The information in this presentation provides general information regarding the law and CDTFA processes. For detailed information, visit the CDTFA website or contact the offices listed at the end of this presentation.
California Cigarette and Tobacco Products Licensing Act

The California Cigarette and Tobacco Products Licensing Act (CTPLA) requires all sellers of cigarettes and tobacco products to be licensed with the California Department of Tax and Fee Administration (CDTFA):

- Retailers
- Wholesalers
- Distributors
- Importers
- Manufacturers
California state law defines “tobacco products” as:

- A product containing, made, or derived from tobacco or nicotine that is intended for human consumption, whether smoked, heated, chewed, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, including, but not limited to, cigars, little cigars, chewing tobacco, pipe tobacco, shisha, or snuff, and as of June 2016, "electronic cigarettes."

Note: Therapeutic nicotine products approved by the U.S. Food and Drug Administration for smoking cessation are not considered a tobacco product; for example, a nicotine patch.
Electronic Cigarettes

- Electronic cigarettes means any device or delivery system sold in combination with nicotine which can be used to deliver to a person nicotine in aerosolized or vaporized form, including, but not limited to, eCigarettes, eCigars, ePipes, eHookahs, or vape pens. Electronic cigarettes include any component, part, or accessory of such a device that is used during the operation of the device when sold in combination with any liquid or substance containing nicotine for a single price.

- Electronic cigarettes also include any liquid or substance containing nicotine, whether sold separately or sold in combination with any device that could be used to deliver to a person nicotine in aerosolized or vaporized form.
STATE LICENSE
What CTPLA License Do You Need?

Retailer License (LRQ*):
- Allows you to sell tax-paid cigarettes and other tobacco products (OTP) to legal-aged customers.
- Application license fee is $265 per location; annual renewal fee is $265 per location.
- Valid for 12 months; renewal reminder sent 60 days in advance.

Wholesaler License (LWQ):
- Allows you to obtain and sell tax-paid cigarettes and OTP to retailers and other wholesalers.
- Application license fee is $1,200 per location; annual renewal fee is $1,200 per location.
- Valid for a calendar year (Jan – Dec); renewal reminder sent in October.

Distributor License (LDQ):
- Allows you to sell tax-paid cigarettes and OTP to retailers, wholesalers, and other distributors.
- Application license fee is $1,200 per location; annual renewal fee is $1,200 per location.
- Valid for a calendar year (Jan – Dec); renewal reminder sent in October.
- Security deposit required.

- New locations must be added to your seller’s permit before a cigarette and tobacco product license can be activated for that location.
- A license is not assignable or transferable.
- License fee may not be prorated.

*Beginning May 2018, the Retailer CTPLA license designation will change from LRQ to CRL.*
CDTFA Cigarette/Tobacco Products License

- Apply for a license online at: https://services.cdtfa.ca.gov/ereg/index.boe
- Pay all license fees.
- Application may take 7-10 days to process.
- Upon approval, license and related information will be emailed to you.
- Must have and display license before making purchases or sales.
- CDTFA cigarette and tobacco products license is separate from a local city or county tobacco license.