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YOUR CALIFORNIA SELLER'S PERMIT

Your Rights and Responsibilities Under the Sales and Use Tax Law

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

A Message from the Director

It is a pleasure to welcome you to the company of more than one million businesses that are registered with the California Department of Tax and Fee Administration (CDTFA). As a seller, you will be reporting taxes to the CDTFA on a regular basis and will most likely have questions regarding your responsibilities under the Sales and Use Tax Law.

Our website, *www.cdtfa.ca.gov*, contains a wealth of information and is a valuable resource for any questions you may have. You will find a variety of services there, including our electronic tax return filing service (see page 13). Our staff is also available to assist you and can be reached by calling our Customer Service Center at 1-800-400-7115 (TTY:711) or visiting your local CDTFA office (see page 23).

We wish you success with your business and encourage you to contact us if you need assistance. We also welcome your suggestions for improving our services.

Sincerely,

Nicolas Maduros
Director
California Department of
Tax and Fee Administration

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Note: This publication summarizes the law and applicable regulations in effect when the publication was written, as noted on the cover. However, changes in the law or in regulations may have occurred since that time. If there is a conflict between the text in this publication and the law, the decision will be based on the law and not on this publication.

OBTAINING A SELLER'S PERMIT

Who must obtain a seller's permit?

You must obtain a seller's permit if you:

- Are engaged in business in California, and
- Intend to sell or lease tangible personal property that would ordinarily be subject to sales tax if sold at retail.

The requirement to obtain a seller's permit applies to:

- Corporations
- Individuals
- Limited Liability Companies (LLCs)
- Limited Liability Partnerships (LLPs)
- Limited Partnerships (LPs)
- Partnerships
- Married Co-ownerships
- Registered Domestic Partnerships
- Organizations

Both wholesalers and retailers must apply for a permit.

If you do not hold a seller's permit and will make sales during temporary periods, such as Christmas tree sales and rummage sales, you must apply for a temporary seller's permit. Such permits are normally issued to selling operations lasting no longer than 30 days at one location. Additional information is available on our website at *www.cdtfa.ca.gov*. Or you may contact our Customer Service Center at 1-800-400-7115 (TTY:711), Monday through Friday, 8:00 a.m. to 5:00 p.m. (Pacific time), excluding state holidays.

What does "engaged in business" mean?

You are engaged in business in California, even if you are located out of state, if you:

- Have an office, sales room, warehouse, or other place of business in this state (even if the location is only temporary), or
- Have a sales representative, agent, or canvasser operating in this state, or
- Receive rental payments from the lease of tangible personal property located in this state.

There are other activities that may qualify a selling operation as being engaged in business in California. Due to the various rules that apply, you should contact us to determine if you must obtain a permit.

What is meant by "ordinarily subject to sales tax?"

In general, retail sales of tangible personal property in California are subject to sales tax. Examples of tangible personal property include such items as furniture, household goods, hot food products, toys, antiques, and clothing.

In addition, some service and labor costs are taxable if they are part of the sale of tangible personal property. For example, if you make a ring for a specific customer, you are creating tangible personal property. Therefore, the total amount you charge for the ring (including the charge for labor) would be taxable. This would also be the case if the customer provided the materials for making the ring.

However, labor costs for making repairs (resetting a diamond, for example) are not taxable since they do not result in the creation of tangible personal property. You are only repairing or reconditioning existing property.

Labor charges to install or apply property that has been sold is not ordinarily subject to sales tax (*note:* the labor charge should be stated separately on the bill). Please refer to publication 108, *Labor Charges*. See the "For More Information" page at the back of this publication.

There are many rules governing what is taxable. You are encouraged to call 1-800-400-7115 (TTY:711) for information on what is taxable for your business. You may also order a publication designed for your type of business or request copies of regulations that explain the law more fully. For more information on key tax issues relevant to your business industry, please visit our Industry Tax Guides webpage located on our website at *www.cdtfa.ca.gov*.

How do I apply for a permit?

You can register online for a permit, license, or account by visiting our website at *www.cdtfa.ca.gov* and selecting "Permits & Licenses." Online registration is also available in our CDTFA offices. Please contact our Customer Service Center for assistance at 1-800-400-7115 (TTY:711).

If I apply for a permit, what information do I need to provide?

Depending on what type of permit, license, or account for which you are applying, specific information will be required in the online registration process. The following is a checklist of general information that you may need before you begin:

- Social security number(s) (corporate officers excluded).
- Driver license(s) or state identification number(s). *Note: Other forms of acceptable identifications may include, but not limited to are U.S. passport, U.S. military ID, Consular Identification card, or Visa (E-2).*
- Email address (contact and business).
- Federal Employer Identification Number (FEIN).
- State Employer Identification Number (SEIN).
- For Corporations: corporate name, corporate number, states, and date incorporated.
- Name, address, and phone number of partner(s), corporate officer(s), member(s) or manager(s).
- Name(s) and phone number(s) of personal references.
- Name(s) and address(es) of supplier(s).
- North American Industry Classification System (NAICS) code.
- Standard Industrial Classification (SIC).
- Bank information (name and address).
- Name and account number of the merchant credit card processor.
- Name, address, and phone number of the person(s) who maintains the books and records.

Is information regarding my account subject to disclosure?

Your records are generally covered by state laws that protect your privacy. However, under certain circumstances we may release to the public the information printed on your seller's permit, account start and closeout dates, and names of business owners or partners. We may also share information regarding your account with certain state and federal agencies, local governments, and private firms authorized to represent them. When you sell a business, we can give the buyer or other involved parties information regarding your outstanding tax liability. With your written permission, we can release information regarding your account to your accountant, attorney, or any other person you designate.

Do I need more than one permit?

If you have more than one place of business (located at a different address), you may obtain a separate permit for each location. Generally, it is possible to obtain a consolidated permit for multiple business outlets. A consolidated permit has sub-permits issued for each location. At the time you apply for a permit, be sure to provide information for all business locations.

Do I need a permit if I only keep stocks of merchandise in California?

You are not required to hold a seller's permit if all of your sales are made exclusively in interstate or foreign commerce. If you make sales both in and outside of California, at least one permit must be held when you maintain stocks of merchandise in this state. You are also required to hold permits for warehouses or other places in California where merchandise is stored for delivery or to fulfill sales. This is true even if merchandise is used to fulfill your sales made outside California.

Is there a fee charged for a seller's permit?

No. The permit is free. However, under certain circumstances, we may require a security deposit.

