



SPECIFICATIONS FOR PHILADELPHIA

STAMP: DECALCOMANIA CIGARETTE TAX (HEAT APPLIED FUSION)

CONTINUOUS PIN FEED ROLL MACHINE APPLICATION

TAX PAID ON CIGARETTES

ROLLS

This order is for heat applied fusion type cigarette tax stamps, which must be furnished in rolls of **20** cigarette denominations.

1. DESCRIPTION

Tax stamps shall be heat applied fusion-type and must be a layer-built decal consisting of not less than four impressions produced by the lithograph and/or intaglio process or with a graphic quality as good or preferable better than the current tax stamp. This must be finished in a continuous pin feed roll format.

Tax stamps must be suitable for machine application to be fused to the receiving surface by heat applied. They must adhere to all grades of cellophane or paper.

Tax stamps must be suitable for current industry standard heat affixing stamping machines.

2. CLASS

Tax stamps shall be of one class only and so designed and applied to indicate that Commonwealth of Pennsylvania Cigarette Tax on **20** cigarettes has been paid.

Should the denominations specified be changed by DOR, the Vendor shall agree to furnish tax stamps in a new denomination during the life of the contract with a reasonable cost allocated.

Tax stamps shall be fabricated from the highest quality material leading to an end product possessing definite adhesion and security characteristics.

3. SIZE AND NUMBERING – (Rolls-20's)

- Each tax stamp shall measure height and width – 0.45” +/- 0.0625”.
- Each roll of tax stamps will have a consecutive serial number on the lead paper on each roll.
- Each tax stamp will have a unique two line 9-digit numeric ending with an alphabetic character. This number will be determined prior to production.

4. Rolls: (20 Denominations)

Furnish tax stamps in rolls of **7,200 per roll** with the corresponding roll number printed on each individual tax stamp. Spacing across width of sheet shall be compatible with current industry machinery and shall be as follows:

7,200 tax stamps per **roll**.

12 tax stamps across width of **roll**.

(6 tax stamps across in a 4-inch column. Then a 2-inch blank space. Then another set of 6 tax stamps across in a 4-inch column.)

Each roll of tax stamps will have a consecutive serial number on the lead paper on each roll of **7,200**. Each roll must bear ascending and descending numbers to provide an exact count of tax stamps remaining and used on the roll at regularly specified intervals of 240 tax stamps on each side for accounting purposes (No skips allowed). The numbers are printed one row in from both margins. The initial numbers should read 7,200 (for tax stamps remaining) and 0000 (for tax

stamps used). The next set of numbers should be 20 rows or 240 tax stamps in and should read 6960 (for tax stamps remaining) and 0240 (for tax stamps used). The ascending and descending numbers are at 240 tax stamp intervals until the end of the roll.

Each roll of **7,200** will be packed in a serially numbered cardboard box (identical to the **roll** number). The box must be securely sealed and labeled showing Purchase Order Number, description, quantity, denomination and roll numbers contained within. Each carton must be printed with preventive maintenance notice. (See “Shipment of Stamps”).

5. **DESIGN/INKS**



Each tax stamp shall have a keystone or other symbol with irregular shape and outline as part of the design and shall consist of three ink colors.

Each tax stamp will have the first line, which indicates the stamp roll. The second line of numbers is the individual tax stamp number. Each roll or tax stamp will go in ascending order numbered across (left to right).

The ink colors are as follows:

- Outline of the tax stamp
- Background of the tax stamp
- Center portion of the tax stamp

Colors will be provided to Vendor upon contract award. These colors may be changed periodically at DOR's discretion at no additional cost. The safety tint shall not be included as a color.

Each tax stamp shall have an alphabetic character as part of the design. The Vendor will start with for example the Letter "I" at the end of the four-digit roll number. These assignments must be in a sequential order, unless otherwise noted by the DOR. The vendor shall change the alphabetic character every 9,999 four-digit roll numbers.

Colors and design shall be approved by the DOR and the tax stamps shall have the following denomination: "**Philadelphia Pennsylvania Tax 20 Paid.**" Upon DOR's request, Vendor shall submit color samples. Any substitutions must be approved in writing by DOR.

6. **SECURITY FEATURE**

Vendor will include a security feature to form a confidential pattern of ink within the design of the tax stamp. This feature will be known only to the Vendor and DOR. Vendor shall include samples of this security feature with the first proof.

NOTE: The security is as follows:

- Visible inks
- Intentional error (Example: flipped alpha character within the tax stamp)

- UV ink activated by using a black light
- IR ink activated by using a Taggant pen
- Variable image "PHI" that appears and disappears when the tax stamp is tilted
- OVI ink creates a color shift when tilted or in different lighting

7. **MATERIALS ACCOUNTABILITY**

Complete an accurate accounting of each tax stamp and all rolls of special paper used for these tax stamps, and any other material used in their production, will be given to authorized DOR representatives upon demand, at any reasonable time. Inspection of the plant and all records and books of account must be allowed by Vendor at any reasonable time upon demand of authorized DOR representative(s).

