INSPECTIONS
The Investigations Division (ID) of the CDTFA conducts inspections of all businesses selling cigarettes and OTP.

Wholesaler inspections are not scheduled but are conducted during regular business hours.

Distributors typically receive contact from ID before an inspection.

When they arrive at your business, inspectors will:

- Ask for the person in charge and for their identification.
- Explain the inspection process.
- Request permission to conduct the inspection and access to any secured cigarette/OTP storage areas.
- Check that you have the appropriate licenses/permits:
  - SR, LWQ, CW, TW, LDQ, CR, CP, LRQ
  - Other business licenses that may be required
The inspectors will verify that...

- Our information for your business is current.
- The STAKE Act sign is posted.
- All your cigarette packs are affixed with valid California tax stamps.
- All your cigarettes comply with the California Cigarette Fire Safety and Firefighter Protection Act (FSC).
- All your cigarette brands and roll-your-own (RYO) tobacco products are listed on the Attorney General’s California Tobacco Directory.

Note:

- California Distributors may possess unlisted and/or unstamped cigarettes or unlisted RYO tobacco only if sales and delivery of these brands are made to out-of-state customers.
- All flavored cigarettes, except Menthol, are banned from sale in the U.S. and are subject to seizure.
California Tobacco Directory

- Only cigarettes and RYO tobacco brands and brand families certified by the California Attorney General’s Office (AG’s Office) are listed on the California Tobacco Directory.

- Wholesalers and Distributors may only sell, offer for sale, or possess for sale in California brands listed in the Directory.
  - Brands are added or removed from the Directory by the AG’s Office as necessary.
  - When a brand is pending removal from the Directory for cause, The AG’s Office will notify the Manufacturer, Distributors, and Wholesalers of its pending action.
For **40 days** from this notice, a licensed Distributor may purchase, stamp, or sell the affected product, and a licensed Wholesaler may purchase or sell the product.

No later than **7 days** after receiving the “pending” removal notice from the AG’s Office, Distributors and Wholesalers must notify each of their existing customers of the impending removal of the product from the Directory.

No later than **7 days** after the AG’s Office issues the Notice of Removal, Distributors and Wholesalers must provide a copy of the Notice of Removal to their existing customers.

**Note:** Retailers have **60 days** after the date of the removal to possess, transport, and sell the tax-paid product. Thereafter, the product becomes contraband and subject to seizure.