

INSPECTIONS



**Inspectors Will Show You
Their CDTFA Identification**

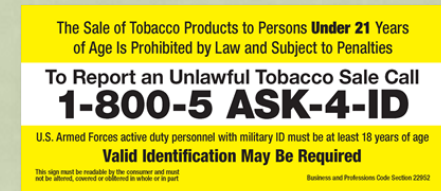
- The Investigations Division (ID) of the CDTFA conducts inspections of all businesses selling cigarettes and OTP.
- Wholesaler inspections are not scheduled but are conducted during regular business hours.
- Distributors typically receive contact from ID before an inspection.
- When they arrive at your business, inspectors will:
 - Ask for the person in charge and for their identification.
 - Explain the inspection process.
 - Request permission to conduct the inspection and access to any secured cigarette/OTP storage areas.
 - Check that you have the appropriate licenses/permits:
 - SR, LWQ, CW, TW, LDQ, CR, CP, LRO
 - Other business licenses that may be required

The inspectors will verify that...

- Our information for your business is current.
- The STAKE Act sign is posted.
- All your cigarette packs are affixed with valid California tax stamps.
- All your cigarettes comply with the California Cigarette Fire Safety and Firefighter Protection Act (FSC).
- All your cigarette brands and roll-your-own (RYO) tobacco products are listed on the [Attorney General's California Tobacco Directory](#).

Note:

- California Distributors may possess unlisted and/or unstamped cigarettes or unlisted RYO tobacco **only** if sales and delivery of these brands are made to out-of-state customers.
- All flavored cigarettes, except Menthol, are banned from sale in the U.S. and are subject to seizure.



California Tobacco Directory

- Only cigarettes and RYO tobacco brands and brand families certified by the California Attorney General's Office (AG's Office) are listed on the California Tobacco Directory.
- Wholesalers and Distributors may **only** sell, offer for sale, or possess for sale in California brands listed in the Directory.
 - Brands are added or removed from the Directory by the AG's Office as necessary.
 - When a brand is pending removal from the Directory for cause,
 - ❖ The AG's Office will notify the Manufacturer, Distributors, and Wholesalers of its pending action.

California Tobacco Directory (cont.)

- ❖ For **40 days** from this notice, a licensed Distributor may purchase, stamp, or sell the affected product, and a licensed Wholesaler may purchase or sell the product.
- ❖ No later than **7 days** after receiving the “pending” removal notice from the AG’s Office, Distributors and Wholesalers must notify each of their existing customers of the impending removal of the product from the Directory.
- ❖ No later than **7 days** after the AG’s Office issues the Notice of Removal, Distributors and Wholesalers must provide a copy of the Notice of Removal to their existing customers.

Note: Retailers have **60 days** after the date of the removal to possess, transport, and sell the tax-paid product. Thereafter, the product becomes contraband and subject to seizure.