All paper shall be processed with a special safety tint reading with copy to be specified by DOR. All spoiled tax stamps, rolls, or sheets are to be strictly accounted for and kept under lock and key and destroyed. An affidavit must be rendered to the DOR to that effect. DOR reserves the right to have a presence of a duly authorized agent on premises for the destruction of tax stamps.

8. **SECURITY OF DOR OWNED MATERIALS**

All plates and other materials, when not in use will be stored in a vault or safe. Precautions must be taken to ensure that tax stamps are not counterfeited or produced anywhere for any other purpose than the use of DOR. All shipments must be by bonded carrier, insured and prepaid – and the Vendor will be responsible for safe and proper delivery.

Spoiled rolls, sheets, etc., must be set aside, in vault or under lock and key – and reported to DOR at expiration of this contract, unless previously disposed of as otherwise directed by DOR and/or provided for in this contract.

9. **ORDERS/SHIPMENTS TO DOR:**

Shipments of tax stamps are to be made only as specified by and for DOR. Vendor shall invoice for actual number of stamps received by DOR. Orders for the shipment of tax stamps will be made by DOR after the signed printing orders are released by the Department of General Services, Bureau of Purchases. These orders may be made by telephone and such orders must be confirmed in writing or electronically (email) by DOR and the Vendor. Vendor shall be prepared to deliver 2,250,000 tax stamps within 30 days of award of contract unless an extension mutually is agreed to in writing by DOR and the Vendor.

DOR retains the right to change the quantity of tax stamps at our discretion as well as request additional shipments.

Rolls: (20 Denominations)

Twenty denomination tax stamps will have Thirty-Six (36) boxes and are packed in a case.

Individual boxes must be sealed securely and labeled to include:

- Roll Number
- Item Number/Stamp Type

Cases must be sealed securely and labeled to include:

- 36 rolls in each case
- Item Number/Stamp Type
- Quantity of stamps per case
- Roll number Start/End

Packing List must include a minimum of:

- Purchase Order Number
- Item Number/Stamp Type
- Quantity of stamps per case
- Roll number Start/End
- Rolls not in circulation
- Shipping Date

All shipments must be made F.O.B. Destination by bonded carrier, insured and prepaid and contractor will be responsible for safe and proper delivery to PA Department of Revenue, Department of General Services, Warehouse and Distribution Division, 905 Elmerton Ave., Harrisburg, PA 17110. All shipments shall be made at the vendors' expense.

NOTE: All cases and each roll box must be labeled with the following: **“Government Issued: If found email: RA-RVBTFTCIGTAX@pa.gov.”**

All cases must be shipped on banded or shrink-wrapped pallets. The cases must not be placed on edge and must be protected from the weather in shipping. The edges of the cases must be protected by additional cardboard or other devices, so they are not mutilated.

NOTE: Cases are to be packed solidly on pallets 40” x 40” and be banded or shrink-wrapped.

Contents are to be 3’x3’x3 box or cases high. When packed, cases must not weigh more than 45lbs. Each skid will be stacked so the lowest case number is on the top.

Deliveries will be accepted between 8:00 a.m. and 3:00 p.m., Monday through Friday, except Commonwealth holidays.

10. WAREHOUSING AND DISTRIBUTION DIRECT TO CSAS:

Shipments of tax stamps are to be made only as specified by and for DOR. Invoices to DOR for payment of tax stamps, all or part of which may be held in storage by the Vendor, shall be billed to DOR monthly based on actual number of stamps shipped. Orders for the shipment of tax stamps will be made by the CSA into myPATH. DOR will place order with vendor via secure file transfer. The vendor shall be prepared to begin full distribution within 8 weeks of receiving purchase order from DOR. Vendor shall also accept orders directly from DOR.

Rolls: (20 Denominations)

Twenty denomination tax stamps will have Thirty-Six (36) boxes and are packed in a

case.

Individual boxes must be sealed securely and labeled to include:

- Roll Number
- Item Number/Stamp Type

Cases must be sealed securely and labeled to include:

- 25 rolls in each case
- Item Number/Stamp Type
- Quantity of stamps per case
- Roll number Start/End

Packing List must include a minimum of:

- Order Number
- Item Number/Stamp Type
- Roll numbers
- Shipping Date

All shipments shall be made F.O.B. Destination – Freight Prepaid by bonded carrier, insured and prepaid and contractor will be responsible for safe and proper delivery to the CSA.

NOTE: All boxes or cases and each roll must be labeled with the following:

“Government Issued: If found email: RA-RVBTFTCIGTAX@pa.gov.”