



TAX INFORMATION BULLETIN

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California Firearm and Ammunition Excise Tax

Calculating the California Firearm and Ammunition Excise Tax



If you are a California licensed firearms dealer, ammunition vendor, or firearms manufacturer (seller) making sales of firearms, firearm precursor parts, or ammunition (firearm products), you are responsible for paying the California Firearm and Ammunition Excise Tax (CFET) at the rate of 11 percent of the gross receipts from the retail sale (sales to consumers) in California of any firearm product beginning July 1, 2024. In general, retail sales of firearm products are subject to Sales and Use Tax (SUT) and CFET unless a SUT or CFET exemption applies.

When calculating SUT and CFET, include in your gross receipts: the sales price of a firearm product, any amount required to be included as part of the purchase of a firearm product, and any discretionary fees, such as credit card fees, handling fees, and transfer fees. In most cases, shipping charges associated with the sale of firearm products are included in gross receipts.

Amounts **not** included in gross receipts when calculating SUT and CFET include:

- Any fees that the purchaser (consumer) is required to pay to the California Department of Justice, and
- Reimbursement of CFET received from your customers.

Reminder to file and pay

Sellers of firearm products are required to file a *California Firearm and Ammunition Excise Tax Return* quarterly through our online services system at <https://onlineservices.cdtfa.ca.gov/> and pay us the CFET due. CFET returns and payments are due on the last day of the month following the reporting quarter. The first CFET return will be due October 31, 2024, and will cover the reporting period from July 1, 2024, through September 30, 2024.

Helpful resources

For more information, please visit our online *Tax Guide for Sellers of Firearm and Ammunition Products* at cdtfa.ca.gov/industry/sellers-of-firearm-and-ammunition-products/, which includes *Frequently Asked Questions (FAQs) for Sellers of Firearm and Ammunition Products* at cdtfa.ca.gov/industry/sellers-of-firearm-and-ammunition-products/frequently-asked-questions.htm.

Hazardous Waste Generation and Handling Fee

New Penalties and Return Reporting Clarification

A new law makes several changes to the generation and handling fee program ([Senate Bill \[SB\] 156](#); Stats. 2024, ch. 72).

New penalties for the generation and handling fee

For any generation and handling fee return, payment, or prepayment that becomes due on or after November 30, 2024, we will assess escalating penalties for any late-filed return, late payment, and late prepayment.

The escalating penalties are in addition to any other penalties imposed under the [Hazardous Substances Tax Law](#) and are calculated based on the following schedule:

Penalty	Number of Days Received After the Due Date			
	30 days or fewer	31-60 days	61-90 days	91 days or more
Late prepayment	10%	25%	50%	100%
Late filing	10%	25%	50%	100%
Late payment	10%	25%	50%	100%

For payments and returns due on or after November 30, 2024, we will apply a new 300 percent penalty if we determine that you willfully or knowingly provide incorrect information or withhold information on your return that results in a deficient payment of the generation and handling fee.

Return reporting clarification

The due dates for your prepayment, return, and final return payment have **not** changed. SB 156 made clarifying amendments to Revenue and Taxation Code [section 43152.7](#), to refer to the generation and handling fee as a “fiscal return” rather than an “annual return.” Please note that when you log in to your account to file your generation and handling fee return, the period for your return will display the end of the fiscal year in which your return is due on your online return screen (for example, 30-Jun-2025, for the fiscal year 2024-25).

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New City of Mountain House in San Joaquin County and New Sales and Use Tax Rates Effective October 1, 2024

New City of Mountain House in San Joaquin County

In March 2024, voters approved the creation of a new city in San Joaquin County, the city of Mountain House. The city will begin imposing Bradley-Burns Uniform Local Sales and Use Taxes on October 1, 2024. The total sales and use tax rate for Mountain House will remain at 7.75 percent. If you are filing a sales and use tax return, you should allocate your Mountain House sales to San Joaquin County on Schedule A.

