



Special Notice

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450 N STREET
SACRAMENTO, CA 95814

New Sales Tax Guide for Winemakers

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California is the largest wine producer in the United States and is the fourth in the world. The Board of Equalization (BOE) created a new online [Sales Tax Guide for Winemakers](#) to help California's winemakers learn what they need to know about sales and use taxes.

Sales and use tax exemptions available for winemakers or vineyard operators

The new tax guide explains certain tax incentives, as well as common tax issues winemakers may face. For instance, if you operate a winery, you are considered a manufacturer because you transform one product (grape) into another (wine). As a manufacturer, you may qualify for a partial exemption of sales and use tax on certain equipment purchases and leases. If you operate a vineyard, you may qualify for partial exemptions on certain purchases of farming equipment.

Guidance on ingredients used in making wine

Winemakers use a variety of materials and ingredients in the winemaking process. The new tax guide provides guidance on the tax application to purchases of many items used in making wine. You can find this list on the "Ingredients" tab of the guide.

Additional topics in the *Sales Tax Guide for Winemakers* include:

- Exemption certificates
- What records you must keep
- How sales tax applies to property used in manufacturing
- How sales tax applies to food and wine tasting events

Where can I find the *Sales Tax Guide for Winemakers*?

From the BOE home page, www.boe.ca.gov, go to the Business Center section and select [Industry Guides](#), and then click on the [Winemakers](#) link. The *Industry & Tax and Fees Guides* are useful for business owners and operators looking for information on tax and fee issues. Each guide covers the most common industry issues and includes links to relevant resources, all in a convenient tab-based format.

You can also find information on the alcoholic beverage tax administered by the BOE by going to the BOE home page and then choosing [Special Taxes and Fees Programs](#) under the *Taxes and Fees* tab.

If you have any questions, please call the Customer Service Center at 1-800-400-7115 (TTY:711) Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.