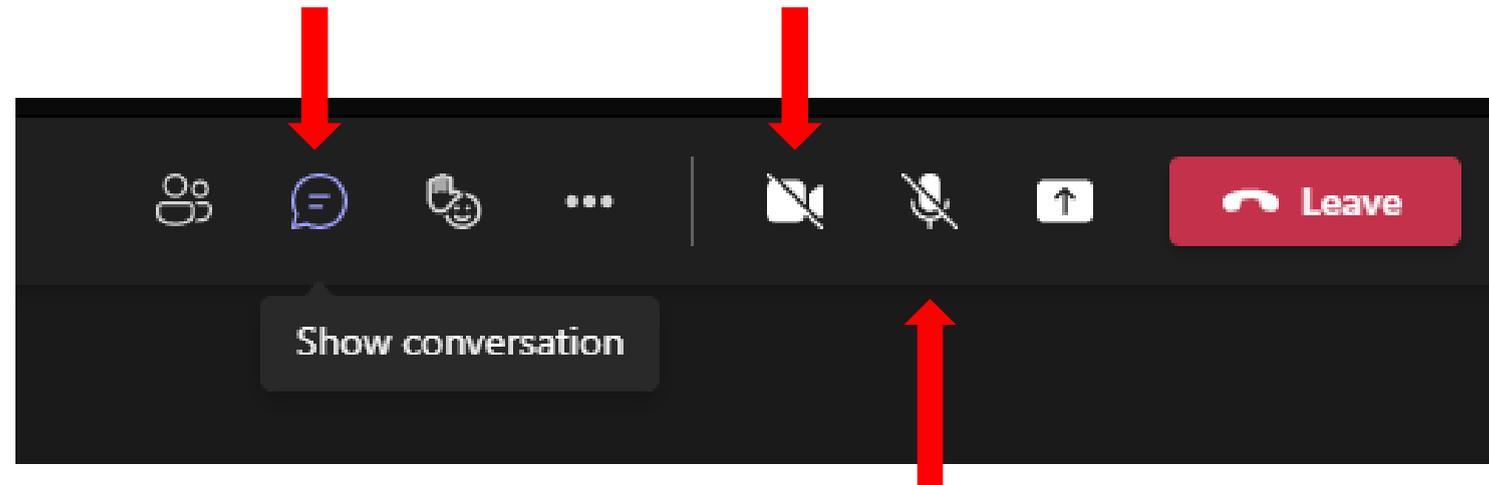




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**Thank you for joining our webinar.  
Please turn off your camera and microphone.**

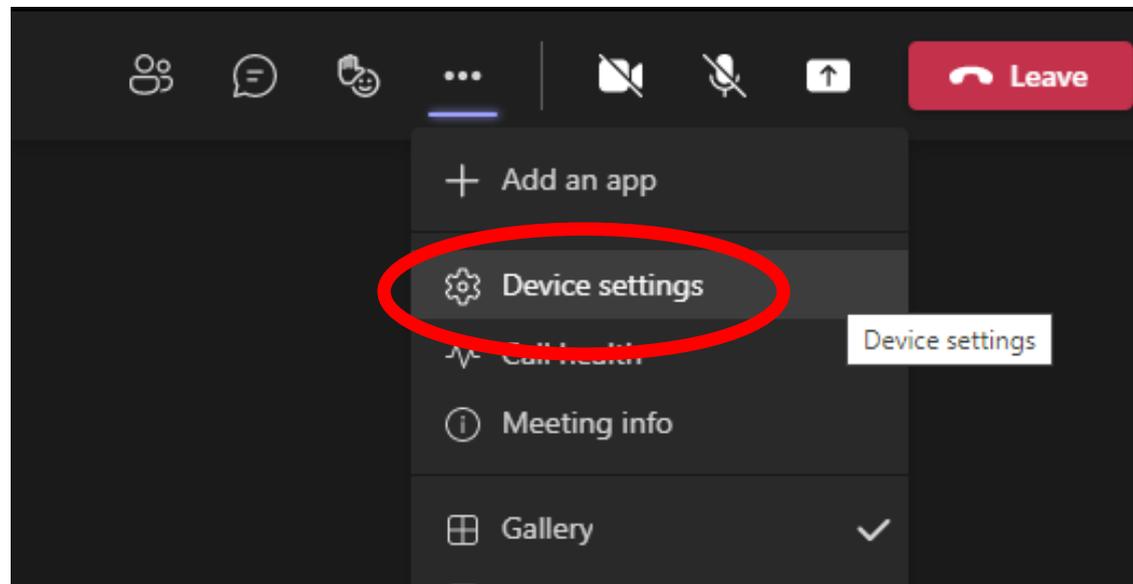


If you have any questions, please submit them in the chat window. To open the chat window, click on the *Show conversation* icon.

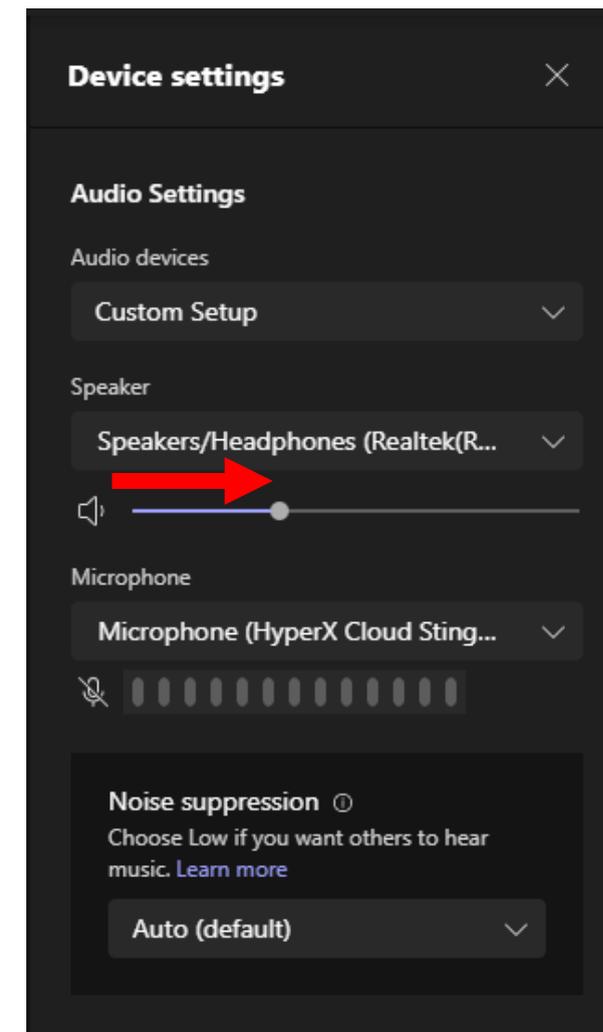


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Please be sure the speakers on your computer are turned on and the volume is appropriate for you.



**We will begin soon.**





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# **Sellers of Firearms and Ammunition in California—Presentation**

# Webinar Topics

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- General California Firearm and Ammunition Excise Tax (CFET) Information
- General Sales and Use Tax (SUT) Information
- Differences Between CFET and Sales and Use Tax
- Exemptions
- Scenarios Specific to Sellers
- Registration Information
- Filing Your CFET Returns
- Resources

# Get It in Writing!

- This presentation demonstrates general tax concepts and does not describe every situation. To obtain legally reliable written tax guidance, email us at [www.cdtfa.ca.gov/email](http://www.cdtfa.ca.gov/email) with the details specific to your business operations.
- *Please note:* The contents of these slides as well as answers provided in the chat during this presentation do not constitute written tax advice that may provide relief from liability under California Revenue and Taxation Code (RTC) section [6596](#), [55045](#), and [Regulation 1705](#).





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# General CFET Information

# The California Firearms, Firearm Precursor Parts, and Ammunition Excise Tax

---

- The California Firearms, Firearm Precursor Parts, and Ammunition Excise Tax (CFET) is an 11 percent excise tax imposed on California licensed firearms dealers, firearms manufacturers, and ammunition vendors (sellers), on the retail sale of firearms, firearm precursor parts, and ammunition (firearm products) in California. (Revenue and Taxation Code [RTC] [section 36011](#))
- CFET is in addition to sales and use tax.