New Sales and Use Tax Rates Effective October 1, 2024

Starting October 1, 2024, new local sales and use tax rates that may impact you or your business will become effective. The impacted cities and counties are:

DISTRICT TAX RATES CHANGING			
Citywide	New Code	Prior Rate	New Rate
City of Benicia (located in Solano County)	B02	8.375%	9.125%
City of Grass Valley (located in Nevada County)	A81	8.500%	8.875%
City of La Cañada Flintridge (located in Los Angeles County)	A97	9.500%	10.250%
Town of Truckee (located in Nevada County) ¹	A99	8.250%	8.500%
Countywide	New Code	Prior Rate	New Rate
Calaveras County	A94	7.250%	8.250%
City of Angels Camp	A95	7.750%	8.750%
Sonoma County	B04	8.500%	9.000%
City of Cotati	B05	9.500%	10.000%
City of Healdsburg	B06	9.000%	9.500%
City of Petaluma	B07	9.500%	10.000%
City of Rohnert Park	B08	9.000%	9.500%
City of Santa Rosa	B09	9.250%	9.750%
City of Sebastopol	B10	9.250%	9.750%
City of Sonoma	B11	9.000%	9.500%
CURRENT DISTRICT TAXES EXTENDED			
County/City	Code	Tax Rate	Expiration Date
City of Pomona (located in Los Angeles County) ²	668	10.250%	NONE

¹The existing city tax of 0.25 percent, set to expire September 30, 2024, was increased to 0.50 percent and extended indefinitely. A new code is required.

²The existing city tax of 0.75 percent, set to expire on March 31, 2029, was extended indefinitely by voters in the March 2024 election.



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

Effective July 1, 2024, through June 30, 2025, the tax rate licensees report and pay on their quarterly International Fuel Tax Agreement (IFTA) or Interstate User Diesel Fuel Tax return for diesel fuel has decreased from \$1.089 to \$1.023 per gallon. This is the tax licensees report and pay with their quarterly IFTA or Interstate User Diesel Fuel Tax return for diesel fuel purchased in California and used both inside and outside California. The table below shows the new rates effective from July 1, 2024, through June 30, 2025:

Rates Effective July 1, 2024, through June 30, 2025	
Diesel Fuel Tax*	45.4 cents (\$0.454)
Excise Tax	56.9 cents (\$0.569)
Total	1.023 dollars (\$1.023)

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

For more information regarding IFTA, the Interstate User Diesel Fuel Tax, or diesel fuel taxes, please see our online *Tax Guide for International Fuel Tax Agreement (IFTA) and Interstate User Diesel Fuel Tax* at www.cdtfa.ca.gov/taxes-and-fees/fuel-tax-and-fee-guides/IFTA-and-interstate-user-diesel-fuel-tax/.

International Fuel Tax Agreement Records Review Program

The purpose of the Records Review Program is to reduce compliance issues and to educate licensees about the International Fuel Tax Agreement (IFTA) requirements. We utilize this program to evaluate a licensee’s distance and fuel accounting system and internal controls to assess the licensee’s compliance with IFTA requirements and to provide guidance to licensees about IFTA registration, filing, and recordkeeping responsibilities. Additional information on the Records Review Program is available in sections A500 to A510 of the [IFTA Audit Manual](#) on the IFTA, Inc. webpage at www.iftach.org, and IFTA recordkeeping requirements are listed in sections P500 to P560 of the [IFTA Procedures Manual](#).

The Records Review Program primarily focuses on new IFTA carriers that began operating within the last 12 months. However, any licensee, regardless of the months of operation, may request their records be reviewed. The education licensees receive during a records review will help the licensees file accurate IFTA tax returns, avoiding additional assessments of tax, interest, or penalties.

For more information, please visit our website at www.cdtfa.ca.gov or call our Customer Service Center at 1-800-400-7115 (TTY:711), select the option for *Special Taxes and Fees*, and then select *Motor Carrier Office Programs*. Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

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Your generation and handling fee due for each reporting period is calculated based on waste generated in the prior calendar year, for example:

CDTFA Return Reporting Period	Hazardous Waste Generated in	Prepayment Due Date*	Return and Final Payment Due Date*
Fiscal Year 2024-25 (July 1, 2024–June 30, 2025)	Calendar Year 2023	December 2, 2024	February 28, 2025
Fiscal Year 2025-26 (July 1, 2025–June 30, 2026)	Calendar Year 2024	December 1, 2025	March 2, 2026
Fiscal Year 2026-27 (July 1, 2026–June 30, 2027)	Calendar Year 2025	November 30, 2026	March 1, 2027
Fiscal Year 2027-28 (July 1, 2027–June 30, 2028)	Calendar Year 2026	November 30, 2027	February 29, 2028

*Returns and payments must be received or postmarked by the due date to be considered timely. If the due date falls on a Saturday, Sunday, or state holiday, payments postmarked or received by the next business day will be considered timely.

