: 651-297-5195 or 1-800-657-3500
 Fax: 651-556-3105

Criminal penalties	
	Penalty
Unstamped cigarettes	
To possess, receive or transport:	
• fewer than 5,000	Misdemeanor
• 5,000 or more, but fewer than 20,001	Gross misdemeanor
• more than 20,000	Felony
Untaxed tobacco products	
To possess, receive or transport:	
• up to \$350 worth	Misdemeanor
• more than \$350, but less than \$1,400	Gross misdemeanor
• \$1,400 or more	Felony
Cigarettes with Indian stamp	
To sell or offer to sell:	
• more than 200, but fewer than 5,000	Misdemeanor
• 5,000 or more, but fewer than 20,001	Gross misdemeanor
• more than 20,000	Felony
Cigarette purchases from an unlicensed seller	
To purchase from an unlicensed seller:	
• fewer than 5,000	Misdemeanor
• 5,000 or more, but fewer than 20,001	Gross misdemeanor
• more than 20,000	Felony
Tobacco products purchases from an unlicensed seller	
To purchase from an unlicensed seller:	
• up to \$350 worth	Misdemeanor
• more than \$350, but less than \$1,400	Gross misdemeanor
• \$1,400 or more	Felony
Sales after license revocation	
To sell cigarettes or tobacco products after your license has been revoked	
	Felony
<i>Any other violation of state law, unless otherwise specified, is a misdemeanor. Criminal penalties are in addition to any civil penalties that may be imposed.</i>	

Section 1105 – Tobacco and related products

1105.01. Definitions. For the purposes of this section, the terms defined in this subsection have the meanings given them.

Subd. 1. Covered products. “Covered products” means tobacco, tobacco-related device, electronic delivery device, or nicotine or lobelia delivery product as those terms are defined in this subsection.

Subd. 2. Electronic delivery device. “Electronic delivery device” means any product containing or delivering nicotine, lobelia, or any other substance, whether natural or synthetic, intended for human consumption through inhalation of aerosol or vapor from the product. Electronic delivery devices includes, but is not limited to, devices manufactured, marketed, or sold as electronic cigarettes, electronic cigars, electronic pipe, vape pens, modes, tank systems, or under any other product name or descriptor. Electronic delivery device includes any component part of a product, whether or not marketed or sold separately. Electronic delivery device excludes drugs, devices, or combination products, as those terms are defined in the Federal Food, Drug, and Cosmetic Act, that are authorized for sale by the United States Food and Drug Administration.

Subd. 3. Moveable place of business. “Moveable place of business” means any form of business operated out of a truck, van, automobile or other type of vehicle or transportable shelter and not a fixed-address storefront or other permanent type of structure authorized for sales transactions.

Subd. 4. Nicotine or lobelia delivery device. “Nicotine or lobelia delivery device” means any product containing or delivering nicotine or lobelia intended for human consumption, or any part of such a product, that is not tobacco as defined in this subsection, not including any product that has been approved or certified by the United States Food and Drug Administration for sale as a tobacco-cessation product, as a tobacco-dependence product, or for other medical purposes, and is marketed and sold for such an approved purpose.

Subd. 5. Sale. “Sale” means any transfer of goods for money, trade, barter or other consideration.

Subd. 6. Tobacco. “Tobacco” means cigarettes and any product containing, made, or derived from tobacco that is intended for human consumption, whether chewed, smoked, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, or any component, part, or accessory of a tobacco product including, but not limited to the following: cigars; cheroots; stogies; perique; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco; and other kinds and forms of tobacco. Tobacco excludes drugs, devices, or combination products, as those terms are defined in the Federal Food, Drug, and Cosmetic Act, that are authorized for sale by the United States Food and Drug Administration.

Subd. 7. Tobacco-related devices. "Tobacco-related devices" means cigarette papers or pipes for smoking or other devices intentionally designed or intended to be used in a manner which enables the chewing, sniffing, smoking, or inhalation of aerosol or vapor of tobacco or tobacco products. Tobacco-related devices include components of tobacco-related devices which may be marketed or sold separately.

Subd. 8. Vending machine. "Vending machine" means any mechanical, electric or electronic, or other type of device that dispenses tobacco, tobacco products, or tobacco-related devices upon the insertion of money, tokens or other form of payment directly into the machine by the person seeking to purchase the covered product.

1105.03. General rule. It is unlawful to buy for retail sale, sell at retail, or otherwise dispose for consideration covered products without a tobacco license issued by the city.

1105.05. Investigations. A background investigation of all interested individuals, including managers, is required and shall be conducted pursuant to Crystal city code, subsection 1000.19 prior to the issuance of a license or license renewal.