When would the CDTFA require a security deposit?

Security deposits are generally not required when you are applying for a seller's permit unless security is mandated by law. However, under exceptional circumstances, we may request a security deposit if your permit is revoked or if you have a history of nonpayment.

If I am no longer in business, can I keep my seller's permit?

No. Your permit is valid only so long as you are actively engaged in business as a seller. If you are no longer conducting business as a seller, you should contact us immediately to cancel your permit. For more information, see the chapter, "Buying, Selling, or Discontinuing a Business." We will cancel your permit if we find that you are no longer engaged in business as a seller.

Should I tell the CDTFA if I change my business, mailing, or email address?

Yes. We will need to update our records. Call our Customer Service Center or visit one of our CDTFA offices to make the changes.

If the ownership of my business changes, do I need to let you know?

Yes. You must notify us directly of any changes in ownership of your business. As explained on page 14, if ownership records are not kept current, previous owners are generally liable for taxes, interest, and penalties incurred by the business after the transfer.

Incorporating a business or forming a partnership or limited liability company is considered a change of ownership and must be reported. You must notify us directly of any ownership changes. Publishing this information in a newspaper or reporting it to another state agency is not sufficient notice to us.

In addition, if you add or drop a partner, you should notify us immediately. Notifying us in a timely manner could help limit the personal liability of the departing partner for tax, penalty, and interest charges incurred by the business after the partner's departure.

If my spouse or registered domestic partner and I have a seller's permit and we divorce or legally separate and the business is awarded to the other party, should I notify the CDTFA?

Yes. This is considered the same as a change of ownership and should be reported. You should let us know in writing that you are no longer involved in the operation of the business. A legal separation or divorce decree awarding the business to one person, without written notification to us of the change, is not sufficient notice.

Is my seller's permit the same as a business license?

No. You should contact your local business license department to obtain a separate business license.

Should I be registered to pay other taxes or fees?

See pages 21-22 for information on some of the other tax and fee programs we administer. You should also check with other state, federal, and local taxing and licensing authorities about any registration requirements they may have. For example, do you need to be registered with the Franchise Tax Board (*www.ftb.ca.gov*) or the Employment Development Department (*www.edd.ca.gov*)? The California Environmental Protection Agency offers extensive information on state, local, and federal permit requirements at *www.calgold.ca.gov*. For information regarding how your out-of-state corporation can qualify to transact business in the State of California, you may visit the Secretary of State's website at *www.sos.ca.gov*. Also, see California's Tax Service Center at *www.taxes.ca.gov*, for information regarding the minimum franchise tax for corporations.

Are my business records subject to audit?

Yes. We may audit your records to determine whether you have paid the correct amount of tax (see the chapter entitled "Keeping Records" for information on the types of records you must retain and for how long). The audit may determine that you owe tax, that you are entitled to a refund, or that you have paid the correct amount. In general, you may be audited in three-year intervals, at the time you close out your permit, or in connection with an audit on another permit you hold. Audits may also be initiated as a result of information received from outside sources.

What are my obligations as a permit holder?

As a permit holder, you are required to:

- Report and pay sales and use taxes.
- Keep adequate records.

You are also required to notify us if you:

- Change your business or mailing address.
- Change the ownership of your business.
- Sell your business.
- Buy another business.
- Discontinue your business.

As you do more business electronically with CDTFA you should also notify us if you change your business email address.

APPLYING TAX TO YOUR SALES AND PURCHASES

As a retailer, you are required to pay sales and use taxes and file tax returns. This chapter provides a general overview of those responsibilities. See the chapter, "Reporting Taxes," for a description of how to file your sales and use tax returns. It is also best to get tax advice in writing.

What is taxable?

As noted in the first chapter, "Obtaining a Seller's Permit," retail sales of tangible personal property in California are generally subject to sales tax. Examples of tangible personal property include such items as furniture, household goods, toys, antiques, clothing, and so forth. In addition, service and labor costs are subject to sales tax if they are part of the sale of tangible personal property.

In some instances, retailers must pay use tax rather than sales tax. The most common example of a purchase subject to the use tax is a purchase of an item from an out-of-state retailer for use in California. Out-of-state retailers who are engaged in business in this state are required to collect the use tax, whenever applicable, from the consumer at the time of the sale (see page 10 for more information on use tax).

The sales and use tax rates are the same.

Some sales and purchases are exempt from sales and use tax. Examples of exempt sales include, but are not limited to, sales of certain food products for human consumption, sales to the U.S. government, and sales of prescription medicines. For more information on exempt sales, see publication 61, *Sales and Use Taxes: Exemptions and Exclusions*. You can access the publication from our website at *www.cdtfa.ca.gov*.

Who is responsible for paying sales tax to the CDTFA?

As a seller, you are responsible for paying the correct amount of sales tax to us. If you do not pay the correct amount, the additional tax plus applicable penalty and interest will be charged.

Can I collect sales tax from my customer?

Yes. Although you are required to pay and report sales tax to us, you may be reimbursed by your customer for the amount of tax you owe on a sale. For example, if you are required to pay $1.75 in sales tax on a sale, you may pass that cost on to your customer, provided it is agreed to as part of the sale. It is presumed that the customer agrees to pay the addition of an amount for tax if:

- You list a separate amount for sales tax reimbursement on your receipts or invoices;
- You post a sign on your premises stating that sales tax reimbursement will be added to all prices of taxable merchandise, or make a similar statement on price tags, advertising material, and other printed material directed to the purchaser; or
- The sales agreement specifically calls for the addition of sales tax reimbursement.

If you include sales tax reimbursement in your prices, rather than itemizing it separately on your invoices or receipts, you must inform the buyer that tax is included. You can post this information at your premises in a location that is visible to purchasers, or you can include it on a price tag or in an advertisement, whichever is applicable. Use one of the following statements:

- "All prices of taxable items include sales tax reimbursement computed to the nearest mill."
- "The price of this item includes sales tax reimbursement computed to the nearest mill."

What tax rate do I use?

The sales and use tax rate varies statewide. The statewide base rate is 7.25 percent as of January 1, 2017. However, the rate is higher in locations (special taxing jurisdictions) where voters have approved additional district taxes. Many of these districts encompass an entire countywide area. However, some districts are limited to a single city. District taxes may be used for special services such as transportation or libraries, or they may be used to support general services.

