



SPECIAL NOTICE

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

GAVIN NEWSOM
Governor

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Director

CDTFA WEBSITE
www.cdtfa.ca.gov

CUSTOMER SERVICE CENTER
1-800-400-7115
CRS
711

Changes to the Lead-Acid Battery Fees Program

Beginning January 1, 2020, [Assembly Bill 142](#) (Stats. 2019, ch. 860) makes changes to the Lead-Acid Battery Fees Program.

New Motor Vehicle Dealers

Beginning January 1, 2020, the California battery fee does not apply to a replacement lead-acid battery installed into a used motor vehicle that is sold or leased by a new motor vehicle dealer.

The new motor vehicle dealer shall maintain documentation to support its California battery fee exempt sales or leases, such as the *Report of Sale* or the *Motor Vehicle Contract and Security Agreement*.

Lead-Acid Battery Manufacturers and Importers

Beginning January 1, 2020, a manufacturer not subject to California jurisdiction may enter into a written agreement with an importer to pay the manufacturer battery fee on behalf of the importer.

A manufacturer who agrees to pay the fee on behalf of an importer must:

- Register with the California Department of Tax and Fee Administration (CDTFA) to file and pay.
- Provide the importer with a statement on the invoice, contract, or other record documenting the transaction. The statement must include:
 - The manufacturer's CDTFA manufacturer battery fee account number,
 - Identification of the lead-acid battery(ies) sold that will be subject to the fee, and
 - A statement that the manufacturer will pay the fee to the CDTFA on behalf of the importer. The statement must be provided to the importer in a timely manner:
 - Before the battery(ies) is billed or delivered,
 - Within the normal billing and payment cycle, or
 - Before the return is due.
- Retain sufficient records to document:
 - The lead-acid battery(ies) for which the person has agreed to pay the manufacturer battery fee was/were delivered for retail sale in California,
 - The identity of the importer of the lead-acid battery(ies), and
 - That the statement on the invoice, contract, or other record documenting the transaction was provided to the importer in a timely manner.
- Retain records for at least four years and make them available to the CDTFA upon request.

An importer who receives a timely statement from a manufacturer is relieved from any obligation imposed on the sale of that lead-acid battery if the manufacturer pays the manufacturer battery fee to the CDTFA. The importer remains liable for the fee if the manufacturer does not pay.

An importer who has paid the manufacturer battery fee for a lead-acid battery and later receives an untimely statement from a manufacturer that the fee has been paid for that lead-acid battery may file a claim for refund for any overpaid fees.

Manufacturer's Battery Fee Permit Verification

Beginning January 1, 2020, the CDTFA can disclose the name, account number, and account status of a manufacturer battery fee account. To verify a CDTFA permit, license, or account, please visit our website at <https://services.cdtfa.ca.gov/webservices/verification.jsp>. The CDTFA may also disclose to the importer the amount of fees paid by the manufacturer, according to their agreement.

Your return will be updated to reflect these legislative changes beginning with the first quarter 2020 reporting period.

For More Information

Additional information can be found on our *Tax Guide for Lead-Acid Battery Fees* at www.cdtfa.ca.gov/industry/lead-acid-battery-fees.htm. The guide will be updated as more information becomes available.

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