1105.07. Ineligibility. In addition to the provisions contained in Crystal city code, subsection 1000.17, the city council may deny a license to a person who within the past five years has been convicted of any violation of a federal, state, or local law, ordinance provision, or other regulation relating to tobacco, tobacco products, tobacco-related devices, electronic delivery device or nicotine or lobelia delivery devices.

1105.09. Specified location. A license under this section will not be issued for a movable place of business. The license is issued only for the covered products at a specific place of business.

1105.11. Prohibited sales and use.

Subd. 1. Unlawful sale. It is unlawful to sell, offer for sale or deliver tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery devices to a person under the age of 21 years.

Subd. 2. Use by persons under 21. It is unlawful for any person under the age of 21 years to purchase, possess, or consume tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery devices.

Subd. 3. Vending machines. The sale of tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery devices by vending machines is prohibited.

Subd. 4. Individual packages. It is unlawful to offer for sale or to sell cigarettes packaged in units smaller than a carton containing ten packages, or single packages of smokeless tobacco in open displays that are accessible to the public without the intervention of a store employee.

1105.13. Administrative civil penalties.

Subd. 1. Individuals. A person who sells, gives or otherwise furnishes a covered product to a person under the age of 21 years is subject to an administrative penalty identified in Crystal city code, appendix IV, after the individual has received notice, served personally or by mail, of the alleged violation and been provided an opportunity for a hearing.

Subd. 2. Licensee. If a licensee or an employee of a licensee is found to have sold, given or otherwise furnished a covered product to a person under the age of 21 years, or committed a violation of Minnesota Statutes, chapter 297F, the city council shall impose administrative penalties on the licensee as provided in Crystal city code, appendix IV. Prior to imposing an administrative penalty the city shall provide the licensee written notice of the alleged violation and provide an opportunity for the licensee to be heard by the city council.

Subd. 3. Defense. It is an affirmative defense to a charge of selling, giving or otherwise furnishing a covered product to a person under the age of 21 years in violation of this section that the licensee or individual making the sale relied in good faith upon proof of age as described in Minnesota Statutes, section 340A.503, subdivision 6.

Subd. 4. Education and training. In addition to or in lieu of any other penalty imposed under this section, any person under the age of 21 years who purchases, possesses, or consumes a covered product shall attend an educational seminar approved by the chief of police regarding the legal and medical implications of using a covered product.

Subd. 5. Presumptions regarding administrative penalties. Though the administrative penalties described in this subsection are presumed, in no event shall the amount of any fine or period of suspension be less than the amounts and periods required in Minnesota Statutes, section 461.12, subdivisions 2 and 3. Other mandatory requirements may be made of the business including, but not limited to, meetings with law enforcement to present a plan of action to ensure the problem will not continue, mandatory education sessions with crime prevention staff, or other actions the city council may deem appropriate.

1105.15. Compliance monitoring.

Subd. 1. Compliance checks. As required by Minnesota Statutes, section 461.12, subdivision 5, the police department shall at least once a year perform compliance checks at each location licensed under this section to sell a covered product. License applicants may be informed of this policy at the time of license application and renewal. Violators of this section may be subject to more frequent compliance monitoring than non-violating licensees. The police department may annually report to the city council the results of said compliance checks.

Subd. 2. Exemption. A person no younger than 17 nor older than 20 may be enlisted by the police department to assist in the compliance checks. If the person is under the age of 18, no such person may conduct compliance checks unless the police department obtains written consent from the person's parent or guardian and the person must at all times act only under the direct supervision of a law enforcement officer, an employee of the licensing department, or in conjunction with an in-house program that has been pre-approved by the police department. A person who purchases or attempts to purchase tobacco while acting in this capacity is exempt from any penalties related to said purchase or attempt to purchase.

Subd. 3. Additional checks. If a licensee or employee of a licensee is guilty of a second violation within the 24-month period since the initial violation, the police department must conduct at least one compliance check at that licensed premises within the time remaining in that 24-month period.

1105.17. Signage and age verification required.

Subd. 1. Signage. At each location where tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery products are sold, the licensee shall display a sign in plain view to provide public notice that selling any of these products to any person under the age of 21 is illegal and subject to penalties. The notice shall be placed in a conspicuous location in the licensed establishment and shall be readily visible to any person who is purchasing or attempting to purchase these products. The sign shall provide notice that all persons responsible for selling these products must verify, by means of photographic identification containing the bearer's date of birth, the age of any person under 30 years of age.

Subd. 2. Age verification. At each location where tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery products are sold, the licensee shall verify, by means of government-issued photographic identification containing the bearer's date of birth, that the purchaser or person attempting to make the purchase is at least 21 years of age. Verification is not required if the purchaser or person attempting to make the purchase is 30 years of age or older. It shall not constitute a defense to a violation of this subdivision that the person appeared to be 30 years of age or older.