Examples:

- In Napa County, the tax rate is 7.75 percent. This rate reflects the statewide base rate of 7.25 percent plus 0.50 percent for the Napa County Flood Protection Authority tax. The 7.75 percent tax rate applies countywide.
- In the City of Williams, located in Colusa County, the tax rate is 7.75 percent. This rate reflects the 7.25 percent statewide base rate plus 0.50 percent for the City of Williams Transactions and Use Tax. The 7.75 percent rate applies only within the City limits of Williams. The tax rate in areas of Colusa County outside the City of Williams is 7.25 percent.

More than three-fourths of all businesses in the state are located in, or do business in a special taxing jurisdiction.

How do I know if I am required to report and pay the district tax for special taxing jurisdictions described above?

As a seller, you must report and pay the district sales tax (called a transactions tax) or use tax on your taxable sales and leases if you:

- Have a business location or are engaged in business within the district,
- Lease tangible personal property that is used in the district, or
- Sell or lease vehicles, undocumented vessels, or aircraft that will be registered in the district.

You are engaged in business in a district if you are a retailer who:

- Maintains, occupies, or uses any type of office, sales room, warehouse, or other place of business in the district, even if it is used temporarily, indirectly, or through an agent, or
- Has any kind of representative operating in the district for the purpose of making sales, making deliveries, or taking orders, or
- Receives rental income from leases of tangible personal property located in the district.

There are some differences between the rules that apply to the payment of taxes in special districts and the payment of sales and use taxes in general. You should refer to publication 44, *District Taxes,* for more information. You can access the publication at *www.cdtfa.ca.gov.*

If your sales or leases are not subject to a special district tax, you should report tax at the statewide base rate, which is currently 7.25 percent.

How can I find out where special taxing jurisdictions are located?

- You can go to our website at *www.cdtfa.ca.gov* and click on "Taxes Rates."
- You can call our Customer Service Center during normal business hours and speak to a representative.

What if I collect too much tax from my customer?

If you collect more than the amount of tax due, you must either return the excess amount to the customer or pay it to us.

Are barters and exchanges taxable?

Yes. Barters or exchanges are sales or purchases under the Sales and Use Tax Law. Tax normally applies to the fair market value of the property or services received.

For example, assume that you are a retailer of electronic equipment and owe $500 for dental care. In place of cash, you provide a television set from your inventory as full payment for the dental bill. The transaction is considered a taxable sale of the television set, and you must report and pay tax based on the $500.

Are trade-ins taxable?

Yes. The value of a trade-in is considered taxable. For example, if you sold a car for $20,000 and accepted a trade-in valued at $4,000 as partial payment, tax would be based on the $20,000 selling price (that is, when computing sales tax, you could not deduct the value of the trade-in from the sales price of the car being sold).

Are delivery and handling charges taxable?

Delivery charges

You have the property delivered directly to your customer using a common carrier, the U.S. Postal Service, or an independent contractor.

Tax does not apply to the delivery charges under these conditions if the charges are clearly stated as a separate entry on the invoice or other bill of sale. If the delivery charges are not stated separately, they are taxable.

> *Example:* You sell a refrigerator and have it delivered by an independent contract carrier. On the invoice, you show a $750 charge for the refrigerator plus a separately stated $50 charge for delivery (the amount the carrier charged you). Since the delivery charge is stated separately, tax applies only to the charge for the refrigerator ($750). If the invoice had shown a single charge of $800, tax would apply to the entire amount.

Please note: If you charge more for delivery than your actual costs, the added amount is subject to tax. In the example above, if you had charged your customer $60 for delivery, but your actual delivery cost was $50 (the amount the independent contract carrier charged you), tax would apply to the additional $10 charge.

You use your vehicle to make the delivery.

Tax applies to the delivery charges if you use your own vehicle, whether or not those charges are separately stated on the invoice (see note below).

> *Example:* You sell a refrigerator and deliver it to your customer using your own vehicle. On the invoice, you show a $750 charge for the refrigerator plus a separately stated $50 charge for delivery. Tax applies both to the delivery charge and the charge for the refrigerator.

Please note: Tax does not apply to delivery charges using your own vehicle if there is a written contract of sale, signed before delivery, that transfers ownership of the property to the purchaser prior to delivery.

Handling charges

Handling charges are generally taxable.

Combined charges

If you charge a single amount for delivery and handling (for example, the invoice shows a single amount for "postage and handling" or "shipping and handling"), the portion of the charge that represents handling is generally taxable, while the portion that represents delivery may or may not be taxable (see "Delivery charges" above).

Please note: It is important to use terms such as delivery, shipping, or postage on the invoice to represent the delivery charges. A separately stated charge that says only handling, for example, is not considered a delivery charge, and the entire handling charge is taxable—even if postage or shipment charges are indicated on the package.

For more information on delivery charges, or information on how tax may apply to a specific transaction, please call our Customer Service Center. You may also wish to obtain a copy of Regulation 1628, *Transportation Charges,* or publication 100, *Shipping and Delivery Charges*.

I make drop shipments on behalf of out-of-state retailers. Am I liable for sales tax?

If you make drop shipments to California customers for out-of-state retailers, you are not liable for tax on your sale to the out-of-state retailer if that retailer holds a valid California seller's permit or a California Certificate of Registration-Use Tax. The out-of-state retailer is liable for tax on the sale to the California customer.

However, you will owe tax if the out-of-state retailer does not hold either type of permit and the retail sale of the property is subject to California sales or use tax. The retail selling price of the item would be either of the following:

- The amount the out-of-state retailer charged the California customer.
- The amount you charged the out-of-state retailer plus a mark-up of 10 percent.

If the California customer is purchasing the property for resale, you are not liable for tax if you obtain and retain in your records a valid California resale certificate from the customer.

If I accept foreign currency as payment, how do I figure tax?

Tax is measured in United States dollars based on the conversion rate of the foreign currency as of the date of the sale.

Where can I get more information?

You are encouraged to take advantage of our other resources, such as our website, classes, forms, and publications. Multilingual translations of certain publications are also available. See the "For More Information" page at the back of this publication.

REPORTING TAXES

What is a sales and use tax return?

A sales and use tax return is used by seller's permit holders to report the payment of sales and use taxes to the CDTFA. Permit holders are required to file a tax return. Based on the types of deductions claimed, some businesses may qualify to use the shorter return, CDTFA-401-EZ, *Short Form - Sales and Use Tax Return*.

When do I file my tax return?

When you obtain your seller's permit, you will be instructed to file your tax return on a monthly, quarterly, or annual reporting basis.

