

**APPLICATION FOR USE TAX DIRECT PAYMENT PERMIT**

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

Please type or print clearly. Read instructions on reverse before completing this form.

**SECTION I – BUSINESS INFORMATION**

NAME OF BUSINESS OR GOVERNMENTAL ENTITY	SALE/USE TAX PERMIT NUMBER
BUSINESS ADDRESS (street)	CONSUMER USE TAX ACCOUNT NUMBER
CITY, STATE, ZIP CODE	If applicant is applying for either a sales/use tax permit or a consumer use tax account in addition to a use tax direct payment permit, check here: <input type="checkbox"/>
MAILING ADDRESS (street address or P.O. Box if different from business address)	
CITY, STATE, ZIP CODE	NAME UNDER WHICH BUSINESS IS TO BE TRANSACTED IF DIFFERENT THAN ABOVE

**SECTION II – MULTIPLE BUSINESS LOCATIONS**

LIST BELOW THE BUSINESS AND MAILING ADDRESSES OF ALL LOCATIONS WHERE PROPERTY PURCHASED UNDER A USE TAX DIRECT PAYMENT CERTIFICATE WILL BE USED. IF ADDITIONAL SPACE IS NEEDED, ATTACH A SEPARATE SHEET.

1. BUSINESS ADDRESS	4. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS
2. BUSINESS ADDRESS	5. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS
3. BUSINESS ADDRESS	6. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS

**SECTION III – CERTIFICATION STATEMENT**

I hereby certify that I qualify for a Use Tax Direct Payment Permit for the following reason: (Please check one of the following.)

I have purchased or leased for my **own use** tangible personal property **subject to use tax** at a cost of five hundred thousand dollars (\$500,000) or more in the aggregate, during the calendar year immediately preceding this application for the permit. I have attached a "Statement of Cash Flows" or other comparable financial statements acceptable to the California Department of Tax and Fee Administration (CDTFA) for the calendar year immediately preceding the date of application and a separate statement attesting that the qualifying purchases were purchases that were subject to use tax.

I am a county, city, city and county, or redevelopment agency.

I also agree to self-assess and pay directly to CDTFA any use tax liability incurred pursuant to my use of a Use Tax Direct Payment Permit.

For our privacy policy and notice, visit our webpage at [www.cdtfa.ca.gov/privacy.htm](http://www.cdtfa.ca.gov/privacy.htm), or go to [www.cdtfa.ca.gov/formspubs/forms.htm](http://www.cdtfa.ca.gov/formspubs/forms.htm) and search for **CDTFA-324-GEN-WEB, Privacy Notice—Website—No Action Needed.**

The above statements are hereby certified to be correct to the knowledge and belief of the undersigned, who is duly authorized to sign this application.

SIGNATURE	TITLE
NAME (typed or printed)	DATE
TELEPHONE NUMBER	EMAIL ADDRESS

(See reverse side for general information and filing instructions.)

**USE TAX DIRECT PAYMENT PERMIT**  
General Information and Filing Instructions

Revenue and Taxation Code section [7051.3](#) authorizes CDTFA to issue a *Use Tax Direct Payment Permit* to qualified applicants. This permit allows purchasers and lessees of tangible personal property (other than lessees of motor vehicles, the lease of which is subject to the terms of section [7205.1](#) of the Sales and Use Tax Law) to self-assess and pay use taxes directly to CDTFA instead of to the vendor or lessor from whom the property is purchased or leased.

Permit holders will be provided with a *Use Tax Direct Payment Exemption Certificate* which they can issue to retailers and lessors when they purchase tangible personal property subject to **use tax** or make qualified leases of tangible personal property. Vendors who timely take the certificate in good faith from a permit holder are relieved of the duty to collect use taxes on the sales for which the certificate was issued. Permit holders who acquire property under a certificate must self-assess and report the use taxes directly to CDTFA on their tax returns and allocate the local taxes to the county, city, city and county, or redevelopment agency in which the property is first used. Permit holders who fail to properly pay any use taxes that are due on property for which a certificate was given are subject to interest and penalties assessments in addition to their tax liability.

To qualify for a *Use Tax Direct Payment Permit*, an applicant must meet the following conditions:

- (1) The applicant must agree to self-assess and pay directly to CDTFA any use tax which is due on property for which a use tax direct payment exemption certificate was given; and
- (2) The applicant must certify to CDTFA either of the following:
  - (A) The applicant has purchased or leased **for its own use** tangible personal property **subject to use tax** which cost five hundred thousand dollars (\$500,000) or more in the aggregate, during the calendar year immediately preceding the application for the permit; or
  - (B) The applicant is a county, city, city and county, or redevelopment agency.

Persons wishing to obtain a use tax direct payment permit must be prequalified and either hold a California seller's permit or a consumer use tax account.

Persons other than governmental entities who currently hold either a California seller's permit or a consumer use tax account must complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under conditions of part (2)(A) above, **submit a "Statement of Cash Flows" or other comparable financial statements acceptable to CDTFA for the calendar year immediately preceding the date of application which discloses total purchases of property and equipment for own use, and submit a separate statement under company letterhead certifying that five hundred thousand dollars (\$500,000) or more of such purchases were subject to use tax.**

Persons other than governmental entities who are not required to hold a seller's permit and who do not currently hold a consumer use tax account must obtain a consumer use tax account, complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of part (2)(A) above, **submit a "Statement of Cash Flows" or other comparable financial statements acceptable to CDTFA for the calendar year immediately preceding the date of application which discloses total purchases of property and equipment for own use, and submit a separate statement under company letterhead certifying that five hundred thousand dollars (\$500,000) or more of such purchases were subject to use tax.**

Governmental entities who currently hold either a California seller's permit or a consumer use tax account must complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of part (2)(B) above, and submit an additional statement to that effect under official letterhead and signed by an authorized governmental representative.

Governmental entities who do not hold a California seller's permit or a consumer use tax account must obtain a consumer use tax account, complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of part (2)(B) above, and submit an additional statement to that effect under official letterhead and signed by an authorized governmental representative.

The completed *Application for Use Tax Direct Payment Permit*, certification statement, and qualifying documentation should be emailed to [BTFD-CTSCPUGroup@cdtfa.ca.gov](mailto:BTFD-CTSCPUGroup@cdtfa.ca.gov) or returned to the address shown below. If all conditions are met, a *Use Tax Direct Payment Permit* and a *Use Tax Direct Payment Exemption Certificate* will be mailed to the applicant.

If you would like additional information regarding the *Use Tax Direct Payment Permit* or need assistance in completing this application, you can call 1-916-309-5399, or write to the California Department of Tax and Fee Administration, Compliance Policy Unit, P.O. Box 942879, Sacramento, CA 94279-0040.