



# TAX INFORMATION BULLETIN

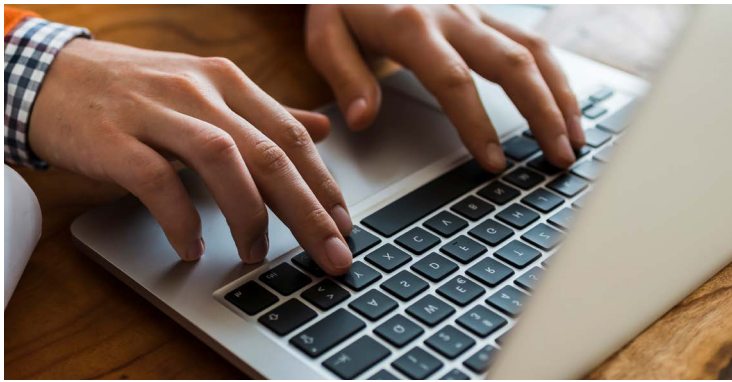
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## Return Filing Tool Now Available

You may be eligible to file your next return online using our new Return Filing Tool. This tool will guide you step-by-step with simple questions to make filing easier.

If you qualify, you'll see a new link, *File Using the Return Filing Tool*, under the *I Want To* section in your [Online Services](#) portal.

Reminder: Payments required by mandatory Electronic Funds Transfer (EFT) must be submitted by 3:00 p.m. Pacific time on the due date.



## Filing Just Got Easier!

Starting July 1, 2026, we're launching Quick File—a faster, easier way to complete your fiscal yearly or annual return. With Quick File, eligible taxpayers can complete their return by entering the total tax due, streamlining the filing process.

When you begin your return online, you may be asked if you want to try Quick File.

- Select *Yes* to answer a few eligibility questions.
- Select *No* to complete your return as usual.

If you're eligible, Quick File will guide you through a smooth, simplified process to complete your return. If you're not eligible, no worries—you'll continue filing just as you have in prior periods.

## New Mailbox for Online Submissions of CDTFA-447, Statement Pursuant to Section 6247 of the California Sales and Use Tax Law, and CDTFA-448, Statement of Delivery Outside California

We recently created a new email inbox, [PPDD-CUTS447-448Submission@cdtfa.ca.gov](mailto:PPDD-CUTS447-448Submission@cdtfa.ca.gov), for submitting the following forms, which are predominantly used by sellers of vehicles to support claims that a vehicle was purchased for use and delivered outside California.

- [CDTFA-447](#), *Statement Pursuant to Section 6247 of the California Sales and Use Tax*
- [CDTFA-448](#), *Statement of Delivery Outside California*

If you need more information, please contact our Consumer Use Tax Section at 1-916-445-9524 or see our [Tax Guide for Purchasers of Vehicles, Vessels, & Aircraft](#) and [publication 52, Vehicles and Vessels: Use Tax](#)

## Use Tax Clearance Certificate Has a New Look

We recently redesigned our use tax clearance certificate, CDTFA-111, *Certificate of Vehicle, Vessel, Mobilehome, or Commercial Coach Use Tax Clearance*. Applicants provide CDTFA-111 to the Department of Motor Vehicles (DMV) or the Department of Housing and Community Development (HCD) when registering vehicles, mobilehomes, commercial coaches, or vessels without the payment of use tax. For more information, including a visual comparison of the updated certificate, see [The New and Improved CDTFA-111](#).

In May 2026, we began issuing CDTFA-111 as a letter instead of the traditional yellow and blue certificate version. While the older certificate will remain valid during the transition period, we will gradually phase it out. This update will allow faster delivery to our customers.

### How to apply for a use tax clearance certificate

To apply for a use tax clearance certificate, use our [Online Services](#), look under the *Limited Access* section, and select *Request Use Tax Clearance for Registration with DMV/HCD*. Alternatively, you may submit [CDTFA-106, Vehicle/Vessel Use Tax Clearance Request](#). The application must include all your identifying information, the claimed reason for exemption, and must be signed by the purchaser.