Your tax return is due after the close of each reporting period. In other words, if your period closes on June 30, your tax return and payment is due on July 31, the last day of the following month. If the due date falls on a Saturday, Sunday or legal holiday, returns are due the following business day.

You must file your tax return and pay by the tax due date whether you file online, mail, or hand-deliver the return. Failure to receive a return or reminder from us does not excuse you from the requirement to file.

What happens if I file a late tax return or my tax payment is overdue?

If you file a late return or make a late tax payment, you are liable for interest and penalty charges. If you pay your full tax liability on time but do not file your return on time, you are still liable for a penalty for filing a late return. More information on these charges is found in publication 75, *Interest, Penalties and Fees,* available from our website or by calling our Customer Service Center.

Under limited circumstances, we may allow additional time (up to one month) for filing a return. If the additional time is granted and the return is filed and paid within that time, you will owe interest on the payment but will not be required to pay a penalty. If you are unable to file your return on time, you should submit a request for an Extension of Time to File a Tax Return online by visiting our website, *www.cdtfa.ca.gov*.

If I don't owe taxes, do I still file a return?

Yes. Even if you owe no taxes for the reporting period, have no sales for the period, or all your sales are nontaxable, you must still file a return.

What types of sales are included under gross sales?

The law requires that you report any sale of tangible personal property, whether or not you have been paid for the property. Normally, payment for your sales will be in the form of money (such as cash and charge sales). However, there may be times when you will receive other forms of payment (such as exchanges of property), and the fair market value of those payments must be reported.

Do not include receipts for the following sales under total sales:

- California Lottery sales (scratchers, lotto tickets, and so forth)
- Money order service charges
- Sales of gift certificates (see note on the next page)
- Electronic waste (also known as eWaste) fee charges

As mentioned in the previous chapter, you must report a sale for the tax reporting period in which it occurs, even if you receive payment in a different period. For example, you may sell an item in June for $500 and allow the customer to take possession of it immediately on credit. Since the customer took possession of the merchandise (the sale took place) in June, you must report the $500 sale for that month, regardless of when you receive the balance due.

Please note: Gift certificates. Although you do not include the sale of a gift certificate under your total sales, you do report the sale that occurs when you accept the certificate for a taxable sale of merchandise or property. The sale must be reported for the reporting period in which the certificate was redeemed.

When is a purchase subject to use tax?

A purchase may be subject to use tax for a number of reasons. The most common reasons are:

- You used property purchased with a resale certificate. As explained in the chapter, Using a Resale Certificate, if you use a resale certificate to purchase merchandise that you intend to resell, your supplier will not collect sales tax reimbursement. However, if you use the merchandise for another purpose before you resell it, at the time of that use you are liable for use tax. (Using merchandise for display or demonstration purposes before resale is generally not considered a use that is subject to use tax).
- You used property purchased from an out-of-state retailer. In general, if you purchase equipment or merchandise from an out-of-state retailer without paying California tax and use the property for a purpose other than for resale, the purchase is subject to use tax and must be reported.

Please note: Use tax may also apply to leases. For information on leases, see publication 46, *Leasing Tangible Personal Property in California,* available on our website or by calling our Customer Service Center.

How do I report a use tax liability?

Individuals

You can either pay once a year when you file your California state income taxes, or make payments directly to the CDTFA after each purchase by using online registration on our website at *www.cdtfa.ca.gov*.

Businesses

Business owners that have a California sales or use tax permit are required to report use tax related to their business purchases with their returns.

California law requires qualified purchasers to register with the CDTFA and report and pay their use tax liability directly to the CDTFA by April 15 for the previous calendar year. A qualified purchaser is a person or entity that receives at least $100,000 in gross receipts from business operations per calendar year, is not required to hold a seller's permit or certificate of registration for use tax, does not hold a use tax direct payment permit, or is not otherwise registered with the CDTFA to report use tax. Gross receipts are the total of all receipts whether for services or other business transactions from both in-state and out-of-state business operations. For additional information see, publication 126, *Mandatory Use Tax Registration For Services Enterprises,* available on our website.

Please note: Purchases from out-of-state retailers. Some out-of-state retailers hold a *Certificate of Registration—Use Tax* and will collect and report California use tax on their taxable sales to customers in this state. If you paid California use tax to such a retailer, you are not required to report the tax. That retailer must provide you with a receipt showing, among other things, the amount of use tax collected. You should keep a copy of the receipt showing you paid the use tax.

If you properly paid another state's sales or use tax on the merchandise, and declared the amount of the purchase on your return, you can deduct the amount of tax paid to the other state on your return (up to the amount of the California tax due). However, if you resell the property, you cannot claim the credit.

How do I pay the taxes that are due?

There are several easy and convenient payment options available to pay your taxes. They are:

- **Pay Direct From Your Bank Account.** After you file your tax return online, you can choose to have the funds transferred directly from your account to ours by supplying your bank routing number and bank account number. Payments can be held for any banking day you select up to the due date of the tax return or prepayment.
- **Credit Card.** The following credit cards are accepted: American Express®, Discover®, MasterCard®, and Visa®. Instructions for charging your payment are available on our website under "Make a Payment."
- **Check or Money Order.** Payment can be made through the mail or at any of our offices. Please do not send cash through the mail. Make your payment payable to the California Department of Tax and Fee Administration. Hand-delivered payments must reach our offices on or before the due date. Payments sent through the mail must be postmarked on or before the due date.
- **Electronic Funds Transfer (EFT).** EFT payments are currently required for businesses that pay an average of $10,000 per month for sales and use taxes. Other businesses can make EFT payments on a voluntary basis. For more information on EFT payments, visit our website at *www.cdtfa.ca.gov* and select "Make a Payment." Or, you may access two additional resources, publication 159, *Online Filing Guide,* or publication 159EFT, *Guide to Online Filing,* from our website.
- **CDTFA ePay Mobile App.** The CDTFA ePay app is a streamlined way to manage electronic payments on your mobile device. You can make electronic payments to your CDTFA account either through the bank debit or with a credit card.

Reminder: Regardless of how you pay, you must file your return and make your payment on time.

Am I to round to the nearest dollar?

Yes. You may round to the nearest whole dollar on your tax return. An amount of less than 50 cents would be rounded to the next lowest dollar, and an amount of 50 cents or more would be rounded to the next highest dollar. For example, $127.49 would be rounded as $127.00, and $127.50 would be rounded as $128.00.

Sales Suppression Software Programs and Devices

It is a crime for anyone to knowingly, sell, purchase, install, transfer or possess software programs or devices that are used to hide or remove sales and to falsify records.

