

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

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February 12, 2025

#### **VIA INTERNET**

Dear Interested Party:

Attached is a copy of Current Legal Digest (CLD) Number 1094 for your information and review. The CLD includes the following:

Sales and Use Tax: one new proposed annotation

After review, please submit any questions, comments, or suggestions for changes by **March 14, 2025**. You may complete the electronic CLD Comments Form at <a href="http://www.cdtfa.ca.gov/taxes-and-fees/cldmail.aspx">http://www.cdtfa.ca.gov/taxes-and-fees/cldmail.aspx</a> or mail your written comments to:

California Department of Tax and Fee Administration (CDTFA) Annotation Coordinator, MIC: 50 P. O. Box 942879 Sacramento, CA 94279-0050

CLDs are circulated for 30 days, at which time any questions are addressed, and/or suggested modifications taken into consideration. After review of the final version by the CDTFA's Legal Division, they are published in the Business Taxes Law Guide. At that time, the CLD becomes obsolete.

Sincerely,

Pamela Bergin Assistant Chief Counsel

Attachment: Current Legal Digest 1094

### CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

### **CURRENT LEGAL DIGEST NO. 1094**

February 12, 2025

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# Sales and Use Tax Annotations

## New Annotation – 500.0095 International Flight

500.0095 **International Flight**. The purpose of Revenue and Taxation Code (RTC) section 6357.5 is to provide an exemption from sales and use tax for domestic sellers that is consistent with the sales and use tax exemption foreign sellers enjoy pursuant to RTC section 6352 and federal law. Therefore, in determining whether an entire series or combination of routes taken by an aircraft, or only a portion thereof, constitutes an international flight, the result should be consistent with the meaning of "actually engaged in foreign trade" for purposes of section 1309 of Title 19 of the United States Code. As such, an aircraft can only be engaged in an international flight, when it is actually transporting persons or property to the final destination outside the United States. Additionally, an international flight is not limited to a combination of routes with a single domestic stop. 10/15/2024.