



SPECIAL NOTICE

CALIFORNIA DEPARTMENT
OF TAX AND FEE
ADMINISTRATION
450 N Street
Sacramento, CA 95814

GAVIN NEWSOM
Governor

NICOLAS MADUROS
Director

CDTFA WEBSITE
www.cdtfa.ca.gov

CUSTOMER SERVICE CENTER
1-800-400-7115

CRS
711

New Reporting Requirements for Tobacco Products Distributors Effective January 1, 2020

Beginning January 1, 2020, tobacco products distributors will be required to report the wholesale cost of electronic cigarettes and vaping products that contain nicotine separately from the wholesale cost of all other tobacco products they distribute. Distributors will also be required to report their total sales of electronic cigarettes and vaping products that contain nicotine by customer (buyer). These new reporting requirements are based on Governor Newsom's September 16, 2019, Executive Order N-18-19, and the California Department of Tax and Fee Administration's authority under Revenue and Taxation Code section 30454. The CDTFA-501-CT, *Tobacco Products Distributor Tax Return*, will be revised and a new schedule, CDTFA-810-CTN, *Electronic Cigarettes and Vaping Products That Contain Nicotine - Tax Disbursement Schedule*, added to meet these new requirements.

Revisions to: CDTFA-501-CT, *Tobacco Products Distributor Tax Return*

Line 1 will be separated into three lines:

- Line (1a) will be used to report the wholesale cost of all electronic cigarettes and vaping products that contain nicotine distributed. If you report an amount on this line, you must also complete the new schedule, CDTFA-810-CTN, *Electronic Cigarettes and Vaping Products That Contain Nicotine - Tax Disbursement Schedule*. (See below.)
- Line (1b) will be used to report the wholesale cost of all other tobacco products (excluding amounts reported on line 1a) distributed.
- Line (1c) will be used to report the total wholesale cost of all tobacco products distributed. Line 1c will be the total of lines 1a and 1b.

New Schedule: CDTFA-810-CTN, *Electronic Cigarettes and Vaping Products That Contain Nicotine - Tax Disbursement Schedule*

You must file this schedule with the *Tobacco Products Distributor Tax Return* and report the information below for each buyer:

- Buyer Name
- Address (street address, city, and ZIP code where the product was delivered)
- California Tobacco Products License Number
 - Provide the California license number using only the 9-digit numeric portion without dashes. For example, "123-456789" would be reported as "123456789."
 - If you are an in-state distributor and a licensed retailer selling to your retail location, provide your own retailer license number.
 - If you are an out-of-state distributor and selling directly to a consumer, write "N/A" (for not applicable).
- Total Sales of Electronic Cigarettes and Vaping Products
 - Provide the total sales amount (excluding sales tax) of all electronic cigarettes and vaping products that contain nicotine. Round to the nearest whole dollar.

For more information

If you have questions regarding this notice, you may call our Customer Service Center at 1-800-400-7115 (CRS:711), then select the *Special Taxes and Fees* option and follow the prompts for *Cigarette and Tobacco Products Licensing or Taxes*. Customer service representatives are available Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.