Using these devices gives an unfair competitive advantage over business owners who comply with the law and pay their fair share of taxes and fees. Violators could face up to three years in county jail, fines of up to $10,000, and will be required to pay all illegally withheld taxes, plus penalties including applicable interest and fees.

What happens if I do not file a tax return?

We will contact you and ask you to file the required tax return. If you do not file, your seller's permit may be revoked, an action which will prevent you from legally operating your business. If your permit is revoked and you continue to operate your business as provided by section 6071 of the Revenue and Taxation Code, you may be guilty of a misdemeanor that is punishable by a fine of $1,000 to $5,000 or imprisonment for up to one year, or both, as provided by section 7153 of the Revenue and Taxation Code.

What are prepayment accounts?

Businesses with average taxable sales of $17,000 or more per month are required to make tax prepayments. You will be notified in writing if this requirement applies to you. Please do not make prepayments without written authorization.

If I sell or distribute fuels, are there additional requirements for reporting or payment of sales tax?

If you are a wholesaler or supplier of certain fuels, you are required to collect a prepayment of a portion of the sales tax at certain points in the fuel distribution process. You must report and pay the amounts you collect on "SG" returns. If you are a retailer or other seller of fuel who has prepaid sales tax to your suppliers, you can reimburse yourself by claiming a credit for the prepaid tax when you file your sales tax returns. For more information, access a copy of publication 82, *Prepaid Sales Tax and Sales of Fuel,* or call the Customer Service Center.

If a customer pays after the tax reporting period, or pays in installments, when is the tax due?

Tax is due for the period in which the sale takes place—when a customer takes possession of, or title to an item. This is true whether you receive payment at that time (in cash, for example) or at a later date (such as credit sales). Accordingly, you must report credit or charge sales for the period in which they occur, regardless of when you receive payment.

Lease payments, however, are treated differently. They are generally reported for the period in which you receive them, regardless of when the taxable lease began. You would not report any unpaid lease balances due. (Different rules apply to leases of trucks, aircraft, and other mobile transportation equipment.)

For detailed information on leases, you can access a copy of Regulation 1660, *Leases of Tangible Personal Property—In General,* or Regulation 1661, *Leases of Mobile Transportation Equipment,* from our website at *www.cdtfa.ca.gov*. You may also access a copy of publication 46, *Leasing Tangible Personal Property in California*. This information is also available by calling our Customer Service Center.

I report taxes annually. If I close or sell my business, when do I report taxes?

You are required to file a final tax return when closing your business. If you close your business between January 1 and March 31, you must file your final sales and use tax return by April 30. If you close between April 1 and June 30, the filing date is July 31. If you close between July 1 and September 30, the filing date is October 31. If you close between October 1 and December 31, you must file by January 31.

At the time you close or sell your business, you should contact our nearest CDTFA office. You must file a final sales and use tax return. Failure to file a timely return will result in interest and penalty charges. Please refer to publication 74, *Closing Out Your Account,* for more information.

Where can I get help in completing a tax return?

Help is available on our website, by telephone and in person at our CDTFA offices. On our website, help is available through an online tutorial of our Basic Sales and Use Tax Class, which is also offered periodically in our offices throughout the state. The class takes you step-by-step through completing a return.

Frequently Asked Questions (FAQs), publications, laws, and regulations are also available on our website. You can enter a topic in the search field at the top of the screen and access a variety of information sources. You may also phone or visit one of our CDTFA offices or call the Customer Service Center for assistance. Staff will explain how to complete the tax return correctly. Although they cannot prepare the return for you or review your records to determine what amount to report, they will be glad to explain what information is required and how to enter it.

My accountant prepares my tax returns. Can my accountant file my return for me?

Yes. Your accountant can be registered to file your return for you. Forms are available online.

ONLINE SERVICES

The CDTFA is committed to providing online services for all taxpayers and feepayers. Visit our website at *www.cdtfa.ca.gov* for more information. We currently offer the following online services:

Register for a Permit, License, or Account

- Seller's Permit.
- Timber Yield Tax.
- California Fuel Trip Permit.
- Annual Flat Rate Decals.
- Internet Purchases of Cigarettes and/or Tobacco Products.

Renew Your License

- Cigarette and Tobacco Products.
- International Fuel Tax Agreement (IFTA).
- Use Fuel Tax (Annual Flat Rate Decal).

File a Return

- Sales and Use Tax.
- Motor Vehicle Fuels.
- International Fuel Tax Agreement (IFTA).
- Cigarette Manufacturers and Distributors.

Online Payment Options

- Pay Direct From Your Bank Account (ACH).
- Credit Card payments—sales and use tax returns and prepayments, special taxes returns, accounts receivable, and audit payments and fee payments for nearly all tax and fee programs.
- Electronic Funds Transfer (EFT)—payments can be initiated over the Internet or by telephone.

Online Relief Requests

- Declaration of Timely Mailing.
- Extension of Time to File a Tax/Fee Return.
- Relief from Penalty or Interest.
- Relief from Penalty and Interest Due to Disaster.
- Relief of the Collection Cost Recovery Fee.
- Relief from Interest Due to an Unreasonable Error or Delay by CDTFA or the DMV.

Cigarette Tax Stamp Program

- Licensed cigarette distributors may order cigarette tax stamps and check the status of their orders online.

Permit/License Verification

- Verify if a seller's permit number included on a resale certificate is valid.
- Verify if a cigarette/tobacco license is valid.
- Verify if a vendor of covered electronic devices (CED's) is registered to collect and remit the electronic waste fee.
- Verify if an Underground Storage Tank Maintenance Fee account is valid.

Payment Plan

- Request a payment plan if you cannot pay your total past due amount.

CDTFA Mobile Services

- Make electronic payments to your CDTFA account either through bank debit or with a credit card.
- View your payment history.
- Verify the status of a seller's permit account number included on a resale certificate, a cigarette/tobacco products license, or an eWaste recycling fee license.
- Find CDTFA office locations, addresses, and phone numbers.

BUYING, SELLING, OR DISCONTINUING A BUSINESS

Whenever you buy, sell, or discontinue a business, you will need to contact us. If you are buying a business, you may need to obtain a seller's permit, as permits are not transferable. If you are selling or discontinuing a business, you will need to close out your account. If the business in question is a corporation or limited liability company, please read the last paragraph in this chapter in addition to the information below.

Do I need to contact the CDTFA if I am buying a business?