Visit our Tax Rates—Special Taxes and Fees webpage to view current and historical CFET rates at [www.cdtfa.ca.gov/taxes-and-fees/special-taxes-and-fees-tax-rates/](http://www.cdtfa.ca.gov/taxes-and-fees/special-taxes-and-fees-tax-rates/).

# Is it subject to CFET?

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If you are unsure if a product you sell is subject to CFET you can:

- Contact the California Department of Justice's Bureau of Firearms (BOF) at [oag.ca.gov/firearms](https://oag.ca.gov/firearms) regarding what products are considered firearm products.
- Contact our Customer Service Center for assistance on determining how tax applies to retail sales of firearm products.

# What qualifies as a firearm?

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- “Firearm” means a device, designed to be used as a weapon, from which is expelled through a barrel, a projectile by the force of an explosion or other form of combustion.
- “Firearm” includes the frame or receiver of the weapon, including both a completed frame or receiver, or a firearm precursor part.

(Penal Code section 16520 (a) and (b))

# What qualifies as a firearm precursor part?

---

“Firearm precursor part” means any forging, casting, printing, extrusion, machined body, or similar article:

- (1) that has reached a stage in manufacture where it may readily be completed, assembled, or converted to be used as the frame or receiver of a functional firearm; or
- (2) that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled or converted.

“Firearm precursor part” does not include firearm parts that can only be used on antique firearms, as defined in Penal Code section 16170, subdivision (c).

(Penal Code section 16531 (a) and (c))

# Ammunition Definition

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- “Ammunition” means one or more loaded cartridges consisting of a primed case, propellant, and with one or more projectiles.
- “Ammunition” does not include blanks.

(Penal Code section 16150)

# CFET Tax Reimbursement

---

- As a seller, you are liable for the CFET on your retail sales of firearm products in California. You may collect CFET reimbursement from your customers.
- If you collect the tax reimbursement on retail sales not subject to tax, the excess tax that you collected must be returned to the purchaser or reported and paid to us. You may not keep the excess tax reimbursement.

# CFET Tax Reimbursement

---

- Excess Tax Reimbursement Examples
  - CFET collected on Dealer's Record to Sale fees paid to the CA Department of Justice.
  - CFET collected on Firearm Safety Certificate Fee.

In both examples, CFET does not apply to the fees collected. The amounts collected for CFET must either be returned to the customer or remitted to us as excess tax reimbursement.



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# General Sales and Use Tax Information

# Sales and Use Tax Return

---

- If you are in the business of selling any tangible personal property including, but not limited to firearm products, you are required to file regular sales and use tax returns to report your sales.
- If you have no transactions to report, you are still required to file your sales and use tax return and report zero transactions.

# What Is Sales Tax?

---

Generally, retail sales of tangible personal property in California are subject to sales tax, unless specifically exempt or excluded by law.

- Sales tax is imposed upon the retailer (seller) on the sale of tangible personal property at retail in California.
- Retailers *may* collect reimbursement for the sales tax from their customers.

# What Is Use Tax?

- Use tax generally applies to items purchased or sold without tax when those items will be used, stored, consumed, or given away in California.
- Out-of-state retailers “engaged in business” in California must collect and pay use tax on items sold to California consumers.



# How Do I Know if I Owe Use Tax?

---

As a seller, use tax may be due from you under the following circumstances:

- You purchased an item from out-of-state without payment of tax and used the item in California.

OR

- You purchased an item for resale but then withdrew the item from resale inventory for your own personal or professional use.

# Sales Tax vs. Use Tax

## Sales Tax

- Sales tax applies to sales that take place in California.
- Sales tax is the responsibility of the retailer (seller).
- Sales tax is calculated based on the gross receipts from retail sales.

## Use Tax

- Use tax is calculated based on the sales price paid by the consumer.
- Use tax typically applies to sales that take place outside of California, for example, from an out-of-state retailer.
- If tangible personal property is purchased with a resale certificate and not resold, use tax applies when it is removed from resale inventory.
- Use tax is generally the responsibility of the consumer.

*Please note: Sales and use tax are imposed at the same rate.*

# When Are Sales of Tangible Personal Property Subject to Sales Tax?

- Retail sales of tangible personal property that take place in California are generally subject to sales tax, unless specifically exempt or excluded by law.



# Who Needs a Seller's Permit?

---

Any person engaged in the business of selling or leasing tangible personal property that would ordinarily be subject to sales tax if sold at retail, must apply with CDTFA for a seller's permit for each place of business, as required under Regulation [1699](#), *Permits*.

# Seller's Permit Fundamentals

A seller's permit:

- Allows a person to make sales in California and issue a resale certificate.
- Must be issued in the business owner's name.
- Must be obtained for each business location.
- Must be posted at the business location in a place that is visible to the public.

**A seller's permit does not allow you to purchase items for your own use without payment of tax.**



# Tax Reimbursement

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- As a retailer, you are liable for the sales tax on your taxable sales. You may collect sales tax reimbursement from your customers.
- If you collect sales tax reimbursement on retail sales not subject to sales tax or collect more sales tax reimbursement than is due, the excess sales tax reimbursement that you collected must be returned to the purchaser or reported and paid to us. You may not keep the excess tax reimbursement.

# Tax Reimbursement

---

- If sales tax reimbursement is included in the sales price, you must post a sign notifying your customers that the sales tax is included in the sales price.
- If signage is not posted on the premises visible to the customer, then sales tax reimbursement must be based on the sales price and added separately to the receipt.

# When Does the Sale Take Place?

---

The sale takes place when the customer takes possession of the tangible personal property, or title to the tangible personal property is transferred to the customer, whichever occurs first.

For example, in a retail sale of a firearm, even if the customer provides full payment for the transaction when the licensed firearms dealer initiates the background check, since the customer cannot take possession of a firearm until the 10-day waiting period has passed, the sale takes place after the 10-day period has passed and the customer takes possession of the firearm. If the payment is received in a different quarter than the date that customer takes physical possession of the firearm, the gross receipts from the retail sale will apply in the quarter during which the customer took physical possession of the firearm.



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# Differences Between CFET and Sales and Use Tax

# What Is Subject to Sales and Use Tax and CFET?

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- Sale of a firearm
- Sale of firearm precursor parts
- Sale of ammunition
- All charges related to the retail sale of a firearm, firearm precursor part, or ammunition:
  - Credit card processing fees
  - Handling fees
  - Any other discretionary fees separately added to the invoice or receipt
  - Shipping charges related to shipping a firearm, firearm precursor part, or ammunition to a California licensed firearms dealer or ammunition vendor to complete a sale on behalf of another seller

# Fees not subject to CFET or Sales and Use Tax

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The following fees that are imposed upon the purchaser are **not** subject to sales or use tax, or CFET:

- DOJ Firearms Dealer Record of Sale (DRROS) fees
- Firearms Safety Act fee
- Safety and Enforcement fee
- Basic Ammunition Eligibility Check fee
- Standard Ammunition Eligibility Check fee
- Certificate of Eligibility Verification Check fee

# Is CFET reimbursement subject to Sales and Use Tax?

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**No**

If you collect reimbursement from your customer for CFET, the amount collected as CFET reimbursement is not subject to sales and use tax.

# Tax Calculation Example

## Example scenario:

Customer goes into a sporting goods store and purchases a hunting rifle and pays with a credit card.

## Tax calculation example

|                                 |                       |           |               |
|---------------------------------|-----------------------|-----------|---------------|
| Selling price of firearm        |                       | \$        | 500.00        |
| Merchant credit card fee        |                       | \$        | 10.00         |
| Firearms Safety fee             |                       | \$        | 1.00          |
| Safety and Enforcement fee      |                       | \$        | 5.00          |
| DROS fee                        |                       | \$        | 31.19         |
| <b>Total sales, ex-tax</b>      |                       | <b>\$</b> | <b>547.19</b> |
| <b>CFET gross receipts</b>      | <b>(\$500 + \$10)</b> | <b>\$</b> | <b>510.00</b> |
| CFET due                        | (11% x \$510)         | \$        | 56.10         |
| <b>Sales tax gross receipts</b> | <b>(\$500 + \$10)</b> | <b>\$</b> | <b>510.00</b> |
| Sales tax due                   | (8.5%* x \$510)       | \$        | 43.35         |

\*An 8.5% sales and use tax rate is used for demonstration only.