You may mail, fax, or personally submit the application to your [local office](#) or the Consumer Use Tax Section at the following address:

Consumer Use Tax Section MIC:37  
California Department of Tax and Fee Administration  
PO Box 942879  
Sacramento CA 94279-0037

For more information, see our publication *The New and Improved CDTFA-111*, or to validate a certificate, contact the Consumer Use Tax Section at 1-916-445-9524. We are available to assist you from 8:00 a.m. to 5:00 p.m. (Pacific time), Monday through Friday, excluding state holidays.

## Sales Tax Prepayments and Excise Taxes on Fuel

### How are the sales and use tax prepayment rates determined?

We calculate the prepayment rate for each gallon of gasoline, aircraft jet fuel, and diesel fuel at 80 percent of the combined state and local sales tax on the average selling price of the fuel, excluding sales tax, as reported by industry publications. We are required to establish the sales tax prepayment rates by March 1 of each year.<sup>1</sup> Recent fuel price increases due to the conflict in the Middle East, which has disrupted global oil supply and contributed to higher costs for consumers nationwide, have impacted prepayment rates. We may adjust these rates during the year if changes in fuel prices cause fuel retailers to prepay too much or too little tax.

### Excise tax rate adjustment required under California law

Revenue and Taxation Code section 7360(d) requires CDTFA to adjust the motor vehicle fuel,<sup>2</sup> diesel fuel,<sup>3</sup> and aviation gas excise tax rates on July 1 of each year based on the percentage change in the California Consumer Price Index. This requirement to adjust rates was directly affirmed by California voters in 2018 with the rejection of Proposition 6. Motor vehicle fuel and diesel fuel excise tax revenue is deposited into the State Highway Account and the Road Maintenance and Rehabilitation Account to fund critical transportation infrastructure, including road maintenance, bridge safety, and congestion relief.

### Sales tax prepayment rates—Effective July 1, 2026, through June 30, 2027

The sales tax prepayment rates for motor vehicle fuel, diesel fuel, and jet fuel are as follows:

Fuel Type	Rate Per Gallon Through June 30, 2026	Rate Per Gallon Effective July 1, 2026
Motor Vehicle Fuel (Gasoline)	\$0.075	\$0.080
Diesel Fuel	\$0.385	\$0.425
Jet Fuel	\$0.125	\$0.145

### Excise tax rate—Effective July 1, 2026, through June 30, 2027

The excise tax rates for motor vehicle fuel, diesel fuel, jet fuel, and aviation gasoline are as follows:

Fuel Type	Rate Per Gallon Through June 30, 2026	Rate Per Gallon Effective July 1, 2026
Motor Vehicle Fuel (Gasoline)	\$0.612	\$0.634
Diesel Fuel	\$0.466	\$0.482
Jet Fuel	\$0.020	\$0.020
Aviation Gasoline	\$0.170	\$0.197

For information concerning tax rates, see our [Sales Tax Rates for Fuels](#) webpage, the [Fuel Taxes](#) section on our [Tax Rates—Special Taxes and Fees](#) webpage, and our special notice [L-1025, Tax Rates for Motor Vehicle and Diesel Fuels](#).

<sup>1</sup> <https://cdtfa.ca.gov/lawguides/vol1/sutl/6480-1.html>

<sup>2</sup> <https://cdtfa.ca.gov/lawguides/vol3/mvftl/mvftl-7360.html>

<sup>3</sup> <https://cdtfa.ca.gov/lawguides/vol3/dftl/dftl-60050.html>

## Cigarette and Tobacco Products

### New tobacco products tax rate

Effective July 1, 2026, through June 30, 2027, the excise tax rate for tobacco products (products other than cigarettes) is decreasing to 51.08 percent of the wholesale cost. We are required to determine the tax rate annually. For more information, see our special notice [L-1027, New Tobacco Products Tax Rate Effective July 1, 2026, through June 30, 2027](#).

You can find current and historical tobacco products tax rates on our [Tax Rates—Special Taxes and Fees](#) webpage under the [Cigarette and Tobacco Products Tax](#) section.