Yes. To protect yourself from having to pay any sales and use tax owed by the business you are buying, you should write to us and request a certificate of tax clearance (call a nearby CDTFA office listed on page 23 for an address).

The following is a list of information to include in your written request for a tax clearance.

- The name, address, and phone number of the purchaser.
- The name, address, and phone number of the seller.
- The business address.
- A copy of the Bill of Sale or purchase agreement with the amount of purchase price.
- The name of the escrow company and escrow number, if applicable.
- The date the business was purchased.

If you do not obtain a tax clearance before you buy the business and the previous owner left tax amounts unpaid, you could be required to pay taxes, interest, and penalties that are due (up to the purchase price for the business, which includes any assumption of debt). See Regulation 1702, *Successor's Liability.*

After receiving your written request for a tax clearance, we will determine whether the business you are buying owes any sales and use taxes, interest, or penalties. If any money is owed, the current owner will be notified and advised to pay the amount due or you will be advised of an amount to withhold from the purchase price to cover the potential liability. This amount must be paid to us before we can issue a certificate of tax clearance.

If the business you are buying has more than one location and you are buying all of the locations, you need only one clearance. However, if you are buying one or more locations—but not all of them—you should request a tax clearance for each location.

If you are buying a business through an escrow company, you should make sure that the company requests the certificate of tax clearance on your behalf. It is important to remember that if taxes are owed by the current owner and escrow closes without a certificate of tax clearance, you may be held liable for unpaid taxes, as noted above.

Am I required to set money aside to cover unpaid taxes owed by the previous owner?

Yes. If we do not issue the certificate of tax clearance described above, you are required to withhold enough of the purchase price of the business to cover any amount owed to us by the former owner until he or she produces:

- A receipt from us showing all liability has been paid, or
- A certificate of tax clearance from us stating that no amount is due.

If we have provided you with a certificate of tax clearance for the business, you are no longer legally required to set aside funds to cover unpaid sales and use taxes.

Do I need to apply for a new seller's permit if I buy another business?

Yes. A new permit would be required to show you as the correct owner. You will need to provide the same information required of all seller's permit applicants (see the chapter, "Obtaining a Seller's Permit").

Do I need to tell the CDTFA I am closing or selling my business?

Yes. You must notify us in writing if you intend to sell or close your business. For instructions and the form you should use to notify us, please see publication 74, *Closing Out Your Account,* available on our website at *www.cdtfa.ca.gov*.

We will close out your account and cancel your seller's permit. If you provided a cash or interest-bearing security deposit to us when you obtained your seller's permit, the entire deposit or any unused portion will be returned to you depending on whether any taxes remain to be paid. For this reason, it is important that we have your current mailing address on file.

If you do not notify us when you sell your stock of goods, you may be liable for taxes, interest, and penalties incurred by the purchaser or successor. For more information, see Regulation 1699, *Permits*.

Reminder: It is a misdemeanor to use your seller's permit if you are no longer actively engaged in business.

If I withdraw from a partnership, should I notify the CDTFA?

Yes. You should notify us whenever a partner is added or dropped. Notifying us in a timely manner could help limit the personal liability of partners for taxes, penalties, and interest charges that are incurred after the partnership change. You should let us know of the change by writing to the CDTFA office that handles your account. Publishing this information in a newspaper or notifying another state agency is not sufficient notice to us.

If I withdraw from a business, leaving my spouse or registered domestic partner as sole owner, should I notify the CDTFA?

If your name is on the seller's permit with your spouse or registered domestic partner and you withdraw from ownership of the business, you should let us know of the change in writing. A legal separation or divorce decree awarding the business to one person, without written notification to us, is not sufficient notice. The person who remains and operates the business must obtain a new seller's permit.

The following information applies to corporations and limited liability companies:

Under certain circumstances, responsible individuals may be liable for tax, penalty, and interest owed by corporations, limited liability companies, and limited liability corporations. For more information, see Regulations 1702.5, *Responsible Person Liability,* and 1702.6, *Suspended Corporations.*

USING A RESALE CERTIFICATE

Why are resale certificates required?

If you purchase tangible personal property for resale, the transaction is not subject to sales or use tax provided the sale is properly documented. As a result, your supplier will ask you to provide a resale certificate as proof that the property was purchased for resale. As explained below, the certificate must be taken on a timely basis and it must include certain specific information.

What information must a resale certificate include?

The certificate may be in any form, such as a note, letter, or memorandum. However, the certificate must contain:

- The name and address of the purchaser.
- The number of the seller's permit held by the purchaser (if the purchaser is not required to have a seller's permit, see note below).
- A description of the property to be purchased.
- A statement that the described property is being purchased for resale. The certificate must contain words that state the property "will be resold" or is "for resale." The use of words such as "nontaxable" or "exempt" or similar terms is not acceptable.
- The date of the document.
- The signature of the purchaser or someone authorized to act on his or her behalf.

We do not require a specific resale certificate form. However, you may download and use CDTFA-230, *General Resale Certificate,* from our website or obtain a copy through our Customer Service Center (see page 23). A sample resale certificate from Regulation 1668, *Sales for Resale,* is reproduced on page 20. Regulation 1668 also contains a sample resale certificate for use by auto body repair and/or paint businesses.

Please note: Some businesses are not required to hold a seller's permit (for example, a business may not make any sales in this state or it may sell property whose retail sale is not subject to sales tax). If you are selling to a purchaser who is not required to hold a seller's permit but who wishes to make a purchase using a resale certificate, the purchaser must indicate on the certificate that he or she does not hold a seller's permit and why a permit is not required.

What are my responsibilities as a buyer using a resale certificate?

You should not use a resale certificate if there is any question that you will resell the property. If you are purchasing a combination of items where some are for resale and others are taxable (for personal use, for example), you must clearly indicate to the vendor which items are being purchased for resale.

There may be times when you are not sure whether the items you are purchasing are for resale or for personal use. In such cases, we recommend that you pay sales tax reimbursement or use tax to your supplier. If, at a later date, you resell an item before making use of it, you can take a deduction on the tax return on which you report the sale under "Cost of Tax-Paid Purchases Resold Prior to Use."

Do I need to submit a resale certificate each time I make a purchase?

No. If you make several purchases from one vendor, you may file one resale certificate with that vendor to keep on file. If purchase orders are used, in the part of the resale certificate where you describe the property being purchased, you may enter, "see purchase order." When you make purchases from that vendor, you must then clearly indicate on the purchase order which items are being purchased for resale (by using the words "for resale"). We assume that items not marked for resale are being sold to you at retail and are, therefore, subject to tax.

