



CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

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Director

July 26, 2024

VIA INTERNET

The Audit Manual (AM) is a guide for the California Department of Tax and Fee Administration (CDTFA) in administering tax and fee programs. It is available to the public and can be accessed from the CDTFA web page at <http://www.cdtfa.ca.gov/taxes-and-fees/staxmanuals.htm>.

The Business Tax and Fee Division is proposing to revise AM section 0432.45, SALES TO AIRCRAFT COMMON CARRIERS AND OPERATORS OF WATERBORNE VESSELS, to incorporate current policies and procedures.

The revision material is provided on the following pages for the convenience of interested parties who may wish to submit comments or suggestions. Please feel free to publish this information on your website or otherwise distribute it to your association/members.

If you have any comments or suggestions related to the proposed AM revisions, you may contact the CDTFA at BTFD-BTCT-AM.RevisionSuggestions@cdtfa.ca.gov. Your comments or suggestions must be received by the CDTFA no later than **August 26, 2024**, in order to be considered. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Aimee Olhiser".

Aimee Olhiser, Chief
Tax Policy Bureau
Business Tax and Fee Division

AO:clld

**SALES TO AIRCRAFT COMMON CARRIERS AND WATER COMMON CARRIERS-
~~OPERATORS OF WATERBORNE VESSELS~~**

0432.45

Effective July 15, 1991, sales of fuel and petroleum products delivered to the purchasing carriers in California are subject to sales tax except as provided by Regulation 1621(b)(3)(B) for air common carriers. The seller must obtain an exemption certificate (See Regulation 1621) from the common carrier to support the claimed exemption. Between July 15, 1991, and December 31, 2002, a similar exemption existed for water common carriers. The water common carrier exemption was discontinued from January 1, 2003, to March 31, 2004. The exemption was reinstated April 1, 2004, and remains in effect- through December 31, 2028until January 1, 2014.