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# **Sales and Use Tax and CFET Exemptions**

# Sales for Resale

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- A valid sale for resale is not subject to sales and use tax or CFET.
- If you are purchasing goods for resale, you are required to give a valid and timely resale certificate to your vendor for sales and use tax purposes.
- If you are selling goods for resale, you are required to collect a valid and timely resale certificate in good faith from your customer for sales and use tax purposes.
  - The resale certificates you collect should be retained in your records for no less than four years.

# Documentation of Sales for Resale

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Common ways to document sales for resale:

- [CDTFA-230](#), *California Resale Certificate*
- A purchase order containing all the essential elements of a resale certificate

# Sales for Resale

## Resale Certificate

Form CDTFA-230

[Publication 103](#), *Sales for Resale*

CDTFA-230 REV. 1 (8-17) STATE OF CALIFORNIA  
**GENERAL RESALE CERTIFICATE** CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

**California Resale Certificate**

I HEREBY CERTIFY:

- I hold valid seller's permit number:
- I am engaged in the business of selling the following type of tangible personal property:
- This certificate is for the purchase from  of the item(s) I have listed in paragraph 5 below. (Vendor's name)
- I will resell the item(s) listed in paragraph 5, which I am purchasing under this resale certificate in the form of tangible personal property in the regular course of my business operations, and I will do so prior to making any use of the item(s) other than demonstration and display while holding the item(s) for sale in the regular course of my business. I understand that if I use the item(s) purchased under this certificate in any manner other than as just described, I will owe use tax based on each item's purchase price or as otherwise provided by law.
- Description of property to be purchased for resale:
- I have read and understand the following:  

**For Your Information:** A person may be guilty of a misdemeanor under Revenue and Taxation Code section 6094.5 if the purchaser knows at the time of purchase that he or she will not resell the purchased item prior to any use (other than retention, demonstration, or display while holding it for resale) and he or she furnishes a resale certificate to avoid payment to the seller of an amount as tax. Additionally, a person misusing a resale certificate for personal gain or to evade the payment of tax is liable, for each purchase, for the tax that would have been due, plus a penalty of 10 percent of the tax or \$500, whichever is more.

NAME OF PURCHASER

SIGNATURE OF PURCHASER, PURCHASER'S EMPLOYEE OR AUTHORIZED REPRESENTATIVE

PRINTED NAME OF PURCHASER  TITLE

ADDRESS OF PURCHASER

TELEPHONE NUMBER  DATE

# Essential Elements of a Resale Certificate

---

- Name and address of the purchaser's business.
- Purchaser's seller's permit number, if applicable.
- Description of the property to be purchased.
- A statement that the described property is being purchased for resale.
- Date of the sale for resale.
- Signature of the purchaser, purchaser's employee, or authorized representative.

In the absence of evidence to the contrary, the seller will be presumed to have taken a resale certificate in good faith if it contains the essential elements and otherwise appears to be valid on its face.

# Purchase Order Used as a Resale Certificate

|  |           |  |           |
|--|-----------|--|-----------|
| ABC Company                                    |           | 1234 Easy Street<br>Sacramento, CA 95814 |           |
| <b>PURCHASE ORDER</b>                          |           |  |           |
| <input checked="" type="checkbox"/> For Resale | 99-999999 | Number - 123456                          |           |
| <input type="checkbox"/> Taxable               |           | Date -3/5/00                             |           |
| 4000   | Widgets   | \$2.00 each                              | \$8000.00 |
| <i>ABC Company Signature</i>                   |           |  |           |

- Must specifically state “For Resale” or other similar language.
- Must also contain all the essential elements required for a resale certificate.

# Sales for Resale—Misuse

The misuse of a resale certificate is a *misdemeanor*.

The penalty is \$500 or 10% of the amount of tax *per transaction*, whichever is greater.

In addition to the penalty, another 10% for negligence or 25% for fraud may apply.

# Resale Certificate

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If the purchaser is not required to hold a seller's permit because they only sell items that are not taxable, an appropriate notation to that effect should be entered instead of a seller's permit number on the resale or exemption certificate.

Examples:

- Food products for human consumption
- Sales in interstate or foreign commerce

# General Exemptions

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- Sales to the U.S. government are generally exempt from sales and use tax and are not subject to CFET.
- Sales made in interstate or foreign commerce are generally exempt from sales and use tax and are not subject to CFET.

# CFET Exemptions

---

- Retail sales of firearm products to any active or retired peace officer or any law enforcement agency employing peace officers are exempt from the CFET. ([RTC section 36021\(a\)](#))
- Gross receipts totaling less than \$5,000 from the retail sale of firearms, firearm precursor parts, and ammunition in any quarter are exempt from the CFET. ([RTC section 36021\(b\)](#))
- Although these retail sales are exempt from CFET, they may still be subject to sales and use tax.

# CFET Exemptions

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To facilitate the recordkeeping of your CFET exempt sales to active or retired peace officers and law enforcement agencies that employ peace officers, you may use [CDTFA-230-FET](#), *California Firearm and Ammunition Excise Tax Exemption Certificate for Peace Officers and Law Enforcement Agencies*.



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# Scenarios Specific to Sellers

# Processing a Firearm or Ammunition Sale for a California Private Party Seller

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- California private party seller and purchaser have negotiated the terms of sale in advance.
- Private party seller brings firearm to California seller to process registration of the transfer.
- The California seller is not considered to be the retailer of the firearm and will not be responsible for the sales and use tax or the CFET, provided the California seller does not take title of the firearm at any time during transaction.
- The private party seller would be liable for the sales tax unless the transaction qualifies for an exemption.

# Consignment Sales

---

When a California private party seller brings a firearm product to a California seller and requests that the California seller find a buyer, the California seller is considered the retailer of the firearm product and is responsible for the sales tax and the CFET on the retail sale.

# Out-of-State Sellers

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Out-of-state retailers are not required to register with us for a CFET certificate of registration.

- However, you may be required to register with us for a Sales and Use Tax account if you are engaged in business in California.
- Please see the [\*Tax Guide for Out-of-State Retailers\*](#) for more information.

# Delivering and Registering Firearm Products for Out-of-State Retailers and Private Party Sellers

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When a California seller facilitates the purchase in this state of a firearm product on behalf of an out-of-state licensed firearms dealer who is not registered with CDTFA or an out-of-state private party seller, the California seller is considered the retailer of the firearm product. The California seller is responsible for the CFET, and sales tax.

# Delivering and Registering Firearm Products for Out-of-State Retailers and Private Party Sellers

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As a California seller, you should obtain a copy of the sales contract or invoice from the out-of-state licensed firearms dealer, out-of-state private party seller, or the purchaser to determine the proper amount of CFET and sales and use tax due on the sale.



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# Registration Information

# Registration Information

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If you are a licensed firearms dealer, ammunition vendor, or firearms manufacturer (seller) who makes or plans to make retail sales of firearms, firearm precursor parts, or ammunition (firearm products) in California, you must register with us to get both of the following, if you have not already done so:

- A Seller's Permit, and
- A California Firearm and Ammunition Excise Tax (CFET) Certificate of Registration

# Registration Information

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- Additionally, importers, manufacturers, and dealers (sellers) of firearms in the United States must first register with the [United States Bureau of Alcohol, Tobacco, Firearms and Explosives \(ATF\)](#) to obtain a [Federal Firearms License \(FFL\)](#) before making any sales of firearms.
- It is unlawful for any person other than a registered FFL holder to make sales or transfers of firearms between private parties or across state lines.

# Registration Information

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- In addition to being granted an FFL by the ATF, sellers of firearms and ammunition and firearm manufacturers in California need to apply with the State of California Department of Justice (DOJ) and obtain the appropriate certification and licensing before making sales or transfers.
- Generally, to apply with the DOJ you must first obtain a seller's permit and a CFET certificate of registration from us, in addition to other documentation requirements. For more information, please contact the DOJ or review the DOJ's website at [oag.ca.gov/firearms/](https://oag.ca.gov/firearms/).



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# Registering for Your Seller's Permit and CFET Certificate of Registration



# Register a New Business Activity

The screenshot displays the CDTFA website interface. At the top, there is a blue navigation bar with a 'Menu' icon and the text 'Menu'. Below this is a 'Home' link with a house icon. A prominent banner contains two paragraphs of text: the first mentions disaster relief, and the second discusses the removal of Limited Access Codes. Below the banner is a dark grey box with text about Spanish language services and two buttons labeled 'English' and 'Español'. The main content area is split into two columns. The left column features a 'Login' section with fields for 'Username' and 'Password', a 'Login' button, and links for 'Forgot Password?' and 'Forgot Username?'. Below this is a 'Create a Username' section with a 'Sign Up Now' button. A red arrow points to the 'Sign Up Now' button. The right column has an 'Express Login' section with explanatory text and three buttons: 'File a Return', 'Make a Prepayment', and 'Make a Payment'. A second red arrow points to the 'Sign Up Now' button in the left column.



