



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

Help for Caterers with Local and District Taxes

As a caterer that serves meals, food, or drinks at your customers' premises, we understand that allocating local tax correctly and knowing the proper district tax rate to collect on your retail sales can be complicated, especially if you own a business that travels to various cities and counties. This notice provides general information about local and district taxes and may help you avoid making common errors when filing your return.

What is local tax?

When you make retail sales in this state or for delivery into this state, the sale is generally subject to either sales or use tax. The current statewide sales and use tax rate is 7.25 percent, which includes the 1.25 percent local tax. When you file your sales and use tax return, you must properly allocate your sales to the local jurisdiction where the sale or use occurs. This ensures that the local jurisdictions will receive the correct funding of local tax.

How do I allocate the local tax?

As a caterer, your sales are generally subject to sales tax. Even though you might travel throughout various local jurisdictions, you should allocate sales directly to your in-state business location where sales are negotiated, and catering orders are taken. You will use Schedule C, *Detailed Allocation by Location of Sales and Use Tax Transactions*, to allocate local tax to your business location when you file your sales and use tax returns.

What is district tax?

District taxes are voter-approved transactions (sales) and use taxes imposed by cities, counties, and other local jurisdictions. The base statewide sales and use tax rate is 7.25 percent; however, total sales and use tax rates are higher in areas (taxing districts) where district taxes are imposed.

What is the correct district tax rate to charge my customers?

Unlike with the local tax, your catering sales will generally be subject to the district tax of the taxing district where the catering event takes place. You will be responsible to collect, report, and pay the statewide rate of 7.25 percent *plus* any district taxes that are in effect where each catering event occurs. You will use Schedule A, *District Tax Allocation*, to allocate the district taxes you collected when you file your sales and use tax returns.

Where can I find the district tax rates?

You may find the tax rates for each district on our [California City and County Sales and Use Tax Rates](#) webpage. Go to our website at www.cdtfa.ca.gov, select *Tax and Fee Rates*, then choose *Sales and Use Tax Rates*. This webpage includes a look-up tool, [Find a Sales and Use Tax Rate by Address](#), located under the *Current Tax Rates* section, which allows you to find a tax rate based on an address.

For more information

We encourage you to read our online tax guide, [Local and District Tax Guide for Retailers](#), at www.cdtfa.ca.gov/industry/localanddistricttaxes.htm. If you have additional questions regarding this notice, you may call our Customer Service Center at 1-800-400-7115 (CRS:711). Customer service representative are available Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.



2020 Census Begins in Spring 2020!

Every 10 years, people across the country and in California fill out the Census to have an accurate count of all people in the United States. The Census determines California's federal funding for community services that help support our families and fair share of representation in California and Washington D.C.

For more information, please visit <https://californiacensus.org/>.