



## CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

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GAVIN NEWSOM  
 Governor

NICOLAS MADUROS  
 Secretary, Government Operations Agency

TRISTA GONZALEZ  
 Director

**Notice of Public Hearing**  
**Proposed adoption of Regulation 3802, *Gross Receipts from Sales of Cannabis and Cannabis Products*, with proposed amendments**

Date	Time	Location
June 23, 2025	10:00 a.m.	Microsoft Teams

The Department will hold a public hearing regarding the proposed adoption of California Code of Regulations, title 18, section (Regulation) 3802, *Gross Receipts from Sales of Cannabis and Cannabis Products*, with proposed amendments, on the date and at the time indicated above. The Department originally adopted Regulation 3802 as an emergency regulation to clarify the meaning of gross receipts from the retail sale of cannabis or cannabis products for purposes of the cannabis excise tax imposed by Revenue and Taxation Code (RTC) section 34011.2, and the Department is now proposing to adopt it as permanent regulation through the regular rulemaking process in the Administrative Procedure Act (APA) (commencing with Gov. Code (GC) section 11340). The Department is proposing to adopt emergency Regulation 3802 with amendments clarifying that gross receipts from the sale of cannabis or cannabis products include any amount a purchaser is required to pay “To reimburse the cannabis retailer for the cost of doing business, including the costs of the sale.” The Department is also proposing to adopt emergency Regulation 3802 with amendments that add an example of an amount included in gross receipts because the purchaser is required to pay it for a service that is part of the sale of cannabis.

At the hearing, any interested person may present or submit oral or written statements, arguments, or contentions regarding the proposed adoption of Regulation 3802, with proposed amendments. Whether you speak at the hearing or not, you may submit written comments until 11:59 p.m. on June 23, 2025. Please submit written comments to [BTfD-BTC.InformationRequests@cdtfa.ca.gov](mailto:BTfD-BTC.InformationRequests@cdtfa.ca.gov).

To participate, you may join on your computer or mobile app through [Microsoft Teams](#) or by calling 1-916-535-0987 and then entering the phone conference identification number 445 897 329#. The notice, initial statement of reasons, and text of emergency Regulation 3802 with proposed amendments are available on the CDTFA website at <https://www.cdtfa.ca.gov/taxes-and-fees/Reg3802-Certification.htm>.

Please note that the hearing is a forum for the public to present their comments regarding the adoption of Regulation 3802 with proposed amendments, and the Department will consider all comments made during the hearing. However, the Department may not respond to some comments during the hearing.

For more information regarding this public hearing, please contact Ms. Sarah Smith at [sarah.smith@cdtfa.ca.gov](mailto:sarah.smith@cdtfa.ca.gov) or at 1-916-309-5292.

*Aimee Olhiser*

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