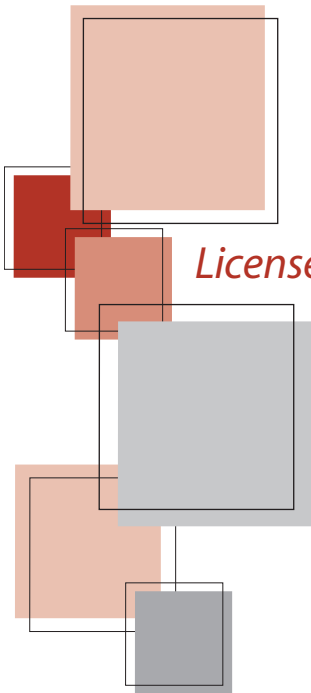
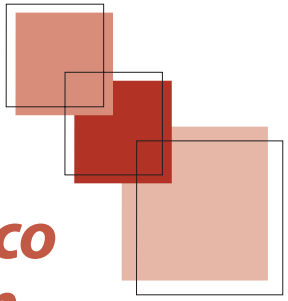


Sales of Cigarettes and Tobacco Products in California



*License Requirement
for Retailers*

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State Board of Equalization



Am I required to obtain a special license to make retail sales of cigarettes and tobacco products in California?

Yes. Under the Cigarette and Tobacco Products Licensing Act of 2003, businesses in California that make retail sales of cigarettes and tobacco products to the public are required to have a special retailer's license. This is true even if you have a seller's permit or other permits or licenses issued by the Board of Equalization.

See inside for more ...

California Cigarette and Tobacco Products Licensing Act of 2003

Retailer's License

■ Licensing Requirement

Who is required to have a license?

Sellers of cigarettes and tobacco products in California must have a California Cigarette and Tobacco Products Retailer's License if they sell cigarettes or tobacco products at retail from a business location or vending machine in this state.

A separate license is required for each location or vending machine from which cigarettes or tobacco products are sold at retail. Whenever you add a new location that requires a license, you must obtain a separate license for that location.

Note: You must obtain a distributor's license if you purchase cigarettes or tobacco products from an out-of-state seller who does not have a license issued under this law. You must obtain a wholesaler's license if you purchase tax-paid cigarettes or tobacco products for resale. The fee for each license is \$1000 a year for each of your locations.

How much does a retailer's license cost?

There is a onetime fee of \$100 for *each* location or vending machine from which you sell cigarettes or tobacco products at retail.

The license is valid for one year and must be renewed annually. There is no additional charge to renew a license.

How do I apply?

Complete and submit an *Application for Retailer's Cigarette and Tobacco Products License* (form [BOE-400-LR](#)). You can download the application from our website at www.boe.ca.gov/sptaxprog/sptaxforms.htm or call our Information Center for a copy: 800-400-7115.

Include a check payable to the Board of Equalization with your application. The amount is \$100 for each retail location where you sell cigarettes or tobacco products.

I have a seller's permit. Am I still required to obtain this retailer's license?

Yes. This licensing requirement is in addition to other permits and licenses we issue.

The state license required by this law does not replace any local cigarette and tobacco products retail license you may be required to have.

■ Responsibilities of License Holders

As a holder of a retailer's license, you must

- Conspicuously display your license at each retail location so that it is visible to the public.
- Keep complete and legible purchase invoices for cigarettes and tobacco products for four years (see *Purchase Invoice Requirements* below).
- Keep cigarette and tobacco products invoices at each licensed location for at least one year after the date of purchase.
- Allow our staff or law enforcement officers to review your cigarette and tobacco products purchase invoices upon request.

Purchase Invoice Requirements

The invoices you receive from sellers licensed under the Cigarette and Tobacco Products Licensing Act of 2003 must include the following information:

- The name of the wholesaler or distributor from whom you purchased the cigarettes or tobacco products.
- The address, telephone number, and license number of the wholesaler or distributor.

- The following statement, "All California cigarette and tobacco product taxes are included in the total amount of this invoice."
- Your name, address, and retailer's license number.
- An itemized list of the cigarette or tobacco products sold.

All purchase invoices must be readable.

■ Enforcement

Records. You must maintain accurate and complete records, including properly completed purchase invoices. If you do not, you are subject to a misdemeanor punishable by a fine of up to \$5,000 or imprisonment for up to one year in a county jail, or both.

License display. If you do not conspicuously display your license at each retail location from which you sell cigarettes or tobacco products, you are subject to a penalty of \$500 and your license may be suspended or revoked.

Inspections. Our staff and law enforcement officers can inspect retail locations and seize any untaxed cigarettes and tobacco products, including cigarettes without stamps or with counterfeit tax stamps. Any person who refuses to allow an inspection is guilty of a misdemeanor and is subject to a fine.

Illegal purchases. It is illegal for retailers to purchase cigarettes or tobacco products from a seller who is not licensed under the California Cigarette and Tobacco Products Licensing Act of 2003. If you make an illegal purchase, your license may be suspended or revoked, and you may be subject to fines, imprisonment, or both. (*Note:* A list of California licensed distributors and wholesalers is available on our website at www.boe.ca.gov/pdf/cigdistrib-wholsr.pdf.)

For more information . . .

Go online

www.boe.ca.gov

Or call our Information Center

800-400-7115

TTY/TDD: 800-735-2929



To contact your Board of Equalization Member, see www.boe.ca.gov/members/board.htm

Taxpayer's Rights Advocate: 888-324-2798

Note: This brochure summarizes the law and regulations in effect as of the publication date. While the information in this brochure is general, the law is complex and subject to change. If there is a conflict between the brochure and the law or regulations, decisions will be based on the law and regulations.