



CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

OFFICE OF THE DIRECTOR

651 BANNON STREET, SACRAMENTO, CA 95811

PO BOX 942879, SACRAMENTO, CA 94279-0104

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<https://www.cdtfa.ca.gov>GAVIN NEWSOM
GovernorNICOLAS MADUROS
Secretary, Government Operations AgencyTRISTA GONZALEZ
Director

November 4, 2025

(Via Email)

Ms. Sue Parker
Chief Clerk of Assembly
State Capitol, Room 3196
Sacramento, CA 95814

Dear Ms. Parker:

Pursuant to the requirements of section 6018.10 of the Revenue and Taxation Code, the California Department of Tax and Fee Administration (CDTFA) is required to annually estimate the revenue loss associated with designating an all-volunteer fire department (AVFD) the consumer rather than the retailer of all tangible personal they sell. As a consumer rather than a retailer, the AVFD pays tax reimbursement to the vendor when they purchase taxable tangible personal property they intend to resell. Tax does not apply to the AVFD's sale of tangible personal property to the customer, and they need not file a return or remit tax to CDTFA.

Please note that due to lack of data, we have approximated the revenue loss associated with this consumer designation by estimating the revenue loss that would occur if the tangible personal property sold were fully exempt from sales and use tax. The amount of sales tax reimbursement the AVFD paid to the vendor for the tangible personal property they subsequently resold would offset this loss by an unknown amount. This revenue estimate is provided below.

Per the National Fire Department Registry published by the United States Fire Administration, there are currently 246 all-volunteer fire departments in California. Research did not reveal the total AVFD sales in California. However, in 2020, a California Firefighters Association source estimated that on average, AVFDs generate approximately \$5,000 in fundraising sales per year. Adjusted for inflation using the California CPI-U, this amount is estimated to be \$6,059 in January 2025 ($246 \times \$6,059 = \1.49 million).

We estimate the potential revenue loss for a full SUT exemption of 8.71% (statewide average tax rate including local district taxes) on qualified fundraising sales is \$130,000 in FY 2025-26 ($\1.49 million $\times 8.71\% = \$130,000$).

Your assistance with ensuring this information is filed with the Assembly is appreciated. This report can be downloaded at <https://www.cdtfa.ca.gov/taxes-and-fees/agency-reports.htm>. If you have questions regarding this report, or would like to request a hard copy, please contact the Processing, Policy and Data Division at 916-309-5208.

Sincerely,

Trista Gonzalez
Director

TG:st

cc: Mr. Gentian Droboniku (MIC 104)
Ms. Aimee Olhiser (MIC 124)
Ms. Michele Linton (MIC 105)
Ms. Jamie Mason (MIC 92)
Ms. Stephanie Tuttle (MIC 67)
Legislative Counsel – agency.reports@lc.ca.gov



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November 4, 2025

(Via Email)

Ms. Erika Contreras
Secretary of the Senate
State Capitol, Room 305
Sacramento, CA 95814

Dear Ms. Contreras:

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Sincerely,

Trista Gonzalez
Director

TG:st

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