### Cigarette and Tobacco Products Retailer License Fee Increases on July 1, 2026

The cigarette and tobacco products retailer license fee will increase from \$265 to \$450 per retail location for all applications and renewals filed on and after July 1, 2026. The fee is increasing as the result of recent changes to the Cigarette and Tobacco Products Licensing Act. For more information, see our special notice [L-1021, Cigarette and Tobacco Products Retailer License Fee Increases Effective July 1, 2026](#), and our [Tax Rates—Special Taxes and Fees](#) webpage.

### Oil Spill Prevention and Administration Fee

Effective July 1, 2026, the Oil Spill Prevention and Administration (OSPA) fee will increase from \$0.096 per barrel to \$0.099 per barrel of crude oil, petroleum products, and renewable fuel.

The [Department of Fish and Wildlife](#) is responsible for determining the OSPA fee rate each fiscal year based on changes in the California Consumer Price Index.<sup>4</sup>

For more information, see our special notice [L-1029, Oil Spill Prevention and Administration Fee—Rate Increase Effective July 1, 2026](#). Current and historical OSPA fee rates are posted on our [Tax Rates—Special Taxes and Fees](#) webpage in the [Oil Spill Response, Prevention, and Administration Fees](#) section.

<sup>4</sup> Government Code [section 8670.40](#)



## Tax Rate for IFTA and Interstate User Diesel Fuel Tax Licensees

Effective July 1, 2026, through June 30, 2027, the tax rate that licensees report and pay on their quarterly International Fuel Tax Agreement (IFTA) or Interstate User Diesel Fuel Tax return for diesel fuel will increase from \$0.971 to \$0.979 per gallon. This is the tax that licensees report and pay with their quarterly IFTA or Interstate User Diesel Fuel Tax return for diesel fuel purchased in California and used both inside and outside California. The table below shows the new rates effective from July 1, 2026, through June 30, 2027:

Rates Effective July 1, 2026, Through June 30, 2027	
Diesel Fuel Tax*	\$0.482
Excise Tax	\$0.497
<b>Total</b>	<b>\$0.979</b>

\*Diesel Fuel tax rate is adjusted on July 1 of each year.

For more information regarding IFTA, the Interstate User Diesel Fuel Tax, or diesel fuel taxes, see our [Fuel Tax and Fee Guides](#) webpage. You can find current and historical rates posted on our [Tax Rates—Special Taxes and Fees Fuel Taxes](#) webpage in the *International Fuel Tax Agreement (IFTA) including CA Interstate User Diesel Fuel Tax (DI) Program* section.

## Taxpayers' Bill of Rights Meeting

The annual Taxpayers' Bill of Rights meeting is an opportunity for the public to provide feedback, make suggestions, or express concerns regarding CDTFA's administration of tax and fee programs. The next meeting will be held at 9:30 a.m. on August 19, 2026, at 651 Bannon Street, Sacramento, CA 95811. A livestream will be available on our [Taxpayers' Bill of Rights Meetings](#) webpage shortly before the start of the meeting.

If you are interested in attending the meeting or would like more information about how to participate, please call the Taxpayers' Rights Advocate (TRA) Office at 1-888-324-2798 or visit the [Taxpayers' Rights Advocate Office](#) website. If you are unable to attend the meeting, you can submit your suggestions or concerns in writing to the TRA Office by email at [taxpayer.rights@cdtfa.ca.gov](mailto:taxpayer.rights@cdtfa.ca.gov). For more information, visit the [Taxpayers' Bill of Rights Meetings](#) webpage.

## Motor Carrier Office Roadside Enforcement

Our Motor Carrier Office (MCO) Enforcement Team conducts roadside inspections to make sure International Fuel Tax Agreement (IFTA) carriers entering California are properly licensed and compliant with fuel tax requirements.

IFTA carriers must have a valid IFTA license and decals, or a valid California Fuel Trip Permit, before entering the state. Carriers are considered out of compliance if they have unpaid taxes, delinquent returns, a revoked account, or missing or invalid IFTA credentials. If a carrier enters California while out of compliance, tax, interest, and penalties may be assessed and are due immediately.

During this year's first roadside enforcement campaign in Southern California, the team inspected approximately 8,300 carriers. About 94 percent of the carriers were fully compliant with fuel tax licensing requirements. Roadside enforcement efforts continue throughout the year at various locations across the state. For more information about IFTA carrier licensing and compliance requirements, see our [International Fuel Tax Agreement \(IFTA\) and Interstate User Diesel Fuel Tax](#) guide.

