



# SPECIAL NOTICE

CALIFORNIA DEPARTMENT  
OF TAX AND FEE  
ADMINISTRATION  
450 N Street  
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Governor

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Government Operations Agency

**NICOLAS MADUROS**  
Director

CDTFA WEBSITE  
[www.cdtfa.ca.gov](http://www.cdtfa.ca.gov)

CUSTOMER SERVICE CENTER  
1-800-400-7115

TTY  
711

## UPDATES FOR PREPAID MOBILE TELEPHONY SERVICES (MTS) SELLERS:

### Certain Prepaid MTS Sellers May Close Account if Local Charges Do Not Apply and New Local Charge Rate for San Francisco—Effective April 1, 2019

Prepaid MTS sellers (other than service suppliers) are now required to collect *only* the applicable local charges on their sales of prepaid MTS due to a recent district court decision as explained in our [Special Notice dated December 2018](#)<sup>1</sup>. Therefore, under certain circumstances as explained below, prepaid MTS sellers may close their account.

#### You may close your prepaid MTS account if local charges do not apply

If you are a prepaid MTS seller (other than service suppliers) making sales of prepaid MTS at your retail location(s) in areas without an applicable local charge, local charges do not apply to your prepaid MTS sales. Therefore, you may close your prepaid MTS account. However, if you make sales online or remotely to California customers in areas with local charges, you are required to maintain your prepaid MTS account to collect and report the applicable local charges based on your customers' California addresses.

#### New local charge rate for San Francisco

Beginning April 1, 2019, the local charge rate for the city and county of San Francisco will change as listed below:

New local Charges Effective April 1, 2019			
Location	Current Rate	New Rate	County
City and County of San Francisco	14.30%	14.50%	San Francisco

You may find the applicable local charges for each city and/or county on our website at [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov); select *Tax & Fee Rates* at the top of the home page and then choose [Prepaid Mobile Telephony Services Surcharge Rates](#). The new San Francisco rate will be available on our website by March 1, 2019.

For more information about prepaid MTS, see the online [Prepaid Mobile Telephony Services \(MTS\) Surcharge](#) guide listed on our website at [www.cdtfa.ca.gov/industry/](http://www.cdtfa.ca.gov/industry/), or call the Customer Service Center at 1-800-400-7115 (TTY:711) Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), excluding state holidays.

<sup>1</sup>You may find this Special Notice on our website at <https://www.cdtfa.ca.gov/formspubs/l592.pdf>