



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

# Agricultural Industry



## Preface

Helping your business succeed is important to us. We recognize that understanding the tax issues specific to the agricultural industry and to those who sell farm and related supplies can be time-consuming and complicated, and we want to get you the information you need so you can focus on growing your business.

We have created this publication detailing the tax issues as they apply to the sale and purchase of agriculture-related supplies, equipment, machinery, and diesel fuel and information vital to your industry. This publication discusses the sale and purchase of food animals, feed, seeds, plants, rootstock, fertilizer, and liquefied petroleum gas (LPG) used on farms and in residences. It also explains the various special sales and use tax exemptions that apply. You can also refer to our [Tax Guide for the Agricultural Industry](#) on our [website](#). Also, please refer to our website or the [For More Information](#) section of this publication for the complete list of regulations and publications.

If you cannot find the information you are looking for in this publication, please visit our website or call our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available Monday through Friday between 7:30 a.m. and 5:00 p.m. (Pacific time), except state holidays.

This publication complements [publication 73](#), *Your California Seller's Permit*, which includes general information about obtaining a permit, using a resale certificate, collecting and reporting sales and use taxes, buying, selling, or discontinuing a business, and keeping records.

Businesses that sell farm and related supplies often need to register for other tax and fee programs, including fuel taxes, the California Tire Fee, and the Underground Storage Tank Maintenance Fee. For assistance with these programs, please contact our Special Taxes Policy and Compliance Division:

Special Taxes Program and Compliance Division, MIC:57  
California Department of Tax and Fee Administration  
PO Box 942879  
Sacramento, CA 94279-0057  
1-800-400-7115

We welcome your suggestions for improving this or any other publication. If you would like to comment, please provide your comments or suggestions directly to:

Audit and Information Section, MIC:44  
California Department of Tax and Fee Administration  
PO Box 942879  
Sacramento, CA 94279-0044

This publication summarizes the law and applicable regulations in effect when the publication was written. However, changes in the law or in regulations may have occurred since that time. If there is a conflict between the text in this publication and the law, the law is controlling.

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# Animals, Feed, and Related Supplies

A retailer is responsible for paying sales tax on sales of animal-related products such as tack, cages, and pet supplies. However, some sales of animals and supplies may not be taxable. In this section, we discuss how tax applies to retail sales of animals, feed, veterinary drugs, bedding, and litter.

## Getting started: Permits

Retailers in California who sell or lease tangible personal property (merchandise) are generally required to register with us for a seller's permit. You may also be required to register for other permits, licenses, or accounts depending on your sales activity. You can find information on how to get started in the [Tax Guide for Agricultural Industry](#) on our [website](#).

## Some feed sellers do not need a seller's permit

Feed sellers do not need to hold a seller's permit or pay sales tax if the only product they sell is feed for:

- Food animals.
- Nonfood animals that are to be sold in the regular course of business.
- Breeding animals and their offspring if they are both being held for resale in the owner's business operations.

Hay growers fall in this category provided they either:

- Produce hay for sale only to beef cattle feedlots or dairies, or
- Sell hay exclusively through a farmer-owned cooperative.

## Food animals

Tax does not apply to your purchases or retail sales of food animals. Food animals are animals, birds, or insects commonly used in producing food, such as meat products, fish, seafood, dairy products, eggs, and honey.

Food animals include, but are not limited to:

- Cattle
- Swine
- Game birds
- Pigeons
- Chickens
- Turkeys
- Sheep
- Rabbits
- Bees
- Ostriches
- Fish and shellfish
- Emus



In addition to the food animal definitions in the Sales and Use Tax Law, certain animals identified by the California Department of Food and Agriculture (CDFA) are food animals. The animals must be identified as livestock or poultry intended for human consumption in the CDFA regulations adopted under sections [18848](#) and [25408](#) of the California Food and Agricultural Code. For information regarding those classifications, call CDFA at 1-916-654-0466 (TTY:711) or visit CDFA's website at [www.cdfa.ca.gov](http://www.cdfa.ca.gov).

## Nonfood animals

Sales tax generally applies to your purchases or retail sales of animals, birds, reptiles, and insects that do not meet the definition of food animals, whether they are used for working stock, breeding, as pets, or for other purposes.

Nonfood animals include:

- Dogs and cats
- Tropical fish
- Snakes
- Earthworms
- Beneficial insects, such as ladybugs
- Horses
- Pet birds
- Monkeys
- Chinchillas and mink
- Rodents, such as guinea pigs, rats, hamsters, and mice

## Feed sales may be taxable

Feed sold for nonfood animals is generally taxable. Tax does not apply to sales of feed for food animals. For more information, see [Food animals](#). As a retailer, you should itemize all invoices that include taxable and nontaxable sales.

### Feed defined

Feed includes grain, hay, seed, kibble, and similar products. Feed also includes items with nutrient value, such as:

- Cod liver oil
- Salt
- Bone meal
- Calcium carbonate
- Double-purpose limestone granulars
- Oyster shell

### Sales of items that are not feed (as per Regulation 1587) are taxable

Although the following non-nutrient items may be fed to animals, they are not feed under [Regulation 1587](#). Generally, sales of these items are taxable:

- Sand
- Charcoal
- Granite grit
- Sulfur
- Medicines (see [Drugs and medicines](#))



### Feed for nonfood animals

Tax generally applies to sales of feed for nonfood animals unless the feed is sold for either of the following purposes:

- To feed animals that will be sold in the purchaser's business operations.
- To feed breeding animals whose offspring will be sold in the purchaser's business operations.

Examples include kibble sales to pet stores that feed puppies they will sell and bone meal sales to bird breeders who will sell their birds' chicks.

People who raise earthworms and beneficial insects to sell can buy feed for them without paying sales tax provided they give the retailer a feed exemption certificate.

It is important for the retailer to obtain a feed exemption certificate from the purchaser for these types of nontaxable feed sales; otherwise, the retailer must pay tax on the sale. For more information, see [Appendix A: Exemption Certificates](#).

For information on feed sales to boarding and training facilities, see [Sales of feed and other items to boarding and training facilities](#).

### Exemption certificates

Some feed, like alfalfa, can be used for either food or nonfood animals. When selling feed of this type for consumption by food animals, it is important for the retailer to obtain a feed exemption certificate from the buyer. This can be done in advance or at the time a purchase is made. For more information, see [Appendix A: Exemption Certificates](#).

## Exemption certificate alternatives

Instead of keeping separate exemption certificates on file, you may incorporate the information required for a feed exemption certificate on your actual invoices. For more information, see [Regulation 1587](#), *Animal Life, Feed, Drugs and Medicines*. You may preprint the information directly on the invoice or add it with a rubber stamp, as needed. In either case, the buyer may complete the required information at the time of the sale rather than filing a separate form.

If the buyer uses a separate certificate, it is important to include on the invoice or receipt the name and address of the buyer as listed on the exemption certificate on file.

**Exceptions:** It is not necessary to obtain exemption certificates for the nontaxable sale of any of the following:

- Feed ordinarily used only in the production of meat, dairy, or poultry products used as food.
- Two or fewer standard sacks of grain, four or fewer bales of hay (for use as feed), or both.
- Feed bearing a manufacturer's label indicating that it is intended for food animals.

## Drugs and medicines

Drugs and medicines are products intended to prevent or control disease in animals. This includes all livestock drugs approved by the U.S. Food and Drug Administration that are defined and registered in compliance with sections [14202](#), [14206](#), and [14281](#) of the California Food and Agricultural Code. Drugs and medicines include, but are not limited to:

- Legend drugs
- Pills and capsules
- Liquid medications
- Injected drugs, including vaccines
- Ointments
- Intravenous fluids
- Medicated soaps

In addition, vitamins and insecticides labeled for livestock, including poultry, are considered drugs and medicines when administered directly to the animals or in their feed or water. For more information, see the [Drug or Medicine Administered](#) table. Under certain circumstances, oxygen is also considered a drug or medicine. For more information, see [Oxygen](#).

Generally, sales of drugs or medicines are taxable when the drugs or medicines are administered directly to nonfood animals. (See Drug or Medicine Administered table.)

### Certain sales of drugs and medicines may not be taxable

Under certain circumstances, tax does not apply to a retailer's sale or a buyer's purchase or use of drugs or medicines that will be administered to animals. The product must be intended for the prevention or control of disease in any of the following:

- Food animals (see [Food animals](#)).
- Animals to be sold as part of business operations.
- Breeding animals whose offspring will be sold as part of business operations.

For nonfood animals, the drug or medicine must be intended for administration as an additive to the animals' food or water. The following table summarizes how tax applies to transactions involving drugs and medicines.

<b>Type of Animal</b>	<b>Drug or Medicine Administered</b>	
	<b>In Feed or Water</b>	<b>Directly<sup>1</sup></b>
Food animal	Nontaxable	Nontaxable
Nonfood animal (if it or its offspring will be sold in the regular course of business)	Nontaxable	Taxable
Other nonfood animal	Taxable	Taxable

<sup>1</sup> Oral, hypodermic (including injections), external, or topical applications, implants, drenches, repellents, and pour-ons.

### Oxygen

Tax does not apply to the sale or use of oxygen administered to food animals for human consumption (food that people eat) primarily to prevent or control disease. This includes oxygen injected into ponds or tanks that house or hold aquatic species raised, kept, or used as food (for example, oxygen injected into trout farm ponds is not taxable). However, tax does apply to the sale or use of oxygen administered to nonfood animals, even if the animals are being held for sale by a business (for example, oxygen pumped into tropical fish tanks at a pet store is taxable).

### Supporting documentation

When a retailer makes a nontaxable sale of a drug, medicine, or oxygen, the sale should be supported by a drug exemption certificate completed by the purchaser. For more information, see [Appendix A: Exemption Certificates](#).