# Register a New Business Activity

The screenshot shows a user interface for the California Department of Tax and Fee Administration (CDTFA). At the top, there is a dark blue header with a 'Menu' icon on the left, and 'Settings' and 'Log Off' options on the right. Below the header, there is a 'Home' link with a house icon. A yellow notification box contains text about opting in for confidential notifications. The main content area is divided into three sections: 'Logon', 'Alerts', and 'I Want To'. The 'Logon' section shows the user's name 'JOSEPH SMITH', email 'jbsmith12345@abc123.com', phone number '+1 619- 987-1234', and last login date 'Last logged on 07-Nov-2024'. The 'Alerts' section shows '91 unread messages'. The 'I Want To' section is highlighted with a red circle and a red arrow pointing to the 'Register a New Business Activity' link. Other links in this section include 'Make a Payment', 'Manage payments and returns', 'Request Access to an Account', 'View Important Information and Documents for Your Account(s)', 'Check Your Registration Status', and 'More'.

**Menu** Settings Log Off

Home

To get detailed notifications about your accounts (account balances, due dates, etc.), please Opt-In to Receive Confidential Notifications. Select "More" from the "I Want To" section, then select "Opt-In to Receive Confidential Notifications".

**Logon**

JOSEPH SMITH  
jbsmith12345@abc123.com  
+1 619- 987-1234  
Last logged on 07-Nov-2024

**Alerts**

91 unread messages

**I Want To**

- Register a New Business Activity
- Make a Payment
- Manage payments and returns
- Request Access to an Account
- View Important Information and Documents for Your Account(s)
- Check Your Registration Status
- More



# Register a New Business Activity

☰ Menu
⚙ Settings 🔒 Log Off

[Home](#) > [New Business Application](#)

**Register a Business Activity**

QUESTIONNAIRE

My Business Activity Includes:

|  |   |
|--|---|
| Fuel products (for example, selling, storing, importing, manufacturing, or distributing fuel products in California or an oil refinery, marine terminal, renewable fuel receiving facility, renewable fuel production facility, or pipeline to transport crude oil out of the state or petroleum products into the state).   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Selling lumber products or engineered wood products<br><small>* If your sales of lumber products are less than \$25,000 per year, you are not required to collect the 1% assessment and can uncheck the box above. However, you are then required to notify each lumber products purchaser of their responsibility to pay the 1% assessment directly to the CDTFA. As a courtesy to your taxpayer, you may voluntarily continue to collect the 1% assessment and report and pay it to the CDTFA. For more information, see Lumber Products Assessment.</small> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Retail sales of prepaid wireless services  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Selling and/or manufacturing lead-acid batteries   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Selling firearms, firearm precursor parts, or ammunition at retail (such as sales to consumers) in California  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

Save Draft

Cancel

< Previous

Next >

55



# Printing Your Certificate

The screenshot shows the CDTFA user interface. At the top, there is a navigation bar with a 'Menu' icon, 'Settings', and 'Log Off'. Below this is a 'Home' section with a notification box: "To get detailed notifications about your accounts (account balances, due dates, etc.), please Opt-In to Receive Confidential Notifications. Select 'More' from the 'I Want To' section, then select 'Opt-In to Receive Confidential Notifications'".

The main content area is divided into three sections: 'Logon', 'Alerts', and 'I Want To'. The 'Logon' section shows the user's name 'JOSEPH SMITH', email 'jbsmith12345@abc123.com', phone '+1 619- 987-1234', and last login date '07-Nov-2024'. The 'Alerts' section shows '91 unread messages'. The 'I Want To' section lists several actions: 'Register a New Business Activity', 'Make a Payment', 'Manage payments and returns', 'Request Access to an Account', 'View Important Information and Documents for Your Account(s)', 'Check Your Registration Status', and 'More'.

Below these sections is a navigation bar with tabs for 'Accounts', 'Submissions', 'Correspondence', and 'Customer Information'. The 'Accounts' tab is selected, and there is a sub-section titled 'Select an Account Below for Additional Requests' with a 'View Accounts' button. A table of accounts is displayed below this section:

| Account Type                                 | Account ID | Name           | Balance |
|--|------------|----------------|---------|
| California Firearm and Ammunition Excise Tax | 211-111111 | ABC123 INC     | \$0.00  |
| Sales and Use Tax                            | 100-111111 | ABC 123 SUPPLY | \$0.00  |

A red arrow points to the first row of the table, which is circled in red. The text '2 Rows' is visible at the bottom of the table.



# Printing Your Certificate

☰ Menu
⚙ Settings 🔒 Log Off

🏠 Home > California Firearm and Ammunition Excise Tax

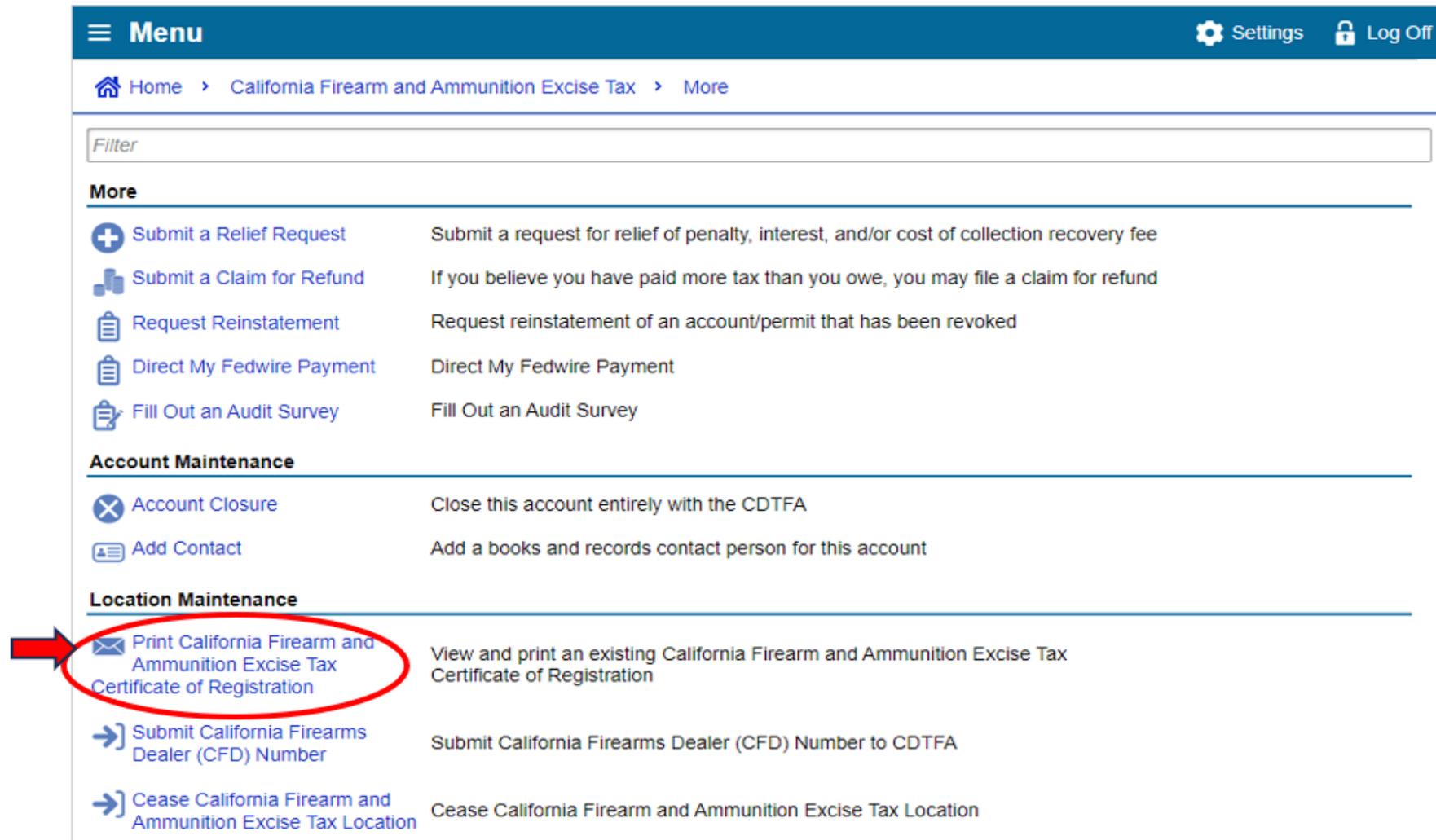
The balance displayed may not reflect recent payments or adjustments to the account.

