



Excise Taxes Newsletter

In This Issue . . .

Alcoholic Beverage Tax

1. Do you need a wine direct shipper permit?

Cigarette and Tobacco Products Taxes

2. Be sure to ship to physical addresses
3. Order your cigarette tax stamps online
4. Tobacco products tax rate to remain the same through June 30, 2006
5. Reporting suspected tax evasion

Emergency Telephone Users Surcharge

6. No change in emergency telephone users surcharge rate

All Excise Tax and Fee Programs

7. New fax numbers
8. Civil behavior in trying times
9. Ethics at work—"thank you" is enough

For More Information

Contact us

Copies of legislative bills

Bill 118, passed by the Legislature this year following a recent, related U.S. Supreme Court ruling.

CIGARETTE AND TOBACCO PRODUCTS TAXES

2. Be sure to ship to physical addresses

Be sure to ship cigarettes and tobacco products only to the physical location shown on your customer's cigarette and tobacco product license. The location address *must* be the buyer's physical place of business, not a post office box, mailing service, or agent's address.

If you're not sure about a buyer's location, you can verify it on our website or by calling our Information Center. See <https://efile.boe.ca.gov/boewebservices/verification.jsp> or call 800-400-7115.

3. Order your cigarette tax stamps online

You can now buy cigarette tax stamps online!

If you listed an e-mail address on your original distributor application, you should have received the User ID and default password you need for online ordering. If you did not, please call our Stamp Desk at 916-341-6923.

To order stamps over the Internet, please visit the "Electronic Services" section of our website at https://efile.boe.ca.gov/boe/boe_login.jsp.

4. Tobacco products tax rate to remain the same through June 30, 2006

The existing rate for the tobacco products tax, 46.76 percent of the product's wholesale cost, will stay in effect through June 30, 2006. The Members of the Board of Equalization set the 2005-06 rate at their meeting on May 25, 2005. The tax rate applies to distributions of all tobacco products other than cigarettes.

If you have questions regarding the tax rate or the tax, please contact our cigarette and tobacco taxes staff at 800-400-7115 (follow the prompts to the "main menu").

ALCOHOLIC BEVERAGE TAX

1. Do you need a wine direct shipper permit?

Starting January 1, 2006, commercial winegrowers who sell and ship wine directly to California customers must have a wine direct shipper permit. The permit requirement applies to California and out-of-state winegrowers.

The permit allows winegrowers to ship up to two cases of wine per month directly to a California resident for personal use. The buyer must be at least 21 years old and may not resell the wine.

Permits must be obtained from the California Department of Alcoholic Beverage Control.

The new permit requirement was put in place by Senate

5. Reporting suspected tax evasion

Cigarette and tobacco products tax evasion is a serious crime that hurts honest taxpayers. To report suspected tax evasion, you may

- Call our Tax Evasion Hotline: 888-334-3300
- Call our Investigation Division: 916-324-0105
- Fax us anonymously: 916-324-1578
- Write us:
Investigations Division, MIC:42
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0042
- Use the anonymous online form found at www.boe.ca.gov/info/icomplaint.htm

EMERGENCY TELEPHONE USERS SURCHARGE

6. No change in emergency telephone users surcharge rate

The existing emergency telephone users surcharge rate of 0.65 percent will remain in effect through October 31, 2006. The Board of Equalization Members fixed this rate at their August 31, 2005, meeting.

ALL EXCISE TAX AND FEE PROGRAMS

7. New fax numbers

Several of our Excise Taxes Compliance Section units have new fax numbers, shown below by program area.

- Cigarette stamp desk: 916-327-6235
- Alcohol and tobacco products registration unit, including beer vendors: 916-323-9297
- Integrated waste, tire recycling, electrical energy, emergency telephone, and natural gas: 916-445-3265

The fax number for the cigarette and tobacco products licensing program is still 916-445-6122.

8. Civil behavior in trying times

Some observers have noted that civility is decreasing in our society as our lives become more complex. We know that you may find yourself frustrated with the difficulties of the tax law or pressed for time when dealing with our staff. Still, we ask that you treat our employees just as

you would like to be treated in a business situation.

Any statement made to a Board of Equalization employee that seems remotely like a threat—even a statement made in jest—will be referred to our Internal Security and Audit Division for investigation.

9. Ethics at work—“thank you” is enough

During the holiday season, many of you offer gifts to customers, suppliers, and other business contacts. We must ask, however, that you not extend your generosity to our employees. A simple “Thank You” or “Happy Holidays” will do—and will be much appreciated, we’re sure! Board of Equalization policy prevents our employees from accepting gifts of any type.

FOR MORE INFORMATION

Board Member contact and website. Visit our website: www.boe.ca.gov for Board Member information, legislative summaries, regulations, forms and publications, and more.

Information Center: 800-400-7115
TDD/TTY: 800-735-2929

Representatives are available to help you from 8:00 a.m. to 5:00 p.m., Pacific time, M-F, except state holidays.

Excise Taxes and Fees Division

Write to us at:

Excise Taxes and Fees Division, MIC:56
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0056

Or call us at 916-327-4208.

Tax Evasion Hotline. Call toll-free to report suspected tax evasion, 888-334-3300.

Taxpayers’ Rights Advocate. Call toll-free for help with problems you have been unable to resolve at other levels, 888-324-2798.

Copies of Legislative Bills. Write to the Legislative Bill Room, State Capitol, Room B-32, Sacramento, CA 95814. Or visit the following website: www.leginfo.ca.gov/bilinfo.html. Be sure to read the “chaptered” (final) version of the bill.

The Legislative Bill Room does not provide copies of our forms and publications.