The exemption certificate can be completed in advance or at the time a purchase is made. It is important for the retailer to include on the invoice or receipt the name and address of the buyer as listed on the exemption certificate on file.

Instead of keeping separate exemption certificates on file, you may incorporate the information that is required for a drug exemption certificate on your actual invoices. The information may be preprinted directly on the invoice or added with a rubber stamp as needed. In either case, the buyer may complete the required information at the time of the sale rather than filing a separate form.

### Sales to veterinarians

Veterinarians are considered retailers of products in some instances and consumers (end users) in others. Veterinarians may give retailers a resale certificate when buying products they will sell at retail. But when veterinarians purchase



items that they will use in their practice, those sales are generally taxable. Veterinarians may also provide a drug or feed exemption certificate for purchases of feed or drugs that will be used in a nontaxable manner, as previously described. Items used primarily or exclusively in assisting qualified persons (such as ranchers who operate businesses described in SIC Codes 0111 to 0291—see [Qualified persons](#)) may be exempt from the state general and fiscal recovery funds portion of the sales and use tax. To find the partial exemption rate respective to the reporting

period for which you are filing, see [Regulation 1533.1](#). This regulation is updated whenever new legislation affects the partial exemption rate.

These items include:

- Equipment and machinery (see [Farm Equipment and Machinery](#)).
- Certain supplies (see [Farm Equipment and Machinery](#)).

To receive the partial exemption when purchasing items that qualify, veterinarians must provide a specific partial exemption certificate to retailers. For more information, see [Appendix A: Exemption Certificates](#).

The rate for the state general and fiscal recovery funds portion of the sales tax has been lower in the past and may change again after the date of this publication. You must use the rate in effect at the time your sale occurs. See Regulation 1533.1 for the current rate. When the partial exemption rate changes under Regulation 1533.1, the partial exemption rate is updated in our [Tax Guide for Agricultural Industry](#). Current tax rates in effect are available at [www.cdtfa.ca.gov/taxes-and-fees/rates.aspx](http://www.cdtfa.ca.gov/taxes-and-fees/rates.aspx) or from our Customer Service Center at 1-800-400-7115 (TTY:711).

## Bedding and litter

Tax applies to sales of most animal bedding and litter. However, some retail sales of bedding and litter may be fully or partially exempt from tax. Tax does not apply to the sale, use, or storage of wood shavings, sawdust, rice hulls, or other products used as litter for poultry or egg production and ultimately resold or incorporated into fertilizer products. In addition, a sale of bedding or litter to a rancher or farmer may be exempt from the state general and fiscal recovery funds portion of the sales tax. For more information, see [Farm Equipment and Machinery](#).

For information on sales of fertilizer, including animal bedding mixed with manure, see [Farm and Garden Supplies](#).

## Sales of feed and other items to boarding and training facilities

The general rules for applying tax to sales of feed and other items to boarding or training facilities are described below.

*Please note:* Sales of equipment and machinery to a training or boarding facility that boards animals owned by ranchers and farmers may qualify for the partial tax exemption described in [Farm Equipment and Machinery](#).

### Facilities that charge a flat fee

Tax generally applies to sales of feed, grains, hay, or other merchandise to a training or boarding facility that charges customers a flat fee. The facility is the consumer of the feed and other taxable items included in its periodic charge rather than the retailer of those items. Consequently, the facility cannot issue a resale certificate when purchasing those items.

*Example:* An equestrian center charges customers a flat fee of \$500 a month for boarding a horse, which includes a stall, pasture access, feed, stall cleaning, and access to the center's facilities. The center is the consumer of feed and stall bedding it purchases because it does not invoice customers separately for those items. Sales of feed and bedding to the equestrian centers are subject to tax.

*Exception:* The facility's purchases of feed for the following animals it boards are not taxable: food animals, animals that will be sold in the animal owner's business operations, and breeding animals whose offspring will be sold in the breeder's business operations.

### Facilities that itemize charges for taxable sales of merchandise

A boarding or training facility is considered the retailer of feed or other taxable merchandise it itemizes on customer invoices. As a retailer, you may issue a resale certificate when making purchases of items you will resell.

*Example:* A horse training ranch charges its customers \$300 a month for facility use and training services. In addition, it charges each customer an itemized amount each month for feed. The ranch is the retailer of feed sold in this manner and must pay sales tax on those sales. The ranch's feed suppliers would not be required to pay tax on feed sales to the ranch, provided they obtain a timely valid resale certificate.

# Farm and Garden Supplies

As a retailer, you are responsible for paying tax on sales of many items used for ranching, farming, and gardening. However, sales of certain ranch, farm, and garden supplies such as seeds, fertilizer, and plants or plant stock may not be taxable. In this section, we describe how you should apply tax to sales of these items, as well as to sales of items such as soil amendments, pesticides, and beneficial insects. More information is available in [Regulation 1588, Seeds, Plants, and Fertilizer](#).

## Seed

Retail seed sales are generally taxable. However, tax does not apply when:

- The seeds or the products grown from them will be used as food for human consumption or as feed for food animals. For more information, see [Feed sales may be taxable](#). Examples include vegetable seeds and seeds used to grow grain or pasture grasses for cattle.
- The buyer will resell the seeds or the products grown from them in the regular course of the buyer's business.

## Plants, rootlings, rootings, and rootstock

Sales of ornamental and landscaping plants, rootlings, rootings, and rootstock are generally taxable. However, tax does not apply to the sale if the plants will produce either of the following:

- Food such as vegetables, fruits (including grapes), grains, edible seeds or berries, olives, or nuts.
- Products the purchaser will resell, such as flowers.

If a customer is purchasing a nonfood plant and intends to resell the plant or its products (for example, a florist purchasing poinsettias), the customer should give you a completed resale certificate for the plant. For more information on sales for resale, see [publication 103, Sales for Resale](#).

## Fertilizer

The term fertilizer includes all of the following:

- Commercial fertilizers (as defined in [section 14522](#) of the California Food and Agricultural Code).
- Agricultural minerals (as defined in [section 14512](#) of the California Food and Agricultural Code).
- Cover crops that will be planted on the land and plowed under to fertilize that land.
- Carbon dioxide.
- Manure. Manure is:
  1. Waste from any domestic animal or fowl that is not artificially mixed with any material.
  2. Domestic animal or fowl waste mixed only with materials used for preservation of the manure, or with materials used for bedding, sanitary, or feeding purposes for the animal or fowl.

### Fertilizer sales

Tax does not apply to the sale of fertilizer to be applied to land or in foliar application to plants, provided the land is used to produce any of the following:

- Food.
- Feed for food animals, including pasture grasses.
- Products to be sold by the purchaser.

Other retail fertilizer sales are taxable.

If you sell a combination [insecticide and fertilizer](#), the portion of the total sales price representing the price of the fertilizer is not taxable if the fertilizer is used as described above.

## Documenting nontaxable fertilizer sales

You should obtain a written statement from a purchaser who buys fertilizer for a nontaxable use. The statement must include all of the following:

- The date.
- The name, signature, and address of buyer or buyer's authorized representative.
- The purchaser's seller's permit number or a notation that a permit is not required.
- A description of fertilizer purchased (for example, one ton soft rock phosphate).
- A statement describing how the fertilizer will be used that clearly indicates why its purchase should not be taxable (for example, phosphate will be applied to land used for growing tomatoes).

Invoices for nontaxable fertilizer sales should include the name of the purchaser as shown on the statement.

## Packaged soil amendments

Tax applies to the sale of the following materials:

- Packaged soil amendments, as defined in the California Food and Agricultural Code [section 14552](#). Although listed as packaged soil amendments in the code section noted above, manures sold without guarantees for plant nutrients qualify as fertilizers for sales and use tax purposes.
- Auxiliary soil and plant substances, as defined in the California Food and Agricultural Code [section 14513](#).
- Carbon dioxide is not an auxiliary soil and plant substance as that term is defined in section 14513 of the Food and Agricultural Code.

## Pesticides and insecticides

Sales of pesticides and insecticides are taxable. However, when those materials are mixed with fertilizer, the portion of the sales price representing the price of the fertilizer is not taxable if the fertilizer is used in a tax-exempt manner. For more information, see [Fertilizer sales](#).

## Earthworms and beneficial insects

Tax generally applies to sales of earthworms and beneficial insects such as parasitic wasps and ladybugs. However, people who raise such organisms to sell can buy feed for them without paying sales tax, provided they give the retailer a feed exemption certificate. For more information, see [Appendix A: Exemption Certificates](#).



# Liquefied Petroleum Gas (LPG)

Certain sales and purchases of liquefied petroleum gas (LPG) are exempt from sales and use tax, as explained in this section. For more information, see [Regulation 1533, Liquefied Petroleum Gas](#).

## LPG exemption, in general

The sale of LPG is exempt from sales and use tax when the LPG is delivered directly into a tank that holds 30 gallons or more *and* the LPG is sold for use in either of these activities:

- Household use in a primary residence not connected to gas pipes or mains.
- Certain uses in the commercial production or harvesting of agricultural or horticultural products.

Both exemptions are explained in more detail below.

## Household use of LPG

Household use of LPG includes cooking, heating, water heating, and lighting. The use must occur in a person's primary residence, defined as the home where the person lives for the greatest part of a calendar year. Primary residences may include, but are not limited to, the following:

- Houses.
- Apartments, condominiums, and townhouses.
- Mobilehomes.
- Farmworker housing.

However, primary residences do not include dwellings used for vacations or other temporary stays, offices, warehouses, and other places of business, and workshops.

The exemption applies to sales of LPG the seller delivers into individual home LPG tanks or central tanks that provide fuel to housing with multiple units such as apartments or townhomes, ranch housing, or employee housing. This exemption applies to central tanks, provided the fuel is delivered exclusively to qualifying primary residences and not to a mix of qualified and non-qualified individuals.