Location maintenance for your California Firearm and Ammunition Excise Tax site(s) may be done through the associated Sales and Use Tax Account by selecting the "I Want To" section, select the "More" link. The "Location Maintenance" section contains the options available for your California Firearm and Ammunition Excise Tax site(s).

| <span style="color: #0056b3;">✍</span> Account  | <span style="color: #0056b3;">🚩</span> Account Alerts           | <span style="color: #0056b3;">📅</span> I Want To  |
|---|---|---|
| <p>ABC123 INC<br/>159-267784</p> <p>➤ California Firearm and Ammunition Excise Tax<br/>211-111111</p> <p><b>Balance: \$0.00</b></p> | <p>⚠ File return for 31-Dec-2024</p> <p>💬 2 unread messages</p> | <p>File and/or View a Return/Report</p> <p>Make a Payment</p> <p>View Prior Payments</p> <p>Request a Filing Extension</p> <p style="text-align: right;">➔ <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">More</span></p> |

Periods
Names and Addresses
Correspondence
Logons
Submissions

# Printing Your Certificate



The screenshot shows the CDTFA web portal interface. At the top, there is a navigation bar with a 'Menu' icon, 'Settings', and 'Log Off' options. Below the navigation bar, the breadcrumb trail reads 'Home > California Firearm and Ammunition Excise Tax > More'. A search filter box is present. The main content area is divided into sections: 'More', 'Account Maintenance', and 'Location Maintenance'. The 'Location Maintenance' section contains three items, with the first item, 'Print California Firearm and Ammunition Excise Tax Certificate of Registration', highlighted by a red circle and a red arrow pointing to it.

| Section              | Item  | Description   |
|----------------------|---|---|
| More                 | Submit a Relief Request   | Submit a request for relief of penalty, interest, and/or cost of collection recovery fee            |
|                      | Submit a Claim for Refund   | If you believe you have paid more tax than you owe, you may file a claim for refund                 |
|                      | Request Reinstatement   | Request reinstatement of an account/permit that has been revoked                                    |
|                      | Direct My Fedwire Payment   | Direct My Fedwire Payment   |
|                      | Fill Out an Audit Survey  | Fill Out an Audit Survey  |
| Account Maintenance  | Account Closure   | Close this account entirely with the CDTFA  |
|                      | Add Contact   | Add a books and records contact person for this account   |
| Location Maintenance | <b>Print California Firearm and Ammunition Excise Tax Certificate of Registration</b> | View and print an existing California Firearm and Ammunition Excise Tax Certificate of Registration |
|                      | Submit California Firearms Dealer (CFD) Number  | Submit California Firearms Dealer (CFD) Number to CDTFA   |
|                      | Cease California Firearm and Ammunition Excise Tax Location                           | Cease California Firearm and Ammunition Excise Tax Location   |



**CDTFA**  
CALIFORNIA DEPARTMENT OF  
TAX AND FEE ADMINISTRATION

# Filing Your CFET Return

# Filing Requirements for CFET and SUT

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In the following slides, we will provide basic information on CFET and demonstrate the process of preparing the following types of returns:

- A return in which sales are subject to CFET.
- A return in which quarterly sales are under \$5,000 and not subject to CFET, however, CFET was collected.

If you are a seller, you are also required to prepare and file Sales and Use Tax returns. To assist you with preparing and filing Sales and Use Tax returns, we have created publication 373-PPTH, *Sales and Use Tax Return Preparation* ([www.cdtfa.ca.gov/formspubs/pub373ppth.pdf](http://www.cdtfa.ca.gov/formspubs/pub373ppth.pdf)).

You can also attend one of our Sales and Use Tax Return Preparation Webinars ([www.cdtfa.ca.gov/seminar/#bsut-trp](http://www.cdtfa.ca.gov/seminar/#bsut-trp)).

# CFET Return—Basic Information

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- As a California seller making retail sales in this state, you are required to file a CFET return on a quarterly basis.
- You must report your gross receipts subject to CFET and pay the amount of CFET due.
- The CFET return and amounts due are separate from your sales and use tax return and amounts due.
- You are required to file your CFET return even if:
  - You do not reach the threshold of \$5,000 in retail sales subject to CFET.
  - You have no retail sales subject to CFET in a quarter.

# Reporting Retail Sales Transactions

---

Retail sales should be reported in the same quarterly period the retail sale was made (accrual basis). In general, a retail sale occurs in the reporting period when there is a transfer of title or possession (whichever occurs first) of the tangible personal property.

In the absence of an explicit title clause that passes title sooner, the retail sale is deemed to be made when possession of the tangible personal property sold transfers to the purchaser (for example, after the 10-day waiting period has passed in the case of the retail sale of a firearm). This is the case for both sales and use tax and CFET.



# Filing Your CFET Return

**Logon**

> JOSEPH SMITH  
jbsmith12345@abc123.com  
+1 619- 987-1234  
Last logged on 07-Nov-2024

**Alerts**

91 unread messages

**I Want To**

- [Register a New Business Activity](#)
- [Make a Payment](#)
- [Manage payments and returns](#)
- [Request Access to an Account](#)
- [View Important Information and Documents for Your Account\(s\)](#)
- [Check Your Registration Status](#)
- [More](#)

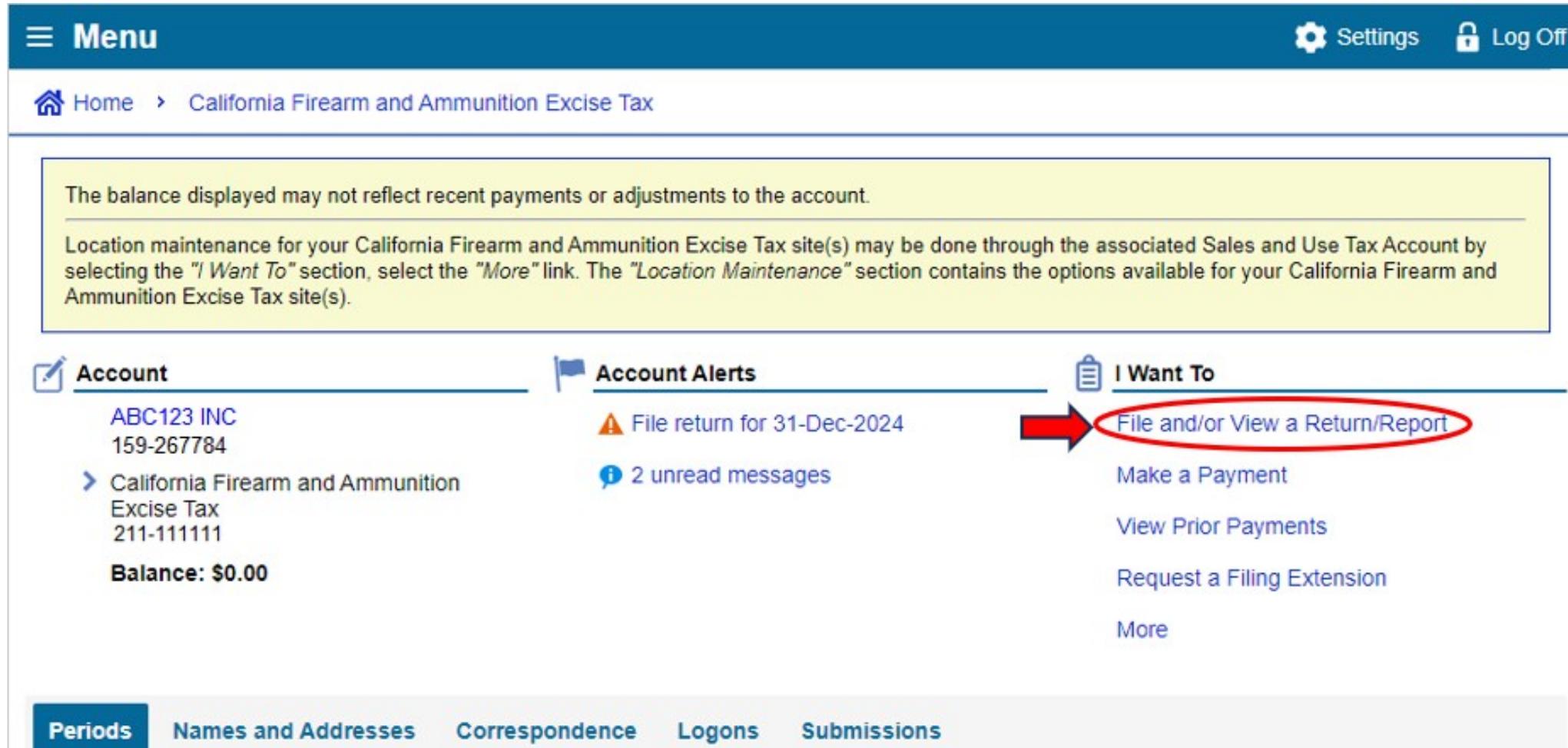
**Accounts** | Submissions | Correspondence | Customer Information

