



Sales and Use Tax Rate Changes Operative April 1, 2016

The tax rate changes listed below apply only within the indicated city limits. To find the correct tax rate for your area or business location, visit www.boe.ca.gov and click the light blue *Find a TAX RATE by Address* button. (Please note: The new rates will not be available on this website until April 1, 2016.)

NEW DISTRICT TAXES				
City	New Code	Acronym	Prior Rate	New Rate
City of Dunsmuir (located in Siskiyou County)	439	DUNS	7.500%	8.000%
City of Greenfield (located in Monterey County)	436	GRFD	8.625%	9.375%
City of Novato (located in Marin County) ¹	434	NOTO	9.000%	8.750%
City of South San Francisco (located in San Mateo County)	438	SSFR	9.000%	9.500%
CURRENT DISTRICT TAXES ENDING				
City	Code	Acronym	Current Rate	Rate as of 4-1-16
City of Half Moon Bay (located in San Mateo County)	330	HMBG	9.500%	9.000%
City of Tracy (located in San Joaquin County)	257	TRCY	8.500%	8.000%
CURRENT DISTRICT TAXES EXTENDED				
City	Code	Acronym	Tax Rate	Expiration Date
City of Greenfield (located in Monterey County) ²	436	GFGT	9.375%	Indefinite
City of Hercules (located in Contra Costa County)	286	HTGT	9.000%	Indefinite
City of San Mateo (located in San Mateo County)	328	SMTG	9.250%	3-31-48

¹ The city's existing tax of 0.50% (NOVT) was decreased to 0.25%, the expiration date extended indefinitely, the acronym changed to NOTO, and the code changed to 434.

² The city extended this 1.00% tax rate indefinitely and approved a new tax (GRFD) of 0.75% to begin on April 1, 2016, and expire on March 31, 2021. This changes the code for this city tax to 436 and increases the total city tax rate to 9.375%.

How will I know when a rate changes?

We email notifications to retailers in and around the affected locations when a tax rate changes. Make sure your email and mailing addresses are correct on your account to ensure you receive notice when the tax rate changes occur. If you have not been receiving these notifications, contact us at www.boe.ca.gov/info/email.html to correct the current email and/or business mailing address on your account, or add a new email address. You can also sign up on our website to receive the latest news and updates from us by email by going to www.boe.ca.gov/info/enotify.htm and checking the boxes for the items you wish to receive.

How do I know if an address is within city limits?

We offer several tools on our website to help retailers identify the correct tax rate. You can look up a [tax rate by address](#), check our guide of [tax rates by city and county](#), or visit a [city website](#). If after checking these sites you still have questions about a tax rate at a particular address, you should contact that city directly.

Where can I get more information?

For more information on city and county tax rates, visit our website at www.boe.ca.gov, look under the category *Popular Topics* and select the link [All Sales and Use Tax Rates](#). You may also call our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available to assist you weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.

BOARD MEMBERS

SEN. GEORGE RUNNER (RET.)
First District
Lancaster

FIONA MA, CPA
Second District
San Francisco

JEROME E. HORTON
Third District
Los Angeles County

DIANE L. HARKEY
Fourth District
Orange County

BETTY T. YEE
State Controller

EXECUTIVE DIRECTOR
CYNTHIA BRIDGES

Board Member Representation for Out-of-State Offices

The State of California is divided into four equalization districts and the resident voters in each district elect a Board Member. The Board is comprised of the four district-elected Board Members and the State Controller. While the authority to set policy and decide protested assessments is vested in the Board as a whole, taxpayers and their representatives located within California have an identified Board Member whom they may contact for assistance on tax or fee program-related matters. The BOE also has out-of-state offices to provide audit coverage throughout the United States and Canada.

