



TAX INFORMATION BULLETIN

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New Sales and Use Tax Rates Effective April 1, 2026

New district tax rate changes starting April 1, 2026, may impact you or your business. For details on the new tax rates, see the table below and our special notice L-1022, [New Sales and Use Tax Rates Effective April 1, 2026](#).

DISTRICT TAX RATE CHANGING (Includes County Rate Changes if Applicable)

City	County	Current Code	New Code	Current Rate	New Rate
City of Campbell	Santa Clara	C66	D23	9.875%	10.500%
City of Dunsmuir	Siskiyou	439	D27	7.750%	8.250%
City of Los Gatos	Santa Clara	954	D24	9.250%	9.875%
City of McFarland	Kern	A21	D18	8.250%	9.250%
City of Milpitas	Santa Clara	955	D25	9.375%	10.000%
City of Santa Fe Springs	Los Angeles	C06	D20	10.750%	11.000%
City of San Jose	Santa Clara	956	D26	9.375%	10.000%

DISTRICT TAX RATE CHANGING BY COUNTY

The rate listed below applies within the unincorporated area of the listed county and within any incorporated city within the county that does not impose a district tax. Please refer to our [California City & County Sales & Use Tax Rates](#) webpage to search the rate applicable to a specific city or county.

County	Prior Code	Current Code	Current Rate	New Rate
County of Santa Clara	952	D22	9.125%	9.750%

CURRENT DISTRICT TAX EXTENDED

City	County	Code	New Rate	Expiration Date
City of Delano	Kern	170	8.250%	NONE

For additional information about these tax rate changes, see our [Explanation of Tax Rate Changes Operative April 1, 2026](#) webpage.



Covered Battery-Embedded Waste Recycling Fee—Reminders

As of January 1, 2026, consumers are required to pay a covered battery-embedded (CBE) waste recycling fee upon the purchase of new or refurbished CBE products, which are products containing a battery that is not designed to be easily removed with commonly used household tools, such as smartphones, speakers, or headphones. Generally, if you sell or lease these products to California customers, you must collect the CBE waste recycling fee at the time of the retail sale, register for a CBE waste recycling fee account with us, and remit the fee to us, unless you make an election

under [Public Resources Code section 42464](#), subdivision (e), to pay the fee to a vendor on behalf of your consumer.

You may visit our [Online Services](#) webpage to register for a CBE waste recycling fee account. If you are an out-of-state retailer without a California location, please contact us to register by [email](#) or by calling our Customer Service Center at 1-800-400-7115 (TTY:711) and selecting the option for *Special Taxes and Fees*. Please note that this account is separate from an eWaste account. Additionally, if you do not currently have a seller's permit, you must [register](#) for one with us.

Once registered, you can use our Online Services system to file CBE waste recycling fee returns and pay the fee. The first quarterly return for the reporting period of January 1, 2026, through March 31, 2026, is due on April 30, 2026.

For more information about the CBE waste recycling fee program, see our [Covered Electronic Waste Recycling Fees Guide](#), then select the subtopic *Covered Battery-Embedded (CBE) Waste Recycling Fee*.



New Local Charge Rate for San Francisco Retail Sales of Prepaid Mobile Telephony Services (MTS) Effective April 1, 2026

Sellers of prepaid mobile telephony services (MTS), such as prepaid minutes and airtime, have certain surcharge and local charge collection requirements. Beginning April 1, 2026, the new local charge rate for retail sales of MTS for the city and county of San Francisco is increasing from 16.02 percent to 16.22 percent. Sellers are required to collect from consumers, report, and pay local charges on their retail sales of prepaid MTS.

You may find the applicable local charge rates for each city and county on our [911 Surcharge, 988 Surcharge, and Local Charge Rates](#) webpage. For the latest information about local charge collection requirements and the 911 and 988 surcharges, see our [Tax Guide for Sellers of Prepaid Mobile Telephony Services \(MTS\) and Telecommunication Service Suppliers](#).

For more information, see our special notice L-1016, [New Local Charge Rate for San Francisco Retail Sales of Prepaid Mobile Telephony Services Effective April 1, 2026](#).

Cigarette and Tobacco Products—Flavored Tobacco Ban Resources

California law prohibits the sale of most flavored tobacco products, including flavored electronic cigarettes, menthol cigarettes, and tobacco product flavor enhancers. The California Office of the Attorney General has published and will maintain the [Unflavored Tobacco List](#), which includes all tobacco products that are unflavored and are legal to sell in California. If a covered tobacco product is not listed on the Unflavored Tobacco List or provided an additional exemption, it is considered an illegal flavored product, and we may seize the product as well as impose fines on the seller. These laws apply to in-store and online sales.