## Exemption certificate

To obtain the exemption, the LPG buyer should provide the LPG retailer with a completed, timely exemption certificate. Anyone who owns, rents, or manages a primary residence may make the purchase and file the certificate. For more information on exemption certificates and filing requirements, see [Appendix A: Exemption Certificates](#).

## Agricultural use of LPG

Sales of LPG for agricultural use are exempt from sales and use tax when a qualified buyer purchases the LPG for commercial crop or livestock production or harvesting, as explained below.

### Commercial crop or livestock production or harvesting

The LPG exemption applies only if the LPG is used in commercial crop or livestock production or harvesting. Examples include using LPG to fuel a tractor or a forklift in the field, run a pump or wind machine, warm livestock in a barn, or heat plants in a greenhouse.



Nonagricultural uses of LPG, such as using LPG to run a vehicle for personal transportation—even on a ranch or farm—do not qualify for the exemption.

### **Qualified buyers**

The LPG exemption applies only if the LPG is purchased by a qualified buyer—people whose businesses fall within certain Standard Industrial Classification (SIC) Codes. Qualified buyers include:

- Ranchers, farmers, and other growers who operate a business described in SIC Codes 0111 to 0291. These codes cover most agricultural businesses, but do not include timber production.
- A person or employee who assists a qualified rancher, farmer, or other grower, as defined above, by performing a service described in SIC Codes 0711 to 0783. Examples include soil preparation, crop harvesting, crop market preparation, veterinary services, and farm labor and management.

For a full list of applicable SIC Codes, see [Appendix C: Standard Industrial Classification \(SIC\) Codes](#).

### **Buyers who do not qualify for the LPG exemption**

The following buyers generally do not qualify for the LPG exemption:

- Food processors.
- People who grow crops or raise livestock for their own use or other noncommercial purposes.
- People involved in timber production and harvesting, including related tree farming and Christmas tree farming.
- People and businesses that provide accounting, marketing, legal, consulting, and similar administrative services to a rancher, farmer, or grower.
- Repairers of farm equipment and machinery.
- Construction contractors.

### **Exemption certificate**

To obtain the LPG exemption for agricultural use, the qualified buyer should give the LPG retailer a complete, timely exemption certificate. For more information on exemption certificates and filing requirements, see [Appendix A: Exemption Certificates](#).

# Farm Equipment and Machinery

In general, the sale of farm equipment and machinery is taxable. However, certain sales and purchases of farm equipment and machinery are partially exempt from sales and use tax, as explained in this section. For more information, see [Regulation 1533.1, Farm Equipment and Machinery](#).

## Calculating tax when the partial exemption applies

The partial tax exemption for certain sales and purchases of farm equipment and machinery applies only to the state general and fiscal recovery funds portion of the sales tax. See Regulation 1533.1 for the current partial exemption rate.

*Example (using 5.00 percent as the partial tax exemption rate):* To calculate the tax rate for a qualifying transaction, subtract 5.00 percent from the sales tax rate that would apply if the sale were fully taxable. For example, if the full tax rate that applies to a taxable sale is 8.25 percent, the tax rate for a qualifying sale is 3.25 percent (8.25 percent – 5.00 percent = 3.25 percent).

As stated earlier in this publication, the rate for the state general and fiscal recovery funds portion of the sales tax has changed in the past and may change again after the date of this publication. You must use the rate in effect at the time your sale occurs. When the partial exemption rate changes under Regulation 1533.1, the partial exemption rate is updated in our [Tax Guide for Agricultural Industry](#). Current tax rates are available at [www.cdtfa.ca.gov/taxes-and-fees/rates.aspx](http://www.cdtfa.ca.gov/taxes-and-fees/rates.aspx) or from our Customer Service Center at 1-800-400-7115 (TTY:711).

## Partial tax exemption basic requirements

The partial tax exemption applies to a sale or purchase only if the farm equipment and machinery meets three conditions defined in Regulation 1533.1. The item must be:

- Sold to a qualified person.
- Used primarily or exclusively in producing and harvesting agricultural products.
- Defined as farm equipment and machinery.

If *any* one of the conditions is not met, the partial tax exemption does not apply.

The following sections describe qualified persons, covered agricultural production and harvesting activities, and covered farm equipment and machinery.



## Qualified persons

The following buyers, whose businesses fall within specified SIC Codes, qualify for the partial tax exemption:

- Ranchers, farmers, and other growers who operate businesses described in SIC Codes 0111 to 0291. These codes cover most agricultural businesses, but do not include timber production.
- A person or employee who assists a qualified rancher, farmer, or grower, as defined above, by performing a service described in SIC Codes 0711 to 0783. Examples include soil preparation, crop harvesting, crop market preparation, veterinary services, and farm labor and management.

For a full list of applicable SIC Codes, see [Appendix C: Standard Industrial Classification \(SIC\) Codes](#).

## Buyers who do not qualify for the exemption

The following buyers generally do not qualify for the partial exemption:

- People who grow crops or raise animals for their own use or for other noncommercial purposes.
- People involved in timber harvesting and production, including tree farming and Christmas tree farming.
- Food processors.
- People and businesses that provide accounting, marketing, legal, consulting, and similar administrative services to a rancher, farmer, or grower.
- Repairers of farm equipment and machinery.
- Construction contractors.

## Agricultural production and harvesting

### Definition

The following activities are generally considered commercial agricultural production and harvesting for purposes of the partial tax exemption:

- Producing and harvesting crops, plants, vines, trees (except in forestry operations), sod, mushrooms, bulbs, flower seeds, vegetable seeds, and field crop seeds.
- Keeping, grazing, or feeding livestock for breeding, for increasing the livestock's value, or for the sale of the livestock or livestock products (including serums). Livestock includes cattle, hogs, sheep, goats, poultry of all kinds, horses, rabbits, bees, pets, fish in captivity, and furbearing animals in captivity.
- Performing the following services for qualified persons on a contract or fee basis:
  - Soil preparation services,
  - Crop services (such as planting, chemical application, and harvesting),
  - Veterinary services,
  - Other animal services,
  - Farm labor and management services, and
  - Landscape and horticultural services.

### Activities not considered agricultural production and harvesting

Post-harvest activities of the types described in SIC Code Major Group 20 are generally not considered production and harvesting for purposes of the special tax exemption. These include manufacturing or processing:

- Meat and dairy products.
- Foods and beverages, including wine.
- Vegetable and animal fats and oils.
- Prepared animal and bird feed.

### Percentage of use required

The partial exemption applies only when the item purchased will be used primarily or exclusively in agricultural production or harvesting, as defined under the next heading.. The amount of use required depends on the type of equipment:

- Farm equipment other than vehicles regulated by the California Vehicle Code must be used *primarily* (50 percent or more of the time) in commercial agricultural production and harvesting. For a list of the general types of equipment that qualify for the exemption, see [Farm equipment and machinery, defined](#).
- Vehicles regulated by the California Vehicle Code must be used *exclusively* (100 percent of the time) in commercial agricultural production or harvesting. Pickup trucks, heavy duty trucks, tractor trucks, and other vehicles designed primarily for the transportation of people or property on a highway generally *do not* qualify for the partial tax exemption. For more information on vehicles, see [Vehicles](#) and [Appendix B: Vehicles Considered Farm Equipment and Machinery](#).

## Farm equipment and machinery, defined

### Items not considered farm equipment and machinery which qualify for the partial exemption

The following items are not farm equipment and machinery for purposes of the partial tax exemption. Their sales are generally taxable at the full tax rate of your business location.

- Items used primarily in administration, management, or marketing.
- Supply items not used in producing or harvesting agricultural products, such as shop towels, cleaning agents, hand cleaners, and chemicals.
- Clothing, unless designed to protect the agricultural product or people who apply agricultural chemicals.

### Items considered farm equipment and machinery which qualify for the partial exemption

In general, farm equipment and machinery includes, but is not limited to:

- **Field production equipment** such as disks, harrows, land planes, cultivators, fertilizer and chemical applicators, hand tools such as shovels and hoes, and similar equipment.
- **Irrigation equipment** such as sprinkler pipes, drip systems, sprinkler or spray heads, siphons, pumps, and pressure tanks. Well casing and pipes that become part of real property may also qualify, provided they are sold to a [qualified person](#) prior to installation (see the discussion of materials and fixtures, below).
- **Harvesting equipment** such as combines, swathers, and balers; harvest containers such as bins, trays, lugs, and gondolas; hand harvesting tools such as knives and shears; packing equipment such as sorters, conveyors, boxers, and coolers; and cleaning equipment such as cotton gins, shellers, and dehullers.
- **Repair or replacement parts for qualified equipment.** This includes parts intended to modify the equipment, such as grease, oil or other lubricants, coolants, and other fluids that are not used up in normal equipment operation. Fluids such as fuel additives and drip oil that are used up in the normal operation of equipment do not qualify for the partial exemption.
- **Computers and software** used to operate, regulate, or control agricultural equipment.
- **Plant-support equipment** such as trellises, props for limbs, twine, and tree stakes.
- **Livestock-handling equipment** such as fences, corrals, loading chutes, squeeze chutes, portable panels, tack, rope, free stalls, and cages.
- **Dairy equipment** such as milking stalls, milking machines, piping, cooling tanks, and sanitation equipment.
- **Poultry and egg production equipment** such as feeding, watering and waste systems, fans, cages, and egg conveyors.
- **Equipment used temporarily to alter the growing environment for crops** such as wind machines, row covers, cloches, hoop houses, hot caps, portable cold frames, or shade structures.
- **Certain materials and fixtures installed on real property when sold to a qualified person prior to installation.** This can include pipe, casing, and drilling supplies used to install agricultural wells; posts and wire for fencing or trellises; and underground water or drainage pipe for irrigation or waste systems. It can also include building materials sold for constructing or repairing certain buildings for raising livestock or plants. See the discussion on the next page.
- **Solar power facilities may qualify as farm equipment and machinery.** A solar facility directly attached to and providing power to qualifying farm equipment and machinery may qualify as farm equipment and machinery. If the solar facility is not directly attached to the qualifying farm equipment and machinery, it may qualify, provided it is specifically designed to provide power to qualifying equipment and machinery. The partial exemption would apply even if the electricity generated first goes to the electrical grid before being used in qualified agricultural activities.