Generation and handling fee exemption clarifications

SB 156 clarifies certain exemptions for the generation and handling fee in Health and Safety Code [section 25174.8.1](#), including, but not limited to:

- Governmental agency exemption: The fee does not apply to hazardous waste generated when a governmental agency takes a removal, remedial, or corrective action to address a release of a hazardous substance caused by a person other than the governmental agency that takes the action and that agency files an annual return with CDTFA.
- Do-It-Yourselfer (DIY) used oil exemption: The fee does not apply to “household do-it-yourselfer used oil” that is accepted from the public at no charge as provided in Public Resources Code section 48660 (b)(1) by a used oil collection center certified by the Department of Resources Recycling and Recovery.

If you have questions regarding the exemptions, please contact the Department of Toxic Substances Control (DTSC)’s Fees Unit at Fees@dtsc.ca.gov.

For more information

We encourage you to read our online *Hazardous Substances (Waste) Fee Guide* at www.cdtfa.ca.gov/taxes-and-fees/hazardous-substances-fee/ for more information regarding the generation and handling fee.

Tax Appeals Assistance Program

The Tax Appeals Assistance Program (TAAP) was created to provide free legal assistance to certain taxpayers who have filed an appeal with us. TAAP provides taxpayer assistance through the appeals process up to, and including, hearings before the Office of Tax Appeals. Law students, who are supervised by a CDTFA tax attorney, advise eligible individuals and businesses who have filed appeals involving specific tax issues where the amount is less than \$30,000.

For more information, please see publication 215, *Free Legal Help... Do You Qualify?* at www.cdtfa.ca.gov/formspubs/pub215.pdf. You may also contact the Taxpayers' Rights Advocate Office at 1-888-324-2798 or by email at Taxpayer.Rights@cdtfa.ca.gov if you have questions about your rights or if you are unable to resolve a problem through normal channels.



Language Resource Expansions

We have expanded language services and made it easier to navigate our library of translated resources.

Our online virtual agent (chatbot) is now available in Spanish, making it possible for taxpayers to get answers to common tax questions in both English and Spanish 24 hours a day. The chatbot can be accessed by selecting the *Chat* button on our website at www.cdtfa.ca.gov. The bilingual chatbot augments our dedicated Spanish-language phone line and our Spanish live chat where customer service representatives provide assistance Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time).

Our new Languages webpage at www.cdtfa.ca.gov/languages.htm provides links to tax guides, videos, and other resources in the most common languages spoken by CDTFA customers. The webpage also includes instructions on how to translate the entire website. The new webpages can be accessed by clicking the *Translate* button at the top of our website. We encourage taxpayers to use these language resources and stay informed about CDTFA-administered taxes and fees.



For More Information

All telephone numbers are toll-free.

Internet

www.cdtfa.ca.gov
www.taxes.ca.gov

Customer Service Center

1-800-400-7115
 (TTY:711)

Seller's Permit Verification

1-888-225-5263
www.cdtfa.ca.gov

Taxpayers' Rights Advocate

1-888-324-2798
www.cdtfa.ca.gov/tra

Tax Evasion Hotline

1-888-334-3300

State Legislation

<https://leginfo.legislature.ca.gov/>

More Articles Available Online

There are occasions when we have more articles than we have space for in this print version of the *Tax Information Bulletin*. The additional articles are available online at www.cdtfa.ca.gov/taxes-and-fees/tax-bulletins.htm.

New and Revised Publications Available Online

For new and revised publications, see our website at www.cdtfa.ca.gov/formspubs/all-forms-and-publications.htm.

Thank you for connecting with us.

