



Special Notice

CALIFORNIA DEPARTMENT
OF TAX AND FEE
ADMINISTRATION
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CDTFA WEBSITE
www.cdtfa.ca.gov

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

New Tax Rate on Other Tobacco Products Effective July 1, 2018, through June 30, 2019

The new tobacco products tax rate is 62.78 percent effective July 1, 2018, through June 30, 2019. Tobacco products distributors are required to apply this rate to all distributions of other tobacco products during the effective period.

The California Department of Tax and Fee Administration (CDTFA) approved the new tax rate. The CDTFA is required to determine the tax rate annually on other tobacco products (products other than cigarettes) that is equivalent to the combined rate of tax imposed on cigarettes. The tobacco products tax is imposed on the distribution of tobacco products in California and is paid by tobacco products distributors.

The tobacco products tax is due at the time the tobacco products are distributed in California. The tobacco products tax is based on the distributor's wholesale cost. Wholesale cost is the cost of the tobacco products to the distributor prior to any discounts or trade allowances (see [Revenue and Taxation Code section 30017](#) and [Regulation 4076](#)). This cost is typically the invoiced price of the tobacco products charged by a manufacturer or importer to the licensed distributor prior to any discounts or trade allowances. ***Accordingly, the tax rate that applies is the rate in effect at the time the tobacco product is sold by the distributor.***

You may find current and historical tobacco products tax rates on the CDTFA website at www.cdtfa.ca.gov/taxes-and-fees/tax-rates-stfd.htm.

For more information regarding cigarette and tobacco products taxes, see the online *Cigarette and Tobacco Products Tax and Fee guide* at www.cdtfa.ca.gov/industry/cigarette-and-tobacco-products.htm, or call the Customer Service Center at 1-800-400-7115 (TTY:711) Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays; from the main menu, select the option, "Special Taxes and Fees."