To find the latest information and resources about the flavored tobacco ban laws, see our special notice L-1018, [Flavored Tobacco Ban Where to Find the Latest Information](#), and our [Tax Guide for Cigarettes and Tobacco Products](#).

All-Volunteer Fire Departments Remain Classified as Consumers Through 2030

Effective through December 31, 2030, qualified all-volunteer fire departments are considered consumers—not retailers—of tangible personal property (items) sold, provided the profits are used solely and exclusively to further the all-volunteer fire departments' purposes.

To qualify, an *all-volunteer fire department* must be an organization that meets all the following requirements:

- Members may be unpaid, paid hourly, or paid on a per-incident basis, but cannot be paid a regular salary.
- The organization's purpose is to protect the lives, property, and environment within a designated geographical area from fires, disasters, and emergency incidents through education, prevention, training, and emergency response.
- The organization is regularly organized for volunteer fire department purposes.
- The organization qualifies as a tax-exempt nonprofit organization.
- The organization's gross receipts from the sale of tangible personal property in each of the two preceding calendar years are less than \$100,000.

For more information, see our [Tax Guide for Nonprofit Organizations](#) and our special notice L-1019, [Consumer Designation for Qualified All-Volunteer Fire Departments is Extended through December 31, 2030](#).



Alcoholic Beverage Tax—Requirements for Type 94 Direct Shipper Permit Holders

A Type 94 Direct Shipper permit is required for California craft distillers or qualifying out-of-state distillers to ship spirits they manufacture or produce directly to California consumers. If you hold a Type 94 Direct Shipper permit issued by the [Department of Alcoholic Beverage Control](#), you must register with us, file returns, and pay the appropriate alcoholic beverage taxes.

You may visit our [Online Services](#) webpage to register for an alcoholic beverage account. Additionally, if you do not currently have a California seller's permit, you must register for one with us.

For additional information about the alcoholic beverage tax, see our [Tax Guide for Alcoholic Beverage Tax](#).

New U.S. Postal Service Rules for Postmarks May Affect Timely Filing

The U.S. Postal Service (USPS) recently updated its guidance on what a postmark date represents. Under the updated [Domestic Mail Manual](#), the postmark date on most mail now reflects the date the item is first processed at a postal facility, not necessarily the date it was placed in a mailbox or collected by a carrier.

This clarification means that the postmark date may be later than the date you mailed your tax return, payment, petition, or claim for refund. Since California law generally considers a document or payment timely if it is postmarked on or before the due date, a later postmark could result in penalties and interest for late filing.

What You Can Do

To avoid late filing penalties and interest:

- **File and pay online**—Using our [Online Services](#) eliminates concerns about postmark dates.
- **Mail early**—Send returns and payments several days before the deadline.
- **Visit the post office**—If mailing close to the due date:
 - Request a manual postmark to ensure the date reflects when USPS accepted your item.
 - Obtain a certificate of mailing or use registered or certified mail for proof of mailing.

For more information, visit the [Postmarking Myths and Facts](#) webpage or contact our Customer Service Center at 1-800-400-7115 (TTY:711).

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.

Franchise Tax Board:

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

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Tax News informs tax professionals, taxpayers, and business owners about state income tax laws, Franchise Tax Board (FTB) regulations, policies and 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.



California Department of Public Health: Stay Informed and Protect Your Community—Tobacco Violations Could Cost You

The minimum age to purchase tobacco products in California is 21. If you are a store owner or manager, it is your responsibility to make sure all tobacco products, including eCigarettes, are not being sold to people under the age of 21. Clerks must check the identification of every customer who looks to be under the age of 30 and is buying any type of tobacco to verify they are 21 years of age or older.

Tobacco store owners selling any type of tobacco, flavored or unflavored, to people under 21 face fines ranging from \$1,000 to \$20,000 and risk losing their tobacco retailer license. It is the store owner's responsibility to train their employees to check identification for every tobacco sale. Free [training materials](#) are available online at the California Department of Public Health's website.

Stop Tobacco Access to Kids Enforcement (STAKE) Act age-of-sale warning signs are available to order for free by calling 1-800-258-9090. STAKE Act signs are legally required to be posted at each cash register where tobacco products are sold. "We Card" stickers do not comply with this law.

See California Business and Professions Code sections [22950-22964](#) for more information related to the minimum tobacco age of sale, and California Health and Safety Code sections [104559.1](#) and [104559.5](#) for more information related to the sale of flavored tobacco products.

Thank you for connecting with us.