## International Fuel Tax Agreement (IFTA) Webinars

Our Motor Carrier Office offers quarterly online [webinars](#). The webinars are free and offer valuable information to help you stay informed and confidently manage your fuel tax obligations. Topics include how to file your IFTA return and what to expect if you're selected for an IFTA audit. Our next session will be held in July 2026, and you can register online by visiting our [Tax Education](#) webpage. For more information regarding IFTA or diesel fuel taxes, see our [International Fuel Tax Agreement \(IFTA\) and Interstate User Diesel Fuel Tax](#) guide.

If you need assistance, please contact our Customer Service Center at 1-800-400-7115 (TTY:711) and select the option for *Special Taxes and Fees*. Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays. You may also email your inquiries to [MotorCarrierOfficeInquiries@cdtfa.ca.gov](mailto:MotorCarrierOfficeInquiries@cdtfa.ca.gov).



### Stay Updated on Our Audit and Compliance Manuals Revisions

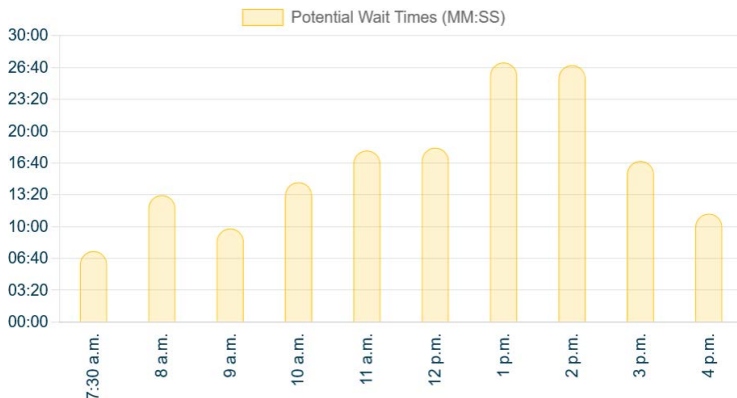
Audit and Compliance Manuals provide important insight into how we interpret and apply tax laws. For business owners, staying informed can help ensure accurate reporting, reduce the risk of penalties, and improve preparedness in the event of an audit.

You can now sign up to be notified of proposed changes to our Audit and Compliance Manuals. To receive these notifications by email, go to [Sign Up for CDTFA Email Lists](#) and select *Announcement of Proposed Manual Change*.

### View Live Customer Service Wait Times

Skip the wait and get the help you need faster! Check out our [Customer Service Dashboard](#) to view live call wait times and the best times to call.

#### When Are Wait Times Longest?



### Looking for Answers, Assistance, or Specialized Support?

For general assistance with your CDTFA account, taxes, or fees, please contact our Customer Service Center at 1-800-400-7115 (TTY: 711). Customer service representatives are available to assist you Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays. If you need specialized or case-specific assistance, your [local field office](#) team is here to help. Office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday excluding state holidays, unless otherwise noted.



### Tax Education

Understanding tax requirements can help you stay compliant and avoid common filing errors. Our [Tax Education](#) webpage offers a variety of helpful resources to guide you. Whether you are a new business owner or an experienced taxpayer, you will find valuable information including free webinars and workshops, self-paced instruction videos (with many videos available in Spanish), printable publications, guides, and more. Take advantage of these tools to stay informed and confidently manage your tax obligations.

### Updates from the Franchise Tax Board

#### Subscribe to Franchise Tax Board's Monthly Newsletter and Learn About Their Taxpayers' Rights Advocate's Office

Get the latest tax-related information directly in your inbox. Subscribe to the monthly online publication [Tax News](#) today.

Tax News informs tax professionals, taxpayers, and business owners about state income tax laws, Franchise Tax Board (FTB) regulations, policies, procedures, and events that impact or provide valuable information to the tax professional community. We also periodically release *Tax News Flashes* to quickly notify subscribers of urgent and time-sensitive information.

View FTB's [Taxpayers' Rights Advocate's Office](#) YouTube video to learn more.