What are my responsibilities as a seller accepting a resale certificate?

As a seller, you should always note the general character of the purchaser's business. If the nature of the business is such that the property purchased would not normally be resold by the purchaser, you should question the use of the certificate.

For example, a resale certificate describing the business as a service station should not be accepted for the purchase of a sofa or a similar item not regularly sold by service stations. If the purchaser insists that the item is to be resold, you should ask for a resale certificate stating that the specific property is being purchased for resale in the regular course of business. If the purchaser is unwilling to provide one, you should consider the sale taxable.

You should not accept the certificate if you know or have reason to believe the property is being purchased for a purpose other than resale.

You are required to take a resale certificate in a timely fashion. That is, it must be taken:

- Before you bill the purchaser for the property, or
- At any time within your normal billing and payment cycle, or
- At any time prior to delivery of the property to the purchaser.

You must retain resale certificates you accept from others to substantiate claims that a sale was for resale and therefore not subject to tax.

For more information on making sales for resale, you may wish to obtain a copy of publication 103, *Sales for Resale*.

Can I find out if a seller's permit number is current?

Yes. If another seller has given you a resale certificate to make a purchase for resale, you can call us toll-free or visit our website at *www.cdtfa.ca.gov* to verify the seller's permit number (see page 23, under the heading "Internet").

Are there any penalties for the illegal use of a resale certificate?

Yes. If you give a resale certificate to purchase property that you know at the time will not be resold in the regular course of business, you will be liable for:

- The amount of tax that would be due had the certificate not been used, and
- Interest on the tax due (computed from the time the property was purchased).

In addition, you may have your seller's permit revoked and may be required to pay one or both of the following:

- A penalty of 10 percent of the tax or $500, whichever is greater, for each purchase made for personal gain or to evade payment of tax.
- A 25 percent penalty for fraud or intent to evade the tax.

It is a misdemeanor to issue a resale certificate to a seller to evade payment of tax. Each offense is punishable by a fine of $1,000 to $5,000 or imprisonment for up to one year in the county jail, or both.

KEEPING RECORDS

Because you are required to pay the correct amount of tax and account for your business purchases and sales, it is essential that you keep adequate records. For more information on keeping records, you may request a copy of Regulation 1698, Records, *and publication 116,* Sales and Use Tax Records. *In addition, publications prepared for specific types of businesses include information on recordkeeping.*

Please note: *The following information applies to the Sales and Use Tax programs and other CDTFA tax programs. Other government agencies may have different recordkeeping requirements.*

Am I required to keep business records?

Yes. You are required to keep business records so that representatives from our agency may:

- Verify the accuracy of sales and use tax returns.
- Determine if tax is due if a return has not been filed.

Failure to maintain accurate records may be considered evidence of negligence or intent to evade the tax and could result in penalties.

What types of records do I keep?

You must keep records that are necessary to determine the correct tax liability under the Sales and Use Tax Law, such as:

- The normal books of account (books of account can include information stored on computers).
- Documents of original entry (for example, bills, receipts, invoices, job orders, contracts, or other documents) supporting the entries in the books of account.
- All schedules or working papers used to prepare your tax returns.

What should my records show?

Your records must show all of the following:

- Gross receipts from all sales or leases of tangible personal property—even sales or leases you may consider to be exempt from tax.
- All deductions claimed in filing returns.
- The total purchase price of all tangible personal property purchased for sale, consumption, or lease.

How long do I keep my business records?

You should keep required sales and use tax records for at least *four years* unless we give you specific, written authorization to destroy them sooner. However, there may be instances where you would need to keep records for a longer period of time. For example, you must keep records longer than four years:

- If questionable transactions are discovered during an audit, you must keep those records for at least ten years.
- If you are being audited, you should retain all records that cover the audit period until the audit is complete, even if that means you should keep them longer than four years.
- If you have a dispute with us about how much tax you owe, you should retain the related records until that dispute is resolved. For instance, if you appeal the results of an audit or another determination, or you file a claim for a refund, you should keep your records while that matter is pending.

Should I keep resale or exemption certificates that I have accepted?

Yes. You need to keep the certificates to document claimed nontaxable sales. If you do not keep these records, you may be required to pay tax, interest, and penalty charges if you cannot otherwise prove a sale was not taxable.

Sample Resale Certificate, from Regulation 1668

(may be reproduced)

CDTFA-230 REV. 1 (8-17)
GENERAL RESALE CERTIFICATE

STATE OF CALIFORNIA
CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

California Resale Certificate

I HEREBY CERTIFY:

1. I hold valid seller's permit number: _____

2. I am engaged in the business of selling the following type of tangible personal property:

   _____

3. This certificate is for the purchase from _____ of the item(s) I have listed in paragraph 5 below.
   [Vendor's name]

4. I will resell the item(s) listed in paragraph 5, which I am purchasing under this resale certificate in the form of tangible personal property in the regular course of my business operations, and I will do so prior to making any use of the item(s) other than demonstration and display while holding the item(s) for sale in the regular course of my business. I understand that if I use the item(s) purchased under this certificate in any manner other than as just described, I will owe use tax based on each item's purchase price or as otherwise provided by law.

5. Description of property to be purchased for resale:

6. I have read and understand the following:

   For Your Information: A person may be guilty of a misdemeanor under Revenue and Taxation Code section 6094.5 if the purchaser knows at the time of purchase that he or she will not resell the purchased item prior to any use (other than retention, demonstration, or display while holding it for resale) and he or she furnishes a resale certificate to avoid payment to the seller of an amount as tax. Additionally, a person misusing a resale certificate for personal gain or to evade the payment of tax is liable, for each purchase, for the tax that would have been due, plus a penalty of 10 percent of the tax or $500, whichever is more.

NAME OF PURCHASER

SIGNATURE OF PURCHASER, PURCHASER'S EMPLOYEE OR AUTHORIZED REPRESENTATIVE

PRINTED NAME OF PERSON SIGNING	TITLE
ADDRESS OF PURCHASER	
TELEPHONE NUMBER ( )	DATE

Copies of CDTFA-230, *California Resale Certificat*e are available on our website and from our Customer Service Center at 1-800-400-7115 (TTY:711).

CLEAR PRINT

Should I be registered under any other CDTFA-administered tax programs?