## Buildings for raising livestock and plants

Certain buildings are considered farm equipment for purposes of the partial tax exemption. They must be single-purpose agricultural or horticultural structures. A single-purpose agricultural structure is used for raising certain livestock. A single-purpose horticultural structure is for the commercial production of plants.

Multiple-use buildings or buildings designed for a purpose other than raising livestock or plants are not considered farm equipment for purposes of the partial tax exemption. For example, the partial exemption does not apply to sales or purchases of materials or fixtures for a storage building, machine or repair shop, or utility or pole barn.

### Livestock buildings

To qualify as farm equipment, a livestock building must be:

- Designed for breeding and raising livestock (for example, stables and barns).
- Used exclusively for those purposes.
- Contain equipment needed to contain, raise, and feed livestock or their young. (Raising includes egg production and milk harvesting.)



Buildings and materials used for livestock building construction and repair *do not* qualify as farm equipment when the buildings are:

- Designed for raising and breeding horses (for example, stables and barns).
- Used for storing feed or machinery unless that use is only incidental.
- Designed for a particular type of livestock but used for a different type of livestock (for example, a poultry barn converted to a pig barn).
- Intended solely for sheltering livestock (for example, shade barns).

### Horticultural buildings

To qualify as farm equipment, a horticultural building must be:

- Specifically designed for commercially raising plants or mushrooms, and
- Used exclusively for a permitted purpose.

Examples include greenhouses and flower production facilities.

Such a building may also house equipment needed to raise the plants or mushrooms. The building may be used only incidentally for nonproduction activities. For example, a farmer may use a part of a greenhouse for packing tomatoes raised in it. However, if the farmer uses the greenhouse as a sales room for the tomatoes, it does not qualify for the partial exemption.



## Vehicles

In general, a vehicle must meet two conditions to be considered farm equipment and machinery. It must be:

- Designated as an *implement of husbandry* by the [California Vehicle Code \(VEH, Division 16\)](#). For more information, see *Other qualifying vehicles* below.

An implement of husbandry (for example, a farm tractor) is a vehicle used only for agricultural purposes that is *not* designed to transport people or property on a street or highway. However, the Vehicle Code specifically designates certain farm vehicles as implements of husbandry even though they may be designed for limited highway use. Examples include certain trailers, rigs, and wagons. For more information, see the list in [Appendix B: Vehicles Considered Farm Equipment and Machinery](#).)

To determine whether vehicles designed for use on roads and highways qualify as implements of husbandry, the vehicle dealer or purchaser should contact the [Department of Motor Vehicles](#) (DMV).

Pickup trucks, heavy-duty trucks, and tractor trucks are not classified as implements of husbandry under the Vehicle Code and generally *do not* qualify for the partial tax exemption.

### Other qualifying vehicles

Agricultural aircraft, all-terrain vehicles, snowmobiles, off-highway vehicles (OHVs), bale wagons, and cotton module movers may also qualify as farm equipment. The partial exemption applies when they are purchased by a qualified buyer and used exclusively in agricultural operations.

For information on documentation required for a partially exempt vehicle sale or purchase, see [Vehicles purchased under the partial exemption](#).

## Leases of farm equipment and machinery

### Partial tax exemption requirements

The partial tax exemption applies to leases of farm equipment and machinery, provided all four of these conditions apply:

- The lease payments are taxable.
- The lessee is a qualified person (see [Qualified persons](#)).
- The lessee uses the equipment in agricultural production and harvesting (see [Agricultural production and harvesting](#)).
- The equipment qualifies as farm equipment or machinery (see [Farm equipment and machinery, defined](#)).

*Please note:* The partial tax exemption does not apply to leases of mobile transportation equipment. (See [Mobile transportation equipment](#) below.)

Lessors may purchase farm equipment and machinery for resale and collect tax on the amounts they charge lessees. The partial exemption applies to those amounts if the lease meets the four conditions listed above. The lessee should provide the lessor with a timely and complete partial exemption certificate to obtain the partial exemption. For more information, see [Appendix A: Exemption Certificates](#).

### Mobile transportation equipment

Mobile transportation equipment (MTE) is equipment used to transport people or property over substantial distances, such as locomotives, railroad cars, and trucks, including pickup trucks. In general, leases of MTE do not qualify for the partial exemption.

For more information about leases, see [Regulation 1660, Leases of Tangible Personal Property—in General](#); [Regulation 1661, Leases of Mobile Transportation Equipment](#); and [publication 46, Leasing Tangible Personal Property](#). Please refer to our [website](#) or call our Customer Service Center at 1-800-400-7115 (TTY:711) for more information about a specific leasing situation.

## Obtaining a partial exemption

### Partial exemption certificate

To obtain the partial exemption on a purchase or lease of qualified property, the buyer should provide the retailer with a timely, complete partial exemption certificate. For more information on exemption certificates, see [Appendix A: Exemption Certificates](#). If the retailer was located in another state and did not have a California seller's permit, the buyer should submit the exemption certificate and nonexempt portion of the tax with the buyer's sales or use tax return or state income tax return.

### Purchases from out-of-state retailers

In general, California use tax applies to purchases of ranch and farm equipment and machinery from retailers outside California if the item is purchased for use in California. The partial tax exemption applies to qualifying purchases from out-of-state retailers.

If the out-of-state retailer does not collect California sales or use tax from the buyer, the buyer must pay the nonexempt portion of the tax to us.

### How do I pay the California use tax?

- **California seller's permit**

If you have a seller's permit, you must pay use tax when filing your sales and use tax return. You must enter the amount of your purchases under [Purchases subject to use tax](#) on the sales and use tax return for the period that includes the date when you first used, stored, or consumed the item in California. When you receive your seller's permit, we will instruct you to file your return either on a quarterly or quarterly prepay basis. Your tax return and payment are due after the close of each reporting period. For example, if you are on a quarterly reporting basis, the reporting period for the first quarter closes on March 31. Your tax return and payment are due on April 30, the last day of the following month.

- **Required registration to report use tax—How to register and file a return**

A "qualified purchaser" must register with us and annually report and pay use tax directly to us, according to Revenue and Taxation Code [section 6225](#). If you are not required to hold a seller's permit and are not currently registered with us for use tax purposes, you may be required to register as a "qualified purchaser."

Prior to January 1, 2024, a "qualified purchaser" was defined as a person that received at least \$100,000 in gross receipts from their business operations per calendar year and was not otherwise required to be registered with us. Gross receipts are the total of all receipts from both in-state and out-of-state business operations.

Beginning January 1, 2024, the definition of a "qualified purchaser" was revised\* to eliminate the requirement that the person receives at least \$100,000 in gross receipts per calendar year from business operations. It instead requires that the person makes more than \$10,000 in purchases subject to use tax (excluding vehicles, vessels, or aircraft) per calendar year if the use tax imposed on those purchases has not otherwise been paid to a retailer engaged in business in this state or authorized to collect the tax. This change is effective from January 1, 2024, through December 31, 2028. On January 1, 2029, that definition of a "qualified purchaser" will revert to the person receiving at least \$100,000 in gross receipts per calendar year from business operations.

You can register on our website at [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov) by selecting [Register Online](#) under *Register for a Permit* and then selecting *Register a New Business Activity*. Once you have registered, you may pay any use tax due after filing your return. You can also register in person at any of our [offices](#) to report use tax.

For additional information, see [publication 126](#), *Mandatory Use Tax Registration for Service Enterprises*.

\*See [Assembly Bill 1097](#) (Stats. 2023, ch. 355).

- **California income tax return**

If you do not hold a permit with us for paying your use tax as described above, you may report and pay use tax to the [Franchise Tax Board \(FTB\)](#) on your California income tax return. A use tax table is included with the instructions for the FTB income tax return; it is a tool to assist you in reporting use tax when filing your annual income tax return. The use tax table is only used for personal purchases of less than \$1,000, not for business purchases. Business purchases subject to use tax should be reported using actual business purchase receipts. The due date for paying use tax is the same as the due date for filing your state income tax return. The date the use tax amount due was incurred must be within the tax year being reported on your state income tax return. The FTB will forward the use tax collected to us. If you are a “qualified purchaser,” you are required to register with us to report and pay use tax.

- **Consumer use tax account**

If you make frequent taxable purchases from out-of-state sellers and are not required to register for a use tax account as a “qualified purchaser,” you may register with us and obtain a consumer use tax account. You can register on our website at [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov), by selecting [Register](#), and then select [Register a New Business Activity](#). You can also register to obtain a consumer use tax account in person at any of our [offices](#).

You will be provided an account number and the ability to file your return. You will be notified whether you must file your consumer use tax return on a quarterly or quarterly prepay basis. Your tax return and payment are due after the close of each reporting period. For example, if you are on a quarterly reporting basis, your reporting period for the first quarter closes on March 31. Your tax return and payment are due on April 30, the last day of the following month.

- **Vehicles, vessels, and aircraft**

Special rules and reporting requirements apply to these purchases. Please see [Regulation 1610, Vehicles, Vessels, and Aircraft](#), [publication 52, Vehicles and Vessels: Use Tax](#), [publication 79, Documented Vessels and California Tax](#), and [publication 79A, Aircraft and California Tax](#), or call our Customer Service Center at 1-800-400-7115 (TTY:711).

