

# District Taxes and Delivered Sales

The sales and use tax rate is not the same in all California locations. While the standard statewide rate is currently 8.25 percent, the total sales and use tax rate is higher in areas where there are voter-approved special transactions (sales) and use taxes. In those areas (districts), the total tax rate includes the standard statewide tax rate plus the district tax rate (which varies from district to district). If you are engaged in business in a special taxing jurisdiction, you must report district taxes on Schedule A of your sales and use tax return.

For general information on applying sales tax to delivered sales, please see [publication 100](#), *Shipping and Delivery Charges*. *Note:* District tax generally applies to over-the-counter retail sales within a district unless the retailer is a registered seller of vehicles, vessels, or aircraft (see below).

## Determining where district taxes are in effect

[Publication 71](#), *California City and County Sales and Use Tax Rates*, includes information on special tax districts and lists the tax rates for all California cities and counties. Tax rates are also found on our [website](#) and faxback system (call our toll-free 800 number). If the rate listed for a city or county is higher than 8.25 percent, that city or county is in a special tax district. While most special tax districts cover entire counties, some are limited to specific cities. There may also be more than one district tax in effect in a specific location.

The BOE website now includes a link to [www.geotax.com](http://www.geotax.com) a free sales and use tax rate locator that allows any person to determine tax rates based on address. We are providing this site as a service to taxpayers and consumers who are trying to obtain the tax rate for any address in the state.

We provide the GeoTax link only as a public service and do not maintain the website. The BOE is not responsible for the content or accuracy of the information shown on that site. Problems or suggestions concerning the information on [geotax.com](http://geotax.com) should be sent to Group 1 Software at [www.geotax.com](http://www.geotax.com). Also, please contact the BOE webmaster at [www.boe.ca.gov/info/webmail.html](mailto:www.boe.ca.gov/info/webmail.html) if you experience any difficulties with the link to [geotax.com](http://geotax.com).

Some cities within a special tax district have developed a *database of addresses* to help identify specific addresses located within their taxing boundaries. Although we provide a link on our website to this database, please contact the cities directly if you have questions about the addresses. Once you have established the locations, you can find the correct tax rates in [publication 71](#) or on our [website](#).

## Basic rules

Follow the basic rules below in applying district tax to sales of merchandise delivered in California unless you are a registered dealer of vehicles, undocumented vessels, or aircraft.

<i>Shipping or delivery destination</i>	<i>Applicable tax rate</i>
Location outside of all special tax districts.	Generally, the standard statewide tax rate of 8.25 percent.
Location inside a special tax district.	Total rate for the district (statewide rate + district rate). However, if you are <i>not engaged in business</i> in the district, you are <i>not</i> required to collect district tax and you may use the statewide rate (8.25 percent). See reverse for more information.

## Sales and Use TAX FACTS

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For additional information you may download regulations, forms and publications from our website or you may call our Taxpayer Information Section to talk to a Board of Equalization representative.

BOE website and Board Member contact information:  
[www.boe.ca.gov](http://www.boe.ca.gov)

Taxpayer Information Section  
800-400-7115  
TDD/TTY 800-735-2929

Taxpayers' Rights Advocate  
888-324-2798



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## **Registered sellers of vehicles, undocumented vessels, and aircraft**

If you are a registered seller of vehicles, undocumented vessels, or aircraft, you must generally apply tax to your sale or lease at the tax rate in effect at the California location where your customer will register or license their purchase.

This is true regardless of where the item is sold or delivered. If a district tax is in effect at the registration or licensing location, the total tax rate for the district (statewide rate + district rate) will apply to your sale. For more information, please see our [publication 34](#), *Motor Vehicle Dealers*.

### **Delivery outside a special district**

Some sales of merchandise and certain types of vehicles, aircraft, and undocumented vessels may qualify for an exemption from a district's sales or use tax. Please see [publication 44](#), *District Taxes*, for more information.

### **Delivery to a location inside a special tax district and “engaged in business”**

The total tax rate in effect in a special tax district (statewide rate + district rate) generally applies to sales delivered or shipped into the district. However, if you are not *engaged in business* in the district, you are *not* required to collect the district use tax. Instead, you may calculate the tax due on your sale at the statewide rate of 8.25 percent (see “Courtesy collection of district use tax,” below). You are considered to be *engaged in business* in a special tax district and must report and pay district use tax if any of the following apply:

- Have any kind of permanent or temporary business location in the district, including a warehouse, salesroom, or office;
- Have any kind of representative or agent in the district, even temporarily, who makes sales, takes orders, or makes deliveries for you;
- Use *your own delivery vehicles* to regularly deliver merchandise *into or within* the district; or
- Receive rental income from the lease of merchandise located in the district.

As noted above, you may be engaged in business in a special tax district even if you do not have a permanent location there. For example, if the sales representative for your Calaveras County business travels to San Joaquin County to take an order, you are considered to be engaged in business in the San Joaquin Transportation Authority special tax district. Tax would apply to your sale at the full rate in effect for San Joaquin County. You would report the San Joaquin Transportation Authority district tax on Schedule A of your sales and use tax return.

### **Courtesy collection of district use tax**

Generally, if you are not engaged in business in a special tax district and you ship by common carrier into the district, your customer is liable for the district use tax. *As a courtesy to your customer*, you may choose to collect the district use tax from them. If you do, it should be shown on the customer's invoice and you must report it on Schedule A of your return and pay it to us.

### **Special situations—sales to aircraft common carriers; fixed-price contracts**

The information in this publication may not apply to your sales to aircraft common carriers or sales involving fixed-price contracts. For help, please visit our website at [www.boe.ca.gov](http://www.boe.ca.gov) or contact our Taxpayer Information Section by calling 800-400-7115.

### **Related publications**

- [34](#) *Motor Vehicle Dealers*
- [44](#) *District Taxes*
- [46](#) *Leasing of Tangible Personal Property in California*
- [71](#) *California City and County Sales and Use Tax Rates (includes list of districts)*
- [100](#) *Shipping and Delivery Charges*

### **Related regulations**

- [1822](#) *Place of Sale for Purposes of Transactions (Sales) and Use Taxes*
- [1823.4](#) *Place of Delivery of Tangible Personal Property Generally*
- [1823.5](#) *Place of Delivery of Certain Vehicles, Aircraft, and Undocumented Vessels*
- [1827](#) *Collection of Use Tax by Retailers*

*Note: This publication summarizes the law and applicable regulations in effect when the publication was written, as noted on the cover. However, changes in the law or in regulations may have occurred since that time. If there is a conflict between the text in this publication and the law, decisions will be based on the law and not on this publication.*