



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
CRS
711

New Tax Rate on Other Tobacco Products Effective July 1, 2021, through June 30, 2022

The California Department of Tax and Fee Administration (CDTFA) recently approved the new tax rate of 63.49 percent effective July 1, 2021, through June 30, 2022. The CDTFA is annually required to determine the tax rate on other tobacco products (products other than cigarettes) that is equivalent to the combined rate of tax imposed on cigarettes.

How tax applies

Tobacco products distributors are required to apply this rate to all distributions of other tobacco products during the effective period. Tobacco products distributors pay this tax upon the distribution of tobacco products in California.

The tax is based on the distributor's wholesale cost, which 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.

When is the tax due?

The tobacco products tax is due at the time the tobacco products are distributed in California. *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 our website at www.cdtfa.ca.gov/taxes-and-fees/tax-rates-stfd.htm.

For more information

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