- **Purchases subject to use tax on one-time purchase**

If you do not have a seller’s permit and are not required to register for a use tax account as a “qualified purchaser,” you can report your purchase subject to use tax online. Please visit our [Online Services](#), select [File a Return](#), under [Limited Access Functions](#), and then select [One-Time Use Tax and/or Lumber Return](#). Once you have registered, you should file your return and pay any use tax due. The due date to file a return and pay any use tax amount due is April 15 for products purchased and used in this state in the prior calendar year. Penalty and interest apply to payments received after the due date. If you have questions or need assistance, please contact our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

## **Vehicles purchased under the partial exemption**

Many vehicle purchases that qualify for the partial exemption (for example, farm equipment driven on highways, such as a cotton trailer or trap wagon, for less than two miles laden or 30 miles unladen) must have and display a special equipment (SE) identification plate from [DMV](#). Off-highway vehicles require an off-highway vehicle (OHV) identification plate. When a dealer sells a vehicle that qualifies for the partial exemption, the dealer may apply for the SE or OHV plate and pay the appropriate sales or use tax to us. To collect the reduced rate, the dealer must also obtain a partial exemption certificate from the buyer, as provided in [Appendix A: Exemption Certificates](#) of this publication.

However, when a person buys a vehicle from an out-of-state retailer or someone who is not a licensed vehicle dealer in California and uses the vehicle in California, the buyer must report the purchase and pay the use tax. A “qualified purchaser” may claim the partial exemption by either:

- Paying the full amount of tax to DMV when applying for an SE or OHV plate and filing a claim for refund with us for the tax-exempt amount (see *Applying for a tax refund or clearance*), or
- Paying the tax, less the tax-exempt amount, at one of our offices and requesting a tax clearance. The tax clearance allows the qualified buyer to obtain an SE or OHV plate for the vehicle from DMV without paying additional tax.

### California Tire Fee

You owe the California Tire Fee on all new solid or pneumatic tires that you purchase separately for use on on-road or off-road motor vehicles, motorized equipment, construction equipment, or farm equipment. You also owe the tire fee on new tires that are included with your purchase, lease, or rental of new or used motor vehicles, trailers, construction equipment, or farm equipment.

Retailers are required to collect the California Tire Fee from you when you purchase new tires separately (replacement tires) or you purchase new or used farm equipment that includes new tires. If you purchase new tires or farm equipment with new tires from an out-of-state seller that does not charge you the tire fee, then you are required to pay the tire fee directly to us. Please visit our [Tax Rates—Special Taxes and Fees](#) webpage to find the current California Tire Fee rate. For more information, see [publication 91, California Tire Fee](#), and our [Tax Guide for California Tire Fee](#).

### Applying for a tax refund or clearance

To obtain a vehicle-related tax refund or tax clearance from us, qualified buyers must document that they are engaged in a qualifying ranching, farming, growing, or agricultural services business activity which falls within one of the required SIC Codes. We prefer you keep a copy of the buyer’s most recent federal or state income tax return with an attached [Schedule F, Profit or Loss from Farming](#). You should include a copy of these documents with the refund or tax clearance request. If the buyer does not file a Schedule F, the buyer must provide a copy of their recent income tax return that shows a business code indicating that the buyer meets the SIC Code requirement. In some situations, we may require further documentation.

If you paid the full amount of tax to DMV when applying for an SE or OHV plate and you are filing a claim for refund with us for the tax-exempt amount, please download and submit a completed [CDTFA-101-DMV, Claim for Refund or Credit for Tax Paid to DMV](#), and supporting documentation to us to request your refund.

Submit your completed CDTFA-101-DMV and supporting documentation to one of our [offices](#) or to our Consumer Use Tax Section at:

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

In addition, when DMV has issued an SE plate for a farm vehicle, the buyer must provide a registration slip showing that DMV has determined the vehicle to be an implement of husbandry. For more information, see [Vehicle purchased under partial exemption](#) and [Appendix B: Vehicles Considered Farm Equipment and Machinery](#). For an OHV plate, the buyer must document that they operate a ranching, farming, or agricultural services business.

For aircraft, the buyer must present a [Federal Aviation Administration \(FAA\)](#) registration showing that the aircraft is classified for agricultural use.

For more information, you may read [publication 117, Filing a Claim for Refund](#), [publication 52, Vehicles and Vessels: Use Tax](#), or CDTFA-101-DMV, available on our website.

## Diesel Fuel Used in Farming or Food Processing

Most sales of diesel fuel are subject to sales and use tax. However, certain sales and purchases of diesel fuel used in farming activities or food processing qualify for a partial exemption from the sales or use tax, as we explain in this section. This section includes information for fuel sellers and buyers. For more information, see [Regulation 1533.2, Diesel Fuel Used in Farming Activities or Food Processing](#).

You may also qualify for an exemption from the diesel fuel tax. For information about the diesel fuel tax exemption, please see [Regulation 1431, Diesel Fuel Used on a Farm for Farming Purposes](#), and visit our [Sales and Use Tax Exemptions webpage](#).

### Calculating tax on diesel fuel when the partial exemption applies

The partial tax exemption for certain sales and purchases of diesel fuel in farming activities or food processing applies only to the state general and fiscal recovery funds portion of the sales tax. See Regulation 1533.2 for the current partial exemption percentage.

*Example (using 10.75 percent as the partial tax exemption rate):* To calculate the non-exempt tax rate for a qualifying transaction, subtract 10.75 percent from the sales tax rate that would apply if the sale were fully taxable from the full sales tax rate. For example, if the full tax rate that applies to a taxable sale of diesel fuel is 13.00 percent, subtract the recovery funds portion of 10.75 percent to find a tax rate for qualifying sales of 2.25 percent (13.00 – 10.75 percent = 2.25 percent).

The rate for the state general and fiscal recovery funds portion of the sales tax has changed in the past and may change again after the date of this publication. You must use the [rate in effect](#) at the time your sale occurs. Information on tax rate changes is available on our website or from our Customer Service Center.

### Partial tax exemption basic requirements

The partial exemption applies to the sale or purchase of diesel fuel only if the diesel is:

- A type of diesel that qualifies for the exemption, and
- Used in qualifying farming activities, food processing, or related contract hauling.

### Types of diesel fuel

For purposes of this partial exemption, “diesel fuel” means:

- Any liquid that is commonly or commercially known or sold as a fuel that is suitable for use in a diesel-powered highway vehicle. A liquid meets this requirement if, without further processing or blending, the liquid has practical and commercial fitness for use in the engine of a diesel-powered highway vehicle.

A liquid does not possess this practical and commercial fitness solely by reason of its possible or rare use as a fuel in the engine of a diesel-powered vehicle.

Diesel fuel should be identified as such on the retailers’ sales invoice. As a retailer, it is important to retain records showing the sales tax reimbursement was charged on the diesel fuel.

### Qualifying activities: farming, food processing, contract hauling

The partial tax exemption for the sale of diesel applies only if the diesel will be used in a qualifying activity in one of these categories:

- Farming
- Food processing
- Contract hauling (related to farming and food processing).

## Farming

The partial exemption may apply to diesel sales to the following people who use diesel fuel in carrying out qualifying farming activities, as described in the next section:

- Ranchers or farmers in the business of conducting farming activities.
- People who conduct farming activities for those ranchers or farmers on a contract basis, such as aerial operators who apply fertilizers, seeds, or pesticides to agricultural or horticultural products owned by ranchers or farmers.

### Qualifying farming activities

In general, farming activities include the following:

- Cultivating land.
- Raising or harvesting of any plant or animal that can be legally sold to others. Raising a plant or animal means holding it for further cultivation or development before sale.
- Delivering feed to an animal feeding operation, by a person who owns or supplies the feed.
- Transporting agricultural products to certain businesses that will prepare the products for sale. The business must be wholly or partially owned by the farmers or ranchers whose products it processes. It can be a cooperative, joint venture, corporation, partnership, or similar business. For more information, see [Contract hauling](#).
- Performing certain activities to prepare agricultural products for sale. The activity must be performed by a business that is wholly or partially owned by the farmers or ranchers whose products it processes. It can be a cooperative, joint venture, corporation, partnership, or similar business. For more information, see [By a business wholly or partially owned or financed by a farmer or rancher](#).
- Transporting agricultural products to buyers, when the transporting is done by a cooperative, joint venture, corporation, partnership, or similar business that is wholly or partially owned by the farmers or ranchers whose products it processes or transports. The farmer, rancher, or entity must fully or partially own the transported product.
- Aerially applying fertilizers, seeds, pesticides, and similar products to farmland, when that application is done by a licensed aerial applicator.



The following do not qualify as farming activities for purposes of the partial exemption:

- Buying and selling plants or animals raised by someone else.
- Activities that are not directly part of cultivating, harvesting, or raising plants or animals, such as construction, repair, or maintenance of farm equipment or buildings.
- Raising agricultural or horticultural products for the grower's home or personal use.

## Examples of diesel used in farming activities

Sales of diesel fuel will qualify for the partial tax exemption if the purchasing farmer or rancher uses the fuel to:

- Prepare land for planting
- Plant, protect, or grow crops
- Harvest crops
- Feed, water, or transport livestock
- Transport the harvested agricultural or horticultural products from the field or ranch to buyers

### By a business wholly or partially owned or financed by a farmer or rancher

Ranchers and farmers may wholly or partially own or finance agricultural processing and marketing businesses including cooperatives, joint ventures, corporations, and partnerships. The purchase of diesel by one of these businesses qualifies for the partial tax exemption when the diesel is used in preparing an owner's agricultural or horticultural products for sale or transporting those products to buyers. This includes using diesel for either of the following purposes:

- To prepare the agricultural or horticultural product for sale. Preparation can include cleaning, sorting, packing, and some activities such as slaughtering, freezing, and homogenizing.
- To transport the prepared product to the point where it is sold at retail, at wholesale, or for consumption at an animal feeding operation.