Select an Account Below for Additional Requests [View Accounts](#)

| Account Type   | Account ID | Name           | Balance |
|--|------------|----------------|---------|
| <a href="#">California Firearm and Ammunition Excise Tax</a> | 211-111111 | ABC123 INC     | \$0.00  |
| <a href="#">Sales and Use Tax</a>                            | 100-111111 | ABC 123 SUPPLY | \$0.00  |

2 Rows

# Filing Your CFET Return



The screenshot shows a user interface for the California Department of Tax and Fee Administration (CDTFA). At the top, there is a navigation bar with a "Menu" icon, "Settings", and "Log Off". Below the navigation bar, the breadcrumb trail reads "Home > California Firearm and Ammunition Excise Tax". A yellow warning box contains the text: "The balance displayed may not reflect recent payments or adjustments to the account." and "Location maintenance for your California Firearm and Ammunition Excise Tax site(s) may be done through the associated Sales and Use Tax Account by selecting the 'I Want To' section, select the 'More' link. The 'Location Maintenance' section contains the options available for your California Firearm and Ammunition Excise Tax site(s)." Below the warning box, there are three main sections: "Account", "Account Alerts", and "I Want To". The "Account" section shows "ABC123 INC" with ID "159-267784" and a "Balance: \$0.00". The "Account Alerts" section shows "File return for 31-Dec-2024" and "2 unread messages". The "I Want To" section has a red arrow pointing to the link "File and/or View a Return/Report", which is circled in red. Other links in this section include "Make a Payment", "View Prior Payments", "Request a Filing Extension", and "More". At the bottom, there is a navigation bar with tabs for "Periods", "Names and Addresses", "Correspondence", "Logons", and "Submissions".

Menu Settings Log Off

Home > California Firearm and Ammunition Excise Tax

The balance displayed may not reflect recent payments or adjustments to the account.

Location maintenance for your California Firearm and Ammunition Excise Tax site(s) may be done through the associated Sales and Use Tax Account by selecting the "I Want To" section, select the "More" link. The "Location Maintenance" section contains the options available for your California Firearm and Ammunition Excise Tax site(s).

**Account**

ABC123 INC  
159-267784

> California Firearm and Ammunition Excise Tax  
211-111111

**Balance: \$0.00**

**Account Alerts**

File return for 31-Dec-2024

2 unread messages

**I Want To**

File and/or View a Return/Report

Make a Payment

View Prior Payments

Request a Filing Extension

More

Periods Names and Addresses Correspondence Logons Submissions



# Filing Your CFET Return

Menu
Settings Log Off

Home > California Firearm and Ammunition Excise Tax

The balance displayed may not reflect recent payments or adjustments to the account.

Location maintenance for your California Firearm and Ammunition Excise Tax site(s) may be done through the associated Sales and Use Tax Account by selecting the "I Want To" section, select the "More" link. The "Location Maintenance" section contains the options available for your California Firearm and Ammunition Excise Tax site(s).

|   |   |   |
|---|---|---|
| <p> <b>Account</b></p> <p>ABC123 INC<br/>159-267784</p> <p>&gt; California Firearm and Ammunition Excise Tax<br/>211-111111</p> <p><b>Balance: \$0.00</b></p> | <p> <b>Account Alerts</b></p> <p> File return for 31-Dec-2024</p> <p> 2 unread messages</p> | <p> <b>I Want To</b></p> <p>File and/or View a Return/Report</p> <p>Make a Payment</p> <p>View Prior Payments</p> <p>Request a Filing Extension</p> <p>More</p> |
|---|---|---|

**Periods** | Names and Addresses | Correspondence | Logons | Submissions

|  |                    |   |
|--|--------------------|---|
|  | <b>Periods</b>     | <a href="#">View Periods</a>                              |
|  | 31-Mar-2025        | \$0.00  |
|  | <b>31-Dec-2024</b> | \$0.00    Generated <b>File Return (Due: 31-Jan-2025)</b> |

# Filing Your CFET Return

Menu Settings Log Off

Home > California Firearm and Ammunition Excise Tax > California Firearm and Ammunition Excise Tax Return

Account Number: 211-111111  
Filing Period: 31-Dec-2024

**1. Gross Sales**

## Gross Sales

Enter your gross receipts from the total retail sales of any firearms, firearm precursor parts, or ammunition.

For help with your return, please click here to open the [Online Filing Instructions](#).

Save Draft Cancel Next >

# Filing Your CFET Return

**Menu** Settings Log Off

[Home](#) > [California Firearm and Ammunition Excise Tax](#) > [California Firearm and Ammunition Excise Tax Return](#)

Account Number: 211-111111  
Filing Period: 31-Dec-2024

1. Gross Sales **2. California Firearm and Ammunition Excise Tax (CFET) Information**

### California Firearm and Ammunition Excise Tax (CFET) Information

|   |           |
|---|-----------|
| Total gross receipts from retail sales of firearms, firearm precursor parts, or ammunition.                                 | 20,000.00 |
| <i>Exemption:</i> Retail sales to peace officers (active or retired) or law enforcement agencies employing a peace officer. | 0.00      |
| Gross receipts from retail sales of firearms, firearm precursor parts, or ammunition subject to excise tax.                 | 20,000.00 |
| CFET rate   | 0.11      |
| Subtotal amount of CFET due   | 2,200.00  |

For help with your return, please click here to open the [Online Filing Instructions](#).

[Save Draft](#) [Cancel](#) [Previous](#) [Next](#)

# Filing Your CFET Return

**Menu** Settings Log Off

[Home](#) > [California Firearm and Ammunition Excise Tax](#) > [California Firearm and Ammunition Excise Tax Return](#)

Account Number: 211-111111  
Filing Period: 31-Dec-2024

California Firearm and Ammunition Excise Tax (CFET) Information **3. Excess California Firearm and Ammunition Excise Tax (CFET) Reimbursement Collected**

### Excess California Firearm and Ammunition Excise Tax (CFET) Reimbursement Collected

If you have separately charged your customers amount for CFET reimbursement that exceeds the amount due calculated on your return, enter the difference.

Collecting excess CFET reimbursement can occur in the following situations:

- When the CFET is computed on a transaction which is not subject to the CFET;
- When the CFET is computed on an amount in excess of the amount subject to the CFET;
- When the CFET is computed using a CFET rate higher than the rate imposed by law; or
- When mathematical or clerical errors result in an overstatement of the CFET reimbursement amount due on a billing.

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| Subtotal amount of CFET due         | <input type="text" value="2,200.00"/> |
| Excess CFET reimbursement collected | <input type="text" value="0.00"/>     |
| <b>Total amount of CFET due</b>     | <input type="text" value="2,200.00"/> |

For help with your return, please click here to open the [Online Filing Instructions](#).