The Board recently assigned a district-elected Member to each of the four out-of-state offices to serve as suggested initial points of contact for out-of-state taxpayers with concerns related to tax and fee programs administered by the BOE. The assignments are as follows:

- Sen. George Runner (Ret.), First Equalization District
Houston, Texas
- Fiona Ma, CPA, Second Equalization District
New York, New York
- Jerome E. Horton, Third Equalization District
Western States/Sacramento, California (Main Office)
- Diane L. Harkey, Fourth Equalization District
Chicago, Illinois

Of course, taxpayers and their representatives are always welcome to contact any Board Member for assistance, including the State Controller and the Member of any district in which a taxpayer has a California location.

To view our map of out-of-state office jurisdictions, scroll down to the pictures of our Board Members on our homepage www.boe.ca.gov and click on [Find Your Board Member](#).

New Service Available to Retailers

Through the California State Board of Equalization's (BOE) Geographic Information System (GIS), a new service allows retailers with Point of Sale systems (or other related systems) to accurately determine the sales and use tax rates. This new feature provides the sales and use tax rate based upon the address or coordinates submitted. To access this service, visit the BOE's *Open BOE* webpage at www.boe.ca.gov/DataPortal/.

Open BOE Data Portal—New Features

To promote transparency and accountability in state government, the BOE created the award-winning OPEN BOE Data Portal to serve as a centralized access point to the BOE's publicly available data. We are pleased to share some of the new features that will improve your experience:

- **Search Box** helps users locate specific information using keywords.
- **Data Catalog** displays a list of datasets with links to their grid and chart views including options to export data into various formats.
- **Context Menu** is a pop-up menu that provides options to sort, group, and filter the information in the grid view.
- **Customizable Charts** enable users to select different data points and to adjust chart layouts.
- **Maps** display geographical locations with related data values.
- **API** is an application programming interface that provides a quick and easy way to tap into the system software making it accessible from any electronic device (computer, tablet, cell phone).

Data categories include taxes and fees such as sales and use tax, property tax, alcoholic beverage tax, environmental fees, and more. Users may view, export, redistribute, and republish the information from the BOE data portal at no cost.

Each category allows you to view data in raw format, or in grids, charts, or maps. Also, you have an option to export the entire dataset in various formats that will allow you to conduct your own research and analysis.

You can access OPEN BOE online at www.boe.ca.gov/dataportal/. If you need assistance with the Data Portal, you may call our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available to assist you weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.



Prepaid Mobile Telephony Services (MTS) Surcharge

Effective January 1, 2016, all sellers of prepaid wireless services and products are required to collect the prepaid MTS surcharge from their customers at the time of sale. The prepaid MTS surcharge is due on retail transactions that occur in this state. Sellers must register with the BOE for a prepaid MTS account and file quarterly returns online to report and pay the collected surcharge.

What does the surcharge apply to?

The prepaid MTS surcharge applies to all retail sales of wireless services and plans customers purchase upfront prior to using the service, such as prepaid wireless cards or airtime/minutes, and prepaid wireless refill or top-off cards. Retail sales of prepaid wireless services and products occurring in California, including when sold to a known California customer, are subject to the prepaid MTS surcharge at the time of sale, regardless of where the prepaid wireless airtime or minutes are actually used.

What rate should I charge my customers?

The prepaid MTS surcharge rate includes local charges, if applicable, and varies throughout California. The rate to charge your customers is determined by the location of the sale. If you sell prepaid wireless services and products to consumers in person from your California business location, you should charge and collect the rate for the city and/or county where the business is located.

However, if the sale is not made in person at your California business location (for example, you make sales through your website), you should determine the correct rate based on your customer's location, in the following order:

1. The item is shipped to, or picked up by, the customer at a California location.
2. Your records show that the customer's address is in California.
3. The customer provides you a California address during the sales transaction (for example, a billing address).
4. The mobile phone number is associated with a location in California.

The prepaid MTS surcharge rate for each city is listed at: www.boe.ca.gov/sutax/mts.htm.

When can I file my prepaid MTS return?

Sellers can file their quarterly prepaid MTS return online beginning April 18, 2016. The filing due date for the first quarter 2016 return is April 30, 2016. Remember, even if you have a seller's permit, the prepaid MTS account is separate and requires separate online filing and payment.