*Example:* A farmer raises lemons and sells the crop to a citrus cooperative in which he holds shares. The cooperative grades and packs the farmer's lemons and sells them to a grocery distributor. In this example, these diesel sales would qualify for the partial exemption:

1. The sale to the farmer of diesel the farmer uses to transport the lemons to the cooperative,
2. The sale to the cooperative of diesel it uses to grade or pack the farmer's lemons, and
3. The sale to the cooperative of diesel it uses to haul the products to the grocery distributor.



### Food processing

The partial exemption for diesel used in food processing is available only to certain businesses. To qualify, the business's activities must fall within one of the following SIC Groups or Codes:

- 201 Meat Products
- 202 Dairy Products
- 203 Canned, Frozen, and Preserved Fruits, Vegetables, and Food Specialties
- 204 Grain Mill Products
- 207 Fats and Oils
- 2068 Salted and Roasted Nuts and Seeds
- 2084 Wines, Brandy, and Brandy Spirits

For more details on the types of businesses included in these groups and codes, see the descriptions in [Appendix C: Standard Industrial Classification \(SIC\) Codes](#).

## Examples of diesel used in food processing activities

The sale of diesel fuel to a qualified food processor may be eligible for the partial tax exemption. The food processor must use the diesel in one of the following ways:

- Hauling a raw agricultural product to the processing plant. Raw agricultural product means an unprocessed product such as grain, vegetables, fruit, or livestock.
- Processing agricultural products. This includes using diesel to run processing equipment, backup generators, and equipment used to move the product during processing.
- Hauling supplies and materials to the processing plant. This includes only items used in producing the processed food product, such as cans, labels, and ingredients.
- Hauling partially processed food products between processing plants owned by the same company. For example, one division of a company processes tomatoes into tomato paste. Another division uses the paste to produce spaghetti sauce. Moving the paste between the two plants is a qualifying food processing activity.

Diesel used in an activity that occurs after the food processing is complete does not qualify for the exemption. For example, diesel used to move a product from the processing plant to a warehouse prior to sale does not qualify.

## Contract hauling

The sale of diesel to a person who contracts to haul agricultural products for a rancher, farmer, or food processor may qualify for the partial tax exemption. The contractor must use the diesel to:

- Transport—to buyers or intermediate points for handling—agricultural products produced and owned by a farmer, rancher, or a business wholly or partially owned by a rancher or farmer. For more information, see [Qualifying farming activities](#).
- Transport raw products, materials, and supplies for a food processor. For more information, see [Food processing](#).

Please see the sections on farming and food processing for details regarding the types of transportation that qualify for the partial exemption.

## Exemption certificates, diesel partial exemption

It is important that retailers obtain timely and complete exemption certificates from purchasers who wish to claim the partial exemption. Retailers must accept the certificates in good faith and keep all exemption certificates on file to support their partially exempt sales.

To obtain the diesel partial exemption, a rancher, farmer, food processor, or contract hauler should give the retailer a partial exemption certificate. Often, only retailers who make bulk deliveries of diesel fuel or sell through cardlock facilities will accept the partial exemption certificate.

Buyers may provide an exemption certificate for each purchase or a [blanket exemption certificate](#) to cover the current purchase and future purchases. If only part of a buyer's diesel purchases qualifies for the partial exemption, a buyer filing a blanket exemption certificate must indicate the percentage of exempt use. The buyer should average the percentage over a normal operating cycle and periodically recalculate it, since the amount of exempt use may vary from year-to-year.

## Examples, blanket partial exemption certificates

- A farmer who purchases bulk diesel has two tanks: a larger tank for dyed diesel, used for fueling tractors and other field equipment, and a smaller tank for clear diesel, used for fueling pickup trucks and personal cars. All of the dyed diesel and 75 percent of the clear diesel is used in farming activities. The remaining 25 percent of the clear diesel is used for personal business not associated with farming. The nonfarm use is reasonably consistent throughout the year. The farmer may give a blanket partial exemption certificate to the retailer claiming a partial exemption on 100 percent of the dyed diesel and 75 percent of the clear diesel.

- A trucking company hauls agricultural products to processing plants during the summer and hauls other products the rest of the year. The company buys 40,000 gallons of diesel a year and uses 25 percent of it (10,000 gallons) for hauling the agricultural products. The company may give a blanket partial exemption certificate to the retailer claiming the partial exemption on 25 percent of each diesel purchase, regardless of when the company makes the purchase.

For more information on exemption certificates and retailer responsibilities, see [Appendix A: Exemption Certificates](#).

## Appendix A: Exemption Certificates

The following exemption certificates are used in the agricultural industry. You can find them on our website under the [Forms & Publications](#) section.

- [CDTFA-230-T](#), *Exemption Certificate Animal Life, Feed, Drugs and Medicines (Sales of Feed for Both Food Animals and Non-Food Animals)*
- [CDTFA-230-U](#), *Exemption Certificate Animal Life, Drugs and Medicines (Sales of Drugs, Medicines, or Oxygen for Both Food Animals and Non-Food Animals)*
- [CDTFA-230-N](#), *Exemption Certificate for Qualified Sales and Purchases of Liquefied Petroleum Gas*
- [CDTFA-230-G](#), *Partial Exemption Certificate for Qualified Sales and Purchases of Diesel and Farm Equipment and Machinery*
- [CDTFA-230-D](#), *Partial Exemption Certificate Qualified Sales and Purchases of Farm Equipment and Machinery*
- [CDTFA-608](#), *Certificate of Farming Use*

### About exemption certificates

Buyers may use the exemption certificates listed in this appendix to claim the exemptions for the sale or purchase of feed, veterinary drugs, LPG, farm equipment and machinery, or diesel fuel. To be valid, the buyer or the buyer's authorized representative or employee must do the following:

- Furnish the certificate to the retailer timely (see below)
- Provide all relevant information (see below)
- Sign and date the certificate

A certificate is *timely* when provided at any of the times described below:

- Anytime within the retailer's normal billing or payment cycle.
- At or prior to the delivery of the property.

An exemption certificate for sales of LPG, farm equipment and machinery, and diesel is also considered timely if it is submitted no later than 15 days after the date of the purchase.

*Relevant information* includes:

- The seller's name and address,
- The type of property being purchased,
- The buyer's or company's name, title, telephone number, address, and
- The seller's permit number (if any).

If a portion of the LPG or diesel will be used for exempt purposes, the buyer must indicate the percentage that qualifies for the exemption. For more information, see [Examples, blanket partial exemption certificates](#).

### Blanket exemption certificates

Purchasers may issue blanket exemption certificates. Instead of issuing a certificate for each purchase, one certificate can apply to qualifying future purchases.

### Cautions for buyers and retailers

#### *Buyers*

If you issue a completed exemption certificate when making a fully or partially tax-exempt purchase, but do not use the property in a way that qualifies for the exemption, you are responsible for paying the full tax and any applicable penalty or interest. For more information, see [How do I pay the California use tax?](#)

#### *Retailers*

You should not make a fully or partially exempt sale of drugs, feed, LPG, farm equipment, or diesel unless the buyer provides a timely, complete exemption certificate, as described in this publication. To be relieved of the tax amount due, you must also accept the certificate in good faith. That is, you should not accept a certificate if you know the buyer does not qualify for the exemption. If you do not comply with these conditions, you are liable for and may be required to pay the tax exempted on the sale, plus applicable penalty and interest. Be sure to keep copies of exemption certificates to support your exempt sales.

## Appendix B: Vehicles Considered Farm Equipment and Machinery

The following list of typical vehicles regarded as farm equipment and machinery is adapted from the list in [Regulation 1533.1, \*Farm Equipment and Machinery\*](#). Vehicles not included on that list do not qualify for the partial sales tax exemption unless DMV determines that they are implements of husbandry. For more information, see [Vehicles](#).

1. A lift carrier or other vehicle, operated and moved on a highway, designed and used exclusively for lifting and carrying implements of husbandry or tools used exclusively for agricultural production or harvesting.
2. A tip-bed-type trailer used exclusively for transporting implements of husbandry or tools used exclusively for agricultural production or harvesting.
3. A trailer or semi-trailer having no bed, designed and used solely for transporting a hay loader or swather.
4. A spray or fertilizer applicator rig used exclusively for agricultural spraying or fertilizing. Exception: Anhydrous ammonia fertilizer applicator rigs with a transportation capacity of more than 500 gallons (see next item).
5. A trailer or semi-trailer with a maximum transportation capacity of more than 500 gallons, but not more than 1,000 gallons used exclusively for transporting and applying anhydrous ammonia, provided the vehicle is equipped with operating brakes or is towed on a highway by a motor truck with a manufacturer's gross vehicle weight rating of 3/4 ton or more.
6. A nurse rig or equipment designed or modified for fueling, repairing, or loading an applicator rig or airplane used for dusting, spraying, fertilizing, or seeding crops.
7. A row duster.
8. A wagon or van used exclusively for carrying farm products on a farm or between farms. Must be used solely for agricultural purposes. Includes a van used in harvesting alfalfa or cotton that is only incidentally operated or moved on a highway as a trailer.
9. A wagon or portable house on wheels (1) used solely by shepherds as a permanent residence in connection with sheep raising operations, and (2) moved on a ranch or between ranches, that is only incidentally operated or moved on a highway as a trailer.
10. A trap wagon, as defined in California Vehicle Code section 36016, moved on a ranch or between ranches and operated or moved on a highway only incidental to agricultural operations. The fuel tank or tanks of the trap wagon cannot have a total capacity of more than 1,000 gallons.
11. Any vehicle operated on a highway only for transporting agricultural products in trips of one mile or less from the point of origin.
12. A portable honey-extracting trailer or semi-trailer.
13. A fertilizer nurse tank or trailer that is not self-propelled, which is towed empty on the highway and used to assist a spray or fertilizer applicator rig.
14. Any cotton trailer used on the highway exclusively to transport cotton from a farm to a cotton gin and for the empty return trip.
15. A truck tractor or truck tractor and semi-trailer combination owned by a farmer and operated on the highway (1) incidental to a farming operation, (2) not for compensation, (3) for a distance of not more than two highway miles each way and, (4) at a speed of 25 miles per hour or less. This applies only to truck tractors with a manufacturer's gross vehicle weight rating over 10,000 pounds equipped with all-wheel drive and off-highway traction tires on all wheels, and also to semi-trailers used exclusively in combination with those truck tractors for tomato production or harvesting.
16. Any farm tractor used on a highway to pull a farm trailer carrying farm produce or to pull any trailer or semi-trailer carrying implements of husbandry. The tractor must be traveling between farms or from a farm to a processing or handling point and back (with or without the trailer).