[Save Draft](#) [Cancel](#) [Previous](#) [Next](#)

# Filing Your CFET Return

**Menu** Settings Log Off

[Home](#) > [California Firearm and Ammunition Excise Tax](#) > [California Firearm and Ammunition Excise Tax Return](#)

Account Number: 211-111111  
Filing Period: 31-Dec-2024

Excise Tax (CFET) Information > 3. Excess California Firearm and Ammunition Excise Tax (CFET) Reimbursement Collected > **4. Summary**

### Summary

|                                     |                 |
|-------------------------------------|-----------------|
| Subtotal Amount of CFET Due         | 2,200.00        |
| Excess CFET reimbursement collected | 0.00            |
| Total Amount of CFET Due            | 2,200.00        |
| Penalty                             | 0.00            |
| Interest                            | 0.00            |
| <b>Total Amount Due and Payable</b> | <b>2,200.00</b> |

[Save Draft](#) [Cancel](#) [< Previous](#) [Next >](#)



# Filing Your CFET Return Sales Under \$5,000 in a Quarterly Period

☰ Menu ⚙ Settings 🔒 Log Off

🏠 Home > Firearm and Ammunition Excise Tax > Manage Payments and Returns > California Firearm and Ammunition Excise Tax Return

Account Number: 211-111111  
Filing Period: 31-Dec-2024

**1. Gross Sales**

### Gross Sales

Enter your gross receipts from the total retail sales of any firearms, firearm precursor parts, or ammunition.

For help with your return, please click here to open the [Online Filing Instructions](#)

Save Draft Cancel Next >

# Filing Your CFET Return Sales Under \$5,000 in a Quarterly Period

Menu Settings Log Off

Home > Firearm and Ammunition Excise Tax > Manage Payments and Returns > California Firearm and Ammunition Excise Tax Return

Account Number: 211-111111  
Filing Period: 31-Dec-2024

1. Gross Sales **2. Excess California Firearm and Ammunition Excise Tax (CFET) Reimbursement Collected**

### Excess California Firearm and Ammunition Excise Tax (CFET) Reimbursement Collected

If you have separately charged your customers amount for CFET reimbursement that exceeds the amount due calculated on your return, enter the difference.

Collecting excess CFET reimbursement can occur in the following situations:

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- When the CFET is computed on an amount in excess of the amount subject to the CFET;
- When the CFET is computed using a CFET rate higher than the rate imposed by law; or
- When mathematical or clerical errors result in an overstatement of the CFET reimbursement amount due on a billing.

|                                     |                                     |
|-------------------------------------|-------------------------------------|
| Subtotal amount of CFET due         | <input type="text" value="0.00"/>   |
| Excess CFET reimbursement collected | <input type="text" value="330.00"/> |
| <b>Total amount of CFET due</b>     | <b>330.00</b>                       |

For help with your return, please click here to open the [Online Filing Instructions](#).

Save Draft Cancel < Previous Next >

# Filing Your CFET Return Sales Under \$5,000 in a Quarterly Period

**Menu** Settings Log Off

[Home](#) > [Firearm and Ammunition Excise Tax](#) > [Manage Payments and Returns](#) > [California Firearm and Ammunition Excise Tax Return](#)

Account Number: 211-111111  
Filing Period: 31-Dec-2024

1. Gross Sales > 2. Excess California Firearm and Ammunition Excise Tax (CFET) Reimbursement Collected > 3. Summary

### Summary

|                                     |               |
|-------------------------------------|---------------|
| Subtotal Amount of CFET Due         | 0.00          |
| Excess CFET reimbursement collected | 330.00        |
| Total Amount of CFET Due            | 330.00        |
| Penalty                             | 0.00          |
| Interest                            | 0.00          |
| <b>Total Amount Due and Payable</b> | <b>330.00</b> |

[Save Draft](#) [Cancel](#) [< Previous](#) [Next >](#)



# CFET Return

---

- Your CFET returns must be filed online.
- The return is due on a **quarterly** filing basis.
  - See the table below for the filing due dates.

| Quarterly Reporting |                 |            |
|---------------------|-----------------|------------|
| Reporting Period    | Period End Date | Due Date   |
| January – March     | March 31        | April 30   |
| April – June        | June 30         | July 31    |
| July – September    | September 30    | October 31 |
| October – December  | December 31     | January 31 |

# Recordkeeping

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- Tax records must be maintained for at least four years.
- Failure to maintain records will be considered evidence of negligence or intent to evade tax and may result in penalties.



# Recordkeeping

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## Purchases

- Purchase invoices and receipts
- Purchase journals
- Cancelled checks
- Credit card statements

## Sales

- Sales and lease contracts and agreements
- Sales invoices, cash register tapes, and receipts
- Sales journals and sales summary journals
- Purchase orders

## Exemptions

- Resale certificates
- Exemption certificates
- Shipping documents
- Government invoices



**CDTFA**  
CALIFORNIA DEPARTMENT OF  
TAX AND FEE ADMINISTRATION

# Resources

# Top Resources

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- [Assembly Bill 28, chapter 231, Statutes 2023](#)
- [Sales & Use Tax in California](#)
- [California City & County Sales & Use Tax Rates](#)
- [Firearm Precursor Part Identification Guidebook](#)
- [California Firearm and Ammunition June 2024 Webinar Presentation](#)
- [California Firearm and Ammunition Excise Tax Frequently Asked Questions](#)

# Laws and Regulations

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- [Sales and Use Tax Law](#)
- [Firearms, Firearm Precursor Parts, and Ammunition Excise Tax Law](#)
- [Fee Collection Procedures Law](#)
- [Sales and Use Tax Regulations](#)
- [Fee Collection Procedures Regulations](#)
- [Regulation 1506, \*Miscellaneous Service Enterprises\*](#)
- [Regulation 1569, \*Consignees and Lienors of Tangible Personal Property for Sale\*](#)
- [Regulation 1584, \*Membership Fees\*](#)
- [Regulation 1668, \*Sales for Resale\*](#)
- [Regulation 1628, \*Transportation Charges\*](#)

# Visit Our Tax Guide for Sellers of Firearm and Ammunition Products

[www.cdtfa.ca.gov/industry/sellers-of-firearm-and-ammunition-products/](http://www.cdtfa.ca.gov/industry/sellers-of-firearm-and-ammunition-products/)



The screenshot shows the top navigation bar of the CDTFA website. On the left is the CDTFA logo and name. On the right is a search bar labeled "Search CDTFA". Below the navigation bar are four menu items: "How Do I...", "Tax Programs", "Tax Resources", and "Join Us". Below the navigation bar is a breadcrumb trail: "Home / industry / sellers of firearm and ammunition products". To the left of the breadcrumb trail is a circular image of a handgun and ammunition. To the right of the image is the main heading: "Tax Guide for Sellers of Firearm and Ammunition Products".

- Overview**
- [Getting Started](#)
- [Frequently Asked Questions \(FAQs\)](#)
- [Industry Topics](#)
- [Resources](#)
- [Industry Guides](#)

## How to Use This Guide

Each section of this guide contains important information about [retail sales](#) (for example, sales to consumers) of firearms, firearm precursor parts, or ammunition in California.

- > The [Getting Started](#) section provides key resources related to registration, filing returns, making payments, account maintenance, and other important information.
- > The [Industry Topics](#) section provides helpful information on specific topics important to sellers of firearms and ammunition products.
- > The [Resources](#) section provides links to helpful information, including law and regulation information, publications, special notices, the exemption certificate for sales to peace officers and law enforcement agencies, and access to assistance from our customer service representatives.

*The general information provided in this guide is not intended to replace any law or regulation. This guide summarizes the law and applicable regulations in effect when it was last updated. However, changes in the law or regulations may have occurred. If there is a conflict between this guide and the law, our decisions will be based on the law.*

# Questions regarding firearm products?

---

Please contact the State of California Department of Justice, Bureau of Firearms if you have any questions regarding:

- Registration as a licensed firearms dealer, ammunition vendor, or firearms manufacturer in California.
- Whether certain firearm parts or accessories are legal in California.
- Whether certain goods are considered firearms, or firearm precursor parts.

# State of California Department of Justice, Bureau of Firearms

[oag.ca.gov/firearms](http://oag.ca.gov/firearms)



The screenshot shows the homepage of the Bureau of Firearms website. At the top, it features the State of California Department of Justice logo and the name of the Attorney General, Rob Bonta. A search bar and social media icons are also present. The main navigation menu includes links for Home, About, Media, Careers, Regulations, Resources, Programs, Appointments, and Contact. The main content area is titled "Bureau of Firearms" and includes a welcome message, a brief description of the bureau's mission, and a list of key programs and resources.