In addition to the state's sales and use taxes, we administer a number of other taxes and fees. Publication 51, *California Department of Tax and Fee Administration Resource Guide to Free Tax Products and Services for Small Businesses*, provides a listing of all CDTFA-administered tax and fee programs. It is available on our website, *www.cdtfa.ca.gov* or from our Customer Service Center.

The list below includes some of the other tax and fee programs we administer. You can register for most special taxes and fees programs using online registration. Programs for which you can register online are identified by an asterisk (*) below. For further information on a particular program please visit our website at *www.cdtfa.ca.gov* or contact:

Special Taxes and Fees

California Department of
Tax and Fee Administration, MIC:88
PO Box 942879, Sacramento, CA 94279-0088
1-800-400-7115 phone
1-916-323-9297 fax

- California Tire Fee*
- Cannabis Taxes
- Childhood Lead Poisoning Prevention Fee
- Cigarette and Tobacco Products Licensing Program*
- Cigarette and Tobacco Products Tax*
- Diesel Fuel Tax*
- Electronic Waste Recycling Fee*
- Emergency Telephone Users Surcharge*
- Energy Resources Surcharge*
- Fire Prevention Fee
- Hazardous Waste Disposal Fee
- Hazardous Waste Environmental Fee*
- Hazardous Waste Facility Fee
- Hazardous Waste Generator Fee*
- Integrated Waste Management Fee (Solid Waste & Wood Waste)
- Jet Fuel Tax*
- Lead-Acid Battery Fee
- Marine Invasive Species (Ballast Water) Fee
- Motor Vehicle Fuel Tax*
- Natural Gas Surcharge*
- Occupational Lead Poisoning Prevention Fee*
- Oil Spill Response, Prevention, and Administration Fees*
- Prepaid Mobile Telephony Services (MTS) Surcharge
- Regional Railroad Accident Preparedness and Immediate Response Fee
- Underground Storage Tank Maintenance Fee*
- Water Rights Fee

Motor Carrier Office

California Department of
Tax and Fee Administration, MIC:65 PO Box 942879,
Sacramento, CA 94279-0065
1-800-400-7115 phone

- Diesel Fuel Tax (Exempt Bus Operators & Govt. Entities)*
- International Fuel Tax Agreement (IFTA)*
- Interstate User Diesel Fuel Tax (DI)*
- Use Fuel Tax*

FOR MORE INFORMATION

For additional information or assistance with how the Sales and Use Tax Law applies to your business operations, please take advantage of the resources listed below.

CUSTOMER SERVICE CENTER
1-800-400-7115
TTY:711

Customer service representatives are available weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays. In addition to English, assistance is available in other languages.

CDTFA OFFICES

City	Area Code	Number
Bakersfield	1-661	395-2880
Culver City	1-310	342-1000
El Centro	1-760	352-3431
Fairfield	1-707	427-4800
Fresno	1-559	440-5330
Glendale	1-818	543-4900
Irvine	1-949	440-3473
Norwalk	1-562	466-1694
Oakland	1-510	622-4100
Rancho Cucamonga	1-909	257-2900
Rancho Mirage	1-760	770-4828
Redding	1-530	224-4729
Riverside	1-951	680-6400
Sacramento	1-916	227-6700
Salinas	1-831	443-3003
San Diego	1-858	385-4700
San Francisco	1-415	356-6600
San Jose	1-408	277-1231
Santa Clarita	1-661	222-6000
Santa Rosa	1-707	576-2100
Ventura	1-805	677-2700
West Covina	1-626	480-7200
Out-of-State Offices		
Chicago, IL	1-312	201-5300
Houston, TX	1-713	739-3900
New York, NY	1-212	697-4680
Sacramento, CA	1-916	227-6600

INTERNET
www.cdtfa.ca.gov

You can log onto the CDTFA website for additional information—such as laws, regulations, forms, publications, industry guides, and policy manuals—that will help you understand how the law applies to your business.

You can also verify seller's permit numbers on the CDTFA website (look for "Verify a Permit/License") or call the CDTFA's toll-free automated verification service at 1-888-225-5263.

Multilingual versions of publications are available on the CDTFA website at *www.cdtfa.ca.gov.*

Another good resource—especially for starting businesses—is the California Tax Service Center at *www.taxes.ca.gov*.

TAX INFORMATION BULLETIN

The quarterly Tax Information Bulletin (TIB) includes articles on the application of law to specific types of transactions, announcements about new and revised publications, and other articles of interest. You can find current and archived TIBs on the CDTFA website at *www.cdtfa.ca.gov/formspubs/pub388.pdf*. Sign up for CDTFA updates email list and receive notification when the latest issue of the TIB has been posted to the CDTFA website.

FREE CLASSES AND SEMINARS

Most of the CDTFA statewide offices offer free basic sales and use tax classes with some classes offered in other languages. Check the Sales and Use Tax Section on the CDTFA website at *www.cdtfa.ca.gov* for a listing of classes and locations. You can also call your local CDTFA office for class information. We also offer online seminars including the Basic Sales and Use Tax tutorial and how to file your tax return that you can access on the CDTFA website at any time. Some online seminars are also offered in other languages.

WRITTEN TAX ADVICE

For your protection, it is best to get tax advice in writing. You may be relieved of tax, penalty, or interest charges that are due on a transaction if we determine that we gave you incorrect written advice regarding the transaction and that you reasonably relied on that advice in failing to pay the proper amount of tax. For this relief to apply, a request for advice must be in writing, identify the taxpayer to whom the advice applies, and fully describe the facts and circumstances of the transaction.

Please visit the CDTFA website at: *www.cdtfa.ca.gov/email* to email your request. You may also send your request in a letter to: Audit and Information Section, MIC:44, California Department of Tax and Fee Administration, P.O. Box 942879, Sacramento, CA 94279-0044.

TAXPAYERS' RIGHTS ADVOCATE

If you would like to know more about your rights as a taxpayer or if you have not been able to resolve a problem through normal channels (for example, by speaking to a supervisor), please see publication 70, *Understanding Your Rights as a California Taxpayer,* or contact the Taxpayers' Rights Advocate Office for help at 1-916-324-2798 (or toll-free, 1-888-324-2798). Their fax number is 1-916-323-3319.

If you prefer, you can write to: Taxpayers' Rights Advocate, MIC:70; California Department of Tax and Fee Administration; P.O. Box 942879; Sacramento, CA 94279-0070.

California Department of Tax and Fee Administration
450 N Street • Sacramento, California
Mailing Address: PO Box 942879 • Sacramento, CA 94279-0001