## Appendix C: Standard Industrial Classification (SIC) Codes

The Standard Industrial Classification (SIC) Codes were established by the federal government to provide a framework for collecting statistical information. The Sales and Use Tax Law and regulations require the use of certain SIC Codes to define the types of businesses that qualify for the LPG, diesel, and farm equipment exemptions. For more information about SIC Codes, see the [website](#) for the federal Occupational Safety and Health Administration (OSHA) (select [SIC/NAICS Search](#) from the OSHA website index).

### LPG and farm equipment exemptions—SIC Codes used to define qualified persons

As noted under [Agricultural use of LPG](#), and [Qualified persons](#), purchasers qualifying for the LPG and farm equipment exemptions must be engaged in a business described by SIC Codes 0111 to 0291 or assist a person engaged in those codes by performing services described in SIC Codes 0711 to 0783. Major Group 01 (Codes 0111 to 0191) defines crops. Major Group 02 (Codes 0211 to 0291) defines livestock and animal specialties. Major Group 07 (Codes 0711 to 0783) defines agricultural services performed by establishments.

### SIC Major Group 01: Agricultural Production Crops

*This explanatory information is adapted from the federal SIC Code Manual.*

This major group includes businesses primarily engaged in producing crops, plants, vines, and trees (except forestry operations). Examples include farms, orchards, greenhouses, and nurseries. This major group also includes businesses primarily engaged in operating sod farms and cranberry bogs; in producing mushrooms, bulbs, flower seeds, and vegetable seeds; and in growing hydroponic crops. Businesses that produce seeds of field crops are classified in the same industry as businesses that grow these crops for other purposes.

#### Industry Group 011: Cash Grains

- 0111 Wheat
- 0112 Rice
- 0115 Corn (not including sweet corn or popcorn)
- 0116 Soybeans
- 0119 Cash Grains, Not Elsewhere Classified: Barley, beans, buckwheat, cowpeas, flaxseed, other grains, lentil, milo, mustard seed, oats, peas, popcorn, rye, safflower, sorghum, sunflowers

#### Industry Group 013: Field Crops, Except Cash Grains

- 0131 Cotton, including cotton seed
- 0132 Tobacco
- 0133 Sugarcane and Sugar Beets
- 0134 Irish Potatoes (does not include sweet potatoes or yams)
- 0139 Field Crops, Except Cash Grains, Not Elsewhere Classified: Alfalfa, broomcorn, clover, grass seed, hay, hops, mint, peanuts, sweet potatoes, yams, and timothy

#### Industry Group 016: Vegetables and Melons

- 0161 Vegetables and Melons: Asparagus, green beans, beets, bok choy, broccoli, cabbage, cantaloupe, cauliflower, celery, sweet corn, cucumber, fresh peas, fresh lima beans, lettuce, market gardens, melon, onions, peppers (sweet and hot), squash, tomatoes, watermelons, truck and vegetable farms

#### Industry Group 017: Fruits and Tree Nuts

- 0171 Berry Crops
- 0172 Grapes
- 0173 Tree Nuts (almonds, filberts, macadamias, pecans, pistachios, walnuts)
- 0174 Citrus Fruits (grapefruit, lemons, limes, oranges, tangerines)

- 0175 Deciduous Tree Fruits (apples, apricots, cherries, nectarines, peaches, pears, persimmons, plums, pomegranates, prunes, quinces)
- 0179 Fruits and Tree Nuts, Not Elsewhere Classified: Avocados, bananas, coffee, dates, figs, kiwi, olives, pineapples, plantains, tropical fruit

**Industry Group 018: Horticultural Specialties**

- 0181 Ornamental Floriculture and Nursery Products: Bedding plants, bulbs, flowers and shrubs except forest shrubs, fruit stock, preseeded mats, nursery stock, ornamental and potted plants, roses, seeds, sod
- 0182 Food Crops Grown Under Cover: Bean sprouts, fruit, hydroponic crops, mushrooms, rhubarb, seaweed, tomatoes, truffles, vegetables

**Industry Group 019: General Farms, Primarily Crop**

- 0191 General Farms, Primarily Crop

**SIC Major Group 02: Agricultural Production Livestock and Animal Specialties**

*This explanatory information is adapted from the federal SIC Code Manual.*

This major group includes businesses primarily engaged in keeping, grazing, or feeding livestock for the sale of livestock or livestock products (including serums), for breeding, or for increasing the livestock's value. Examples include farms, ranches, dairies, feedlots, egg production facilities, broiler facilities, poultry hatcheries, and apiaries. Livestock includes cattle, hogs, sheep, goats, and poultry of all kinds, plus horses, rabbits, bees, pets, fish in captivity, and furbearing animals in captivity.

**Industry Group 021: Livestock, Except Dairy and Poultry**

- 0211 Beef Cattle Feedlots
- 0212 Beef Cattle, Except Feedlots
- 0213 Hogs, Hog Feedlots
- 0214 Sheep and Goats
- 0219 General Livestock, Except Dairy and Poultry

**Industry Group 024: Dairy Farms**

- 0241 Dairy Farms, including Heifer Replacement Farms

**Industry Group 025: Poultry and Eggs**

- 0251 Broiler, Fryer, and Roaster Chickens, including Cornish Hens
- 0252 Chicken Eggs
- 0253 Turkeys and Turkey Eggs
- 0254 Poultry Hatcheries
- 0259 Poultry and Eggs, Not Elsewhere Classified: Ducks, geese, pheasant, pigeon, quail, squab

**Industry Group 027: Animal Specialties**

- 0271 Fur-bearing Animals and Rabbits: Chinchilla, fox, mink, rabbit, fur and game farms
- 0272 Horses and Other Equines: Burros, donkeys, horses, mules, ponies
- 0273 Animal Aquaculture: Catfish, crustaceans, finfish farms, goldfish, minnows, mollusks, tropical aquarium fish, trout
- 0279 Animal Specialties, Not Elsewhere Classified: Alligators, apiaries, aviaries, bees, cats, dogs, earthworms, frogs, kennels that breed and raise their own stock, laboratory animal farms, rattlesnakes, silkworms

**Industry Group 029: General Farms, Primarily Livestock and Animal**

- 0291 General Farms, Primarily Livestock and Animal Specialties

**SIC Codes for those who assist qualified ranchers and farmers**

Businesses within the SIC Codes described in this section are defined as persons who assist qualified ranchers and farmers. They therefore qualify for the exemption on their sales and purchases of LPG (see [Agricultural use of LPG](#))

and farm equipment and machinery (see [Qualified persons](#)). For more information, see [Regulation 1533](#), *Liquefied Petroleum Gas*, and [Regulation 1533.1](#), *Farm Equipment and Machinery*.

## **SIC Major Group 07: Agricultural Services**

*This explanatory information is adapted from the federal SIC Code Manual.*

This major group includes businesses primarily engaged in performing soil preparation services, crop services, veterinary services, other animal services, farm labor and management services, and landscape and horticultural services for others on a contract or fee basis.

*Please note:* Feedlots and poultry hatcheries operated on a contract or fee basis are included in Major Group 02. For more information, see [SIC Major Group 02: Agricultural Production Livestock and Animal Specialties](#).