If you sell prepaid wireless services and cards and have not yet registered with us for a prepaid MTS account, please visit our website at www.boe.ca.gov, and from the homepage, click the [New Registration](#) link (under the *Log in* link), then select *Register a business activity with BOE*, and check *Retail sales of prepaid wireless services*.

Please note: If you are a telecommunications or VoIP service supplier that sells prepaid wireless services and products directly to consumers, different registration and reporting requirements apply. Please see the [Telecommunication Service Suppliers \(Direct Sellers\)](#) section of the online guide for more information.

For additional information, see our [Prepaid Mobile Telephony Services Surcharge](#) online guide, or [publication 559, Prepaid Mobile Telephony Services \(MTS\) Surcharge Brochure](#). We will continue to update the online guide and add new information and examples to assist taxpayers with this new program.

Volunteer Fire Departments May No Longer Need to Collect Sales Tax During Fundraisers

From January 1, 2016, through December 31, 2020, qualified all-volunteer fire departments are no longer required to report sales tax, have a seller's permit, or file sales tax returns for the sale of tangible personal property—including clothing and hot prepared food products—when the profits are used solely and exclusively to further the department's purposes. Instead, your all-volunteer fire department would be considered the consumer of items sold. As a consumer, tax applies when you purchase the items that you will sell during fundraising activities.



To qualify, an “all-volunteer fire department” must meet *all* of the following requirements:

- Not pay members a regular salary, but may pay members hourly or per incident;
- Have as its purpose the protection of lives, property, and environment within a designated geographical area from fire, disasters, and emergency incidents;
- Be regularly organized for volunteer fire department purposes and qualify as an exempt organization, as specified;
- Not have gross receipts from tangible property sales of \$100,000 or more in each of the two prior calendar years.

For more information, you may call our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available to assist you weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.

Report Use Tax Timely – Avoid Interest and Penalties

As reported in the BOE’s 2013-14 Annual Report, almost 20 percent of Board-assessed deficiencies (approximately \$95 million) are due to the failure to report use tax on purchases from out-of-state vendors. Although the amount of use tax reported voluntarily has increased significantly in recent years, this remains the number one area of noncompliance in terms of both revenue and frequency. Use tax can be incurred in the following ways:

- Purchasing equipment, materials, or supply items from an unregistered out-of-state retailer located in another state or country. (The BOE receives information from many external sources, including U.S. Customs, the California Department of Food and Agriculture, and out-of-state vendors, regarding items shipped into California from other states or countries.)
- Withdrawal of items from resale inventory for business or personal use.

To learn more about use tax, visit our website at www.boe.ca.gov/sutax/usetax.htm.

Annual Taxpayers’ Bill of Rights Hearings Scheduled

Do you have suggestions about how the BOE can better protect your rights? Do you have an idea to change a tax or fee policy or procedure? If you do, come share your ideas or concerns with our Board Members at our annual Taxpayers’ Bill of Rights hearings. You may present your proposal in person or in writing for either the business or property tax portion of the hearings.

The 2016 Taxpayers’ Bill of Rights hearings are scheduled for April 26 in Culver City and May 24 in Sacramento, both starting at approximately 1:30 p.m.

Although you are not required to make advance arrangements to speak, it will help us to prepare if you contact the Taxpayers’ Rights Advocate Office at 1-888-324-2798 beforehand to let us know your topic. If your proposal is complex or extensive, we encourage you to submit it in advance and then summarize it in your oral presentation.

For more details, please call the Taxpayers’ Rights Advocate Office or visit our [Taxpayers’ Rights Advocate Office webpage](#), where you can also view the Advocate’s latest annual report.

For More Information

All telephone numbers are toll-free.

Internet

www.boe.ca.gov
www.taxes.ca.gov

Customer Service Center

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

Requests for Fax Copies

1-800-400-7115
(Choose automated services)

Seller’s Permit Verification

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

Taxpayers’ Rights Advocate

1-888-324-2798
www.boe.ca.gov

Tax Evasion Hotline

1-888-334-3300

State Legislation

www.leginfo.ca.gov/bilinfo.html

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