State of California Department of Justice

 **ROB BONTA**  
*Attorney General*

Search

Translate Website | Traducir Sitio Web

HOME ABOUT MEDIA CAREERS REGULATIONS RESOURCES PROGRAMS APPOINTMENTS CONTACT

## Bureau of Firearms

Home / Bureau of Firearms

### Welcome to the California DOJ Bureau of Firearms

The Bureau of Firearms serves the people of California through education, regulation, and enforcement actions regarding the manufacture, sales, ownership, safety training, and transfer of firearms. Bureau of Firearms staff will be leaders in providing firearms expertise and information to law enforcement, legislators, and the general public in a comprehensive program to promote legitimate and responsible firearms possession and use by California residents.



#### Bureau of Firearms

- Firearms Home
- Ammunition Purchase Authorization Program
- Automated Firearms System Personal Information Update
- California Firearms Laws Summary, pdf (revised 2021)
- Carry Concealed Weapon Program DOJ Certified

# Taxpayer Webinars

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## Small Business

- Basic Sales and Use Tax
- Sales Tax Return Preparation
- What to Expect During an Audit
- Basic Recordkeeping
- Spanish webinars available

Visit our Tax Education page at [www.cdtfa.ca.gov/tax-education](http://www.cdtfa.ca.gov/tax-education) to view classes and other events.

## Industry-Specific

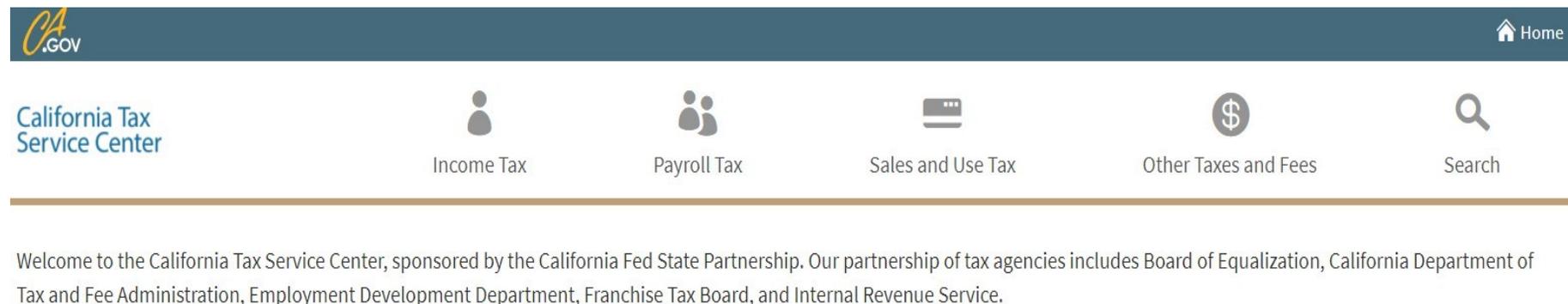
- Food Industry
- Internet and Home-Based Businesses
- Construction Contractors
- California Cigarette and Tobacco Products Retailers
- More

## Nonprofit and Exempt Organizations

# California Tax Service Center

The California Tax Service Center website offers a one-stop source for the latest tax information.

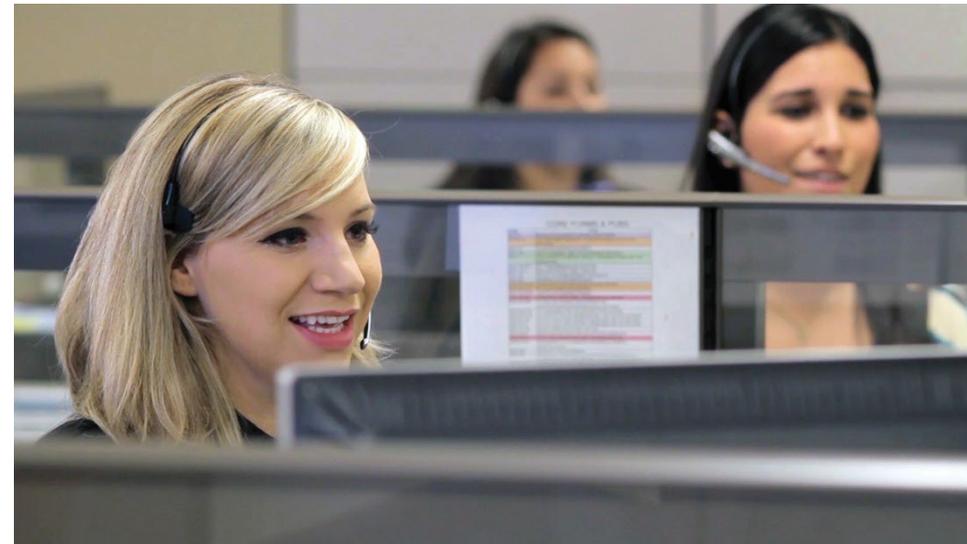
[www.taxes.ca.gov](http://www.taxes.ca.gov)



# Customer Service

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- Call our Customer Service Center at 1-800-400-7115.
- TTY:711 is available for the hearing and speech impaired.
- Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.
- Customer service representatives can:
  - Walk you through the registration process.
  - Walk you through the return preparation process.
  - Answer general tax questions.



# Customer Service

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We now offer a **live online chat service** to quickly answer general tax and fee questions and to provide help with our Online Services.

- To initiate a chat session, visit our website at [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov) and click on the *Chat* icon located on the lower right corner of our homepage. You can also visit the *How to Contact Us* page at [www.cdtfa.ca.gov/contact.htm](http://www.cdtfa.ca.gov/contact.htm) and select the option *Online Chat*.
- If you are initiating a chat from Monday through Friday during the hours of 7:30 a.m. and 5:00 p.m. (Pacific time), except state holidays, the chat service will connect you with a customer service representative.
- If it is outside regular customer service hours, our ChatBot will direct you to the information you need.

# Taxpayers' Rights Advocate

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1-888-324-2798

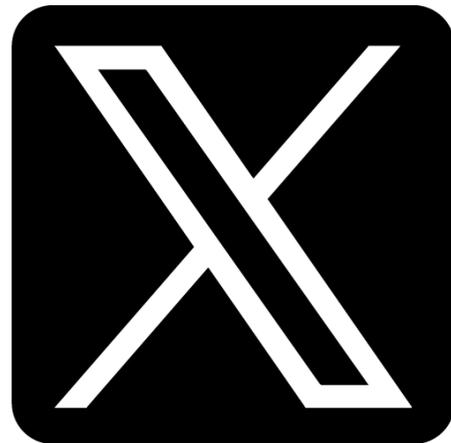
If you are unable to resolve any tax issues through normal channels with CDTFA or if you would like more information regarding your rights, contact the Taxpayers' Rights Advocate Office at [www.cdtfa.ca.gov/tra](http://www.cdtfa.ca.gov/tra).



# Connect with Us on Social Media

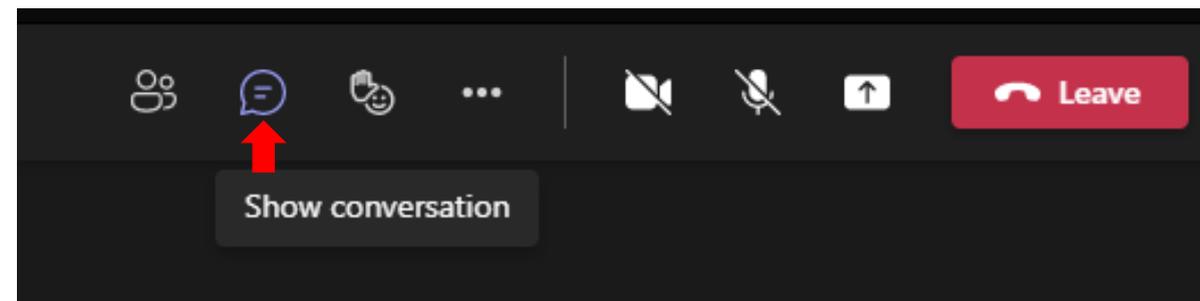
---

Connect with us on Facebook, X, YouTube, LinkedIn,  
and Instagram



# Questions?

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Questions can be asked using the chat window.  
Click on the *Show conversation* icon to open the chat window.



**CDTFA**  
CALIFORNIA DEPARTMENT OF  
TAX AND FEE ADMINISTRATION

**We wish you success  
in your business venture!**