### **Industry Group 071: Soil Preparation Services**

0711 Soil Preparation Services: Chemical treatment, fertilizing, lime spreading, plowing, seed bed preparation, weed control prior to planting

### **Industry Group 072: Crop Services**

0721 Crop Planting, Cultivating, and Protecting: Aerial dusting and spraying, tree and vine bracing, orchard cultivation services, corn detasseling, disease control, ground dusting and spraying, entomological services, hoeing, insect control, irrigation system operation, planting, pollinating, pruning, seeding, thinning, vineyard cultivation services, weed control after planting

0722 Crop Harvesting, Primarily by Machine: Machine harvesting of berries, cotton, fruits, grain, nuts, peanuts, sugar beets, sugarcane, vegetables; chopping and silo filling; combining; haying; threshing

0723 Crop Preparation Services for Market, Except Cotton Ginning: Bean and seed cleaning; corn, nut and peanut shelling; drying corn, rice, hay, fruits and vegetables; flax decorticating and retting; pre-transportation fruit and vegetable cooling; fruit and vegetable vacuum cooling; grain cleaning, fumigation and custom grinding; moss ginning; sorting, grading, packing and packaging fresh and dried fruits and vegetables; potato and sweet potato curing; tobacco grading

0724 Cotton Ginning

### **Industry Group 074: Veterinary Services**

0741 Veterinary Services for Livestock: Animal hospitals for livestock; veterinarians and veterinary services for livestock

0742 Veterinary Services for Animal Specialties: Animal hospitals for pets and other animal specialties, veterinarians and veterinary services for pets and animal specialties

### **Industry Group 075: Animal Services, Except Veterinary**

0751 Livestock Services, Except Veterinary: Artificial insemination for livestock; livestock breeding, cattle spaying, poultry coop cleaning, dairy herd improvement associations, milk testing, pedigree record services, sheep dipping and shearing, showing livestock, custom slaughtering for individuals, vaccinating livestock

0752 Animal Specialty Services, Except Veterinary: Animal shelters, artificial insemination and breeding of animal specialties, boarding horses and kennels, dog grooming, dog pounds, honey straining on the farm, pedigree record services for pets and animal specialties, showing of pets and animal specialties, horse training excluding racing, training, or vaccinating pets or animal specialties

### **Industry Group 076: Farm Labor and Management Services**

0761 Farm Labor Contractors and Crew Leaders

0762 Farm Management Services: Citrus grove, orchard, and vineyard management and maintenance with or without crop services; farm management services

## **Industry Group 078: Landscape and Horticultural Services**

- 0781 Landscape Counseling and Planning: Garden planning, horticultural counseling services, landscape architecture, counseling and planning
- 0782 Lawn and Garden Services: Bermuda sprigging; cemetery upkeep; garden maintenance and planting; lawn care, fertilizing, mowing, mulching, seeding, spraying and sprigging; mowing and seeding highway center strips; sod laying
- 0783 Ornamental Shrub and Tree Services: Arborist services; ornamental bush and tree planting, pruning, bracing, spraying, removal and surgery; tree trimming for utility lines

## **SIC Codes used to define food processors**

### **SIC Major Group 20: Food and Kindred Products**

*This explanatory information is adapted from the federal SIC Code Manual.*

As noted in the section on the sale and purchase of diesel fuel, only businesses with certain SIC Codes qualify as food processors for purposes of the diesel partial exemption. Those businesses are within specific Industry Group Codes in SIC Major Group 20, *Food and Kindred Products*. This major group includes businesses manufacturing or processing foods and beverages, and certain related products, such as manufactured ice, chewing gum, vegetable and animal fats and oils, and prepared feeds for animals and birds.

### **Industry Group 201: Meat Products**

- 2011 Meat Packing Plants
- 2013 Sausages and Other Prepared Meat Products
- 2015 Poultry Slaughtering and Processing

### **Industry Group 202: Dairy Products**

- 2021 Creamery Butter
- 2022 Natural, Processed, and Imitation Cheese
- 2023 Dry, Condensed, and Evaporated Dairy Products
- 2024 Ice Cream and Frozen Desserts
- 2026 Fluid Milk

### **Industry Group 203: Canned, Frozen, and Preserved Fruits, Vegetables, and Food Specialties**

- 2032 Canned Specialties
- 2033 Canned Fruits, Vegetables, Preserves, Jams, and Jellies
- 2034 Dried and Dehydrated Fruits, Vegetables, and Soup Mixes
- 2035 Pickled Fruits and Vegetables, Vegetable Sauces and Seasonings, and Salad Dressings
- 2037 Frozen Fruits, Fruit Juices, and Vegetables
- 2038 Frozen Specialties, Not Elsewhere Classified

### **Industry Group 204: Grain Mill Products**

- 2041 Flour and Other Grain Mill Products
- 2043 Cereal Breakfast Foods
- 2044 Rice Milling
- 2045 Prepared Flour Mixes and Doughs
- 2046 Wet Corn Milling
- 2047 Dog and Cat Food
- 2048 Prepared Feeds and Feed Ingredients for Animals and Fowls, Except Dogs and Cats

### **Industry Group 206: Sugar and Confectionery Products**

- 2068 Salted and Roasted Nuts and Seeds

### **Industry Group 208: Beverages**

- 2084 Wines, Brandy, and Brandy Spirits

## For More Information

For additional information or assistance, please take advantage of the resources listed below.

### CUSTOMER SERVICE CENTER 1-800-400-7115 (TTY:711)

Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays. In addition to English, assistance is available in other languages.

### OFFICES

Please visit our website at [www.cdtfa.ca.gov/office-locations.htm](http://www.cdtfa.ca.gov/office-locations.htm) for a complete listing of our office locations.

### INTERNET

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

You can visit our website for additional information—such as laws, regulations, forms, publications, industry guides, and policy manuals—that will help you understand how the law applies to your business.

You can also verify seller's permit numbers on our website (see [Verify a Permit, License, or Account](#)).

Multilingual versions of publications are available on our website at [www.cdtfa.ca.gov/formspubs/all-forms-and-publications.htm](http://www.cdtfa.ca.gov/formspubs/all-forms-and-publications.htm).

Another good resource—especially for starting businesses—is the California Tax Service Center at [www.taxes.ca.gov](http://www.taxes.ca.gov).

### TAX INFORMATION BULLETIN

The quarterly *Tax Information Bulletin* (TIB) includes articles on the application of law to specific types of transactions, announcements about new and revised publications, and other articles of interest. You can find current TIBs on our website at [www.cdtfa.ca.gov/taxes-and-fees/tax-bulletins.htm](http://www.cdtfa.ca.gov/taxes-and-fees/tax-bulletins.htm). Sign up for our [CDTFA Updates](#) email list and receive notification when the latest issue of the TIB has been posted to our website.

### FREE CLASSES AND SEMINARS

We offer free [online](#) basic sales and use tax classes including a tutorial on how to file your tax returns. Some classes are offered in multiple languages. If you would like further information on specific classes, please call your local office.

### WRITTEN TAX ADVICE

For your protection, it is best to get tax advice in writing. You may be relieved of tax, penalty, or interest charges that are due on a transaction if we determine that we gave you incorrect written advice regarding the transaction and that you reasonably relied on that advice in failing to pay the proper amount of tax. For this relief to apply, a request for advice must be in writing, identify the taxpayer to whom the advice applies, and fully describe the facts and circumstances of the transaction.

For written advice on general tax and fee information, please visit our website at [www.cdtfa.ca.gov/email](http://www.cdtfa.ca.gov/email) to email your request.

You may also send your request in a letter. For general sales and use tax information, including the California Lumber Products Assessment, or Prepaid Mobile Telephony Services (MTS) Surcharge, send your request to: Audit and Information Section, MIC:44, California Department of Tax and Fee Administration, P.O. Box 942879, Sacramento, CA 94279-0044.

For written advice on all other special tax and fee programs, send your request to: Program Administration Branch, MIC:31, California Department of Tax and Fee Administration, P.O. Box 942879, Sacramento, CA 94279-0031.

### TAXPAYERS' RIGHTS ADVOCATE

If you would like to know more about your rights as a taxpayer or if you have not been able to resolve a problem through normal channels (for example, by speaking to a supervisor), see [publication 70](#), *Understanding Your Rights as a California Taxpayer*, or contact the [Taxpayers' Rights Advocate Office](#) for help at 1-888-324-2798. Their fax number is 1-916-323-3319.

If you prefer, you can write to: Taxpayers' Rights Advocate, MIC:70, California Department of Tax and Fee Administration, P.O. Box 942879, Sacramento, CA 94279-0070.

## Regulations, forms, publications, and industry guides

### *Lists vary by publication*

Selected [regulations](#), [publications](#), and [industry guides](#) that may interest you are listed below. Translated versions of certain publications are also available online.

### **Selected regulations**

- 1533 *Liquefied Petroleum Gas*
- 1533.1 *Farm Equipment and Machinery*
- 1533.2 *Diesel Fuel Used in Farming Activities or Food Processing*
- 1587 *Animal Life, Feed, Drugs and Medicines*
- 1588 *Seeds, Plants and Fertilizer*
- 1589 *Containers and Labels*
- 1610 *Vehicles, Vessels, and Aircraft*
- 1628 *Transportation Charges*
- 1641 *Credit Sales and Repossessions*
- 1642 *Bad Debts*
- 1654 *Barter, Exchange, "Trade-ins" and Foreign Currency Transactions*
- 1655 *Returns, Defects and Replacements*
- 1660 *Leases of Tangible Personal Property — in General*
- 1661 *Leases of Mobile Transportation Equipment*
- 1667 *Exemption Certificates*
- 1668 *Sales for Resale*
- 1698 *Records*
- 1700 *Reimbursement for Sales Tax*
- 1821 *Transactions (Sales) and Use Tax: Foreword*

## **Publications**

- 17 *Appeals Procedures: Sales and Use Taxes and Special Taxes and Fees*
- 36 *Veterinarians*
- 44 *District Taxes (Sales and Use Taxes)*
- 46 *Leasing Tangible Personal Property*
- 51 *Doing Business in California—What You Need to Know*
- 52 *Vehicles and Vessels: Use Tax*
- 58A *How to Inspect and Correct Your Records*
- 61 *Sales and Use Taxes: Tax Expenditures*
- 70 *Understanding Your Rights as a California Taxpayer*
- 73 *Your California Seller's Permit*
- 74 *Closing Out Your Account*
- 75 *Interest, Penalties, and Collection Cost Recovery Fee*
- 76 *Audits*
- 79 *Documented Vessels and California Tax*
- 79A *Aircraft and California Tax*
- 100 *Shipping and Delivery Charges*
- 101 *Sales Delivered Outside California*
- 102 *Sales to the United States Government*
- 103 *Sales for Resale*
- 105 *District Taxes and Sales Delivered in California*
- 109 *Internet Sales*
- 110 *California Use Tax Basics*
- 113 *Coupons, Discounts, and Rebates*
- 116 *Sales and Use Tax Records*
- 117 *Filing a Claim for Refund*
- 126 *Mandatory Use Tax Registration for Service Enterprises*

## **Industry Guides**

*Tax Guide for Agricultural Industry*

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