

Operators of Swap Meets, Flea Markets, or Special Events

If you operate a swap meet, flea market, or special event in California, state law requires you to document, in writing, the seller's permit status of all people who sell at your event. You should not rent space to sellers unless they give you the written documentation described in this publication.

What is a swap meet, flea market, or special event?

In this context, a *swap meet*, *flea market*, or *special event* is any event where:

- Two or more people or businesses offer merchandise for sale or exchange, *and*
- Prospective sellers are charged a fee for space rental or prospective buyers are charged an admission fee.

You must obtain specific written documentation from sellers

Information requirements depend on the seller's status.

Vendors who must hold a seller's permit

People who sell new or used merchandise in California, including handcrafts, are generally required to hold a seller's permit. Vendors who are required to hold permits must give you, in writing, their name and seller's permit number (a typical permit number begins with the letters SR followed by two or three more letters and an eight- or nine-digit number, for example: SR-KHE-12-345678 or SR-AR-100-987654). Although it is not required, you may wish to obtain a copy of each vendor's seller's permit for your files.

Sellers who are not required to hold a seller's permit

Certain sellers at your event may *not* be required to hold a seller's permit. Those sellers must:

- Provide you, in writing, their name, address, telephone number, and driver license number (or state ID number), along with the name of the issuing state; and
- State, in writing, that they do not need a seller's permit because:
 1. They are *an occasional seller*;
 2. All of their retail sales are tax exempt;
 3. They sell only items purchased from *section 6015 retailers*; or
 4. They are a *qualified itinerant vendor*.

Sellers who fall under conditions 2, 3, or 4 must describe the items they sell and state that they do not have to pay tax on those sales.

Vendors who make only exempt sales. Some sellers are not required to hold a seller's permit because all of their sales are exempt from sales and use tax. For example, vendors who sell only fresh produce or other cold food products "to go" do not need seller's permits. However, cold food vendors do need a seller's permit if they sell:

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

Taxpayer Information Section
800-400-7115
TTY: 711

Taxpayers' Rights Advocate
888-324-2798



BOARD MEMBERS (Names updated 2011)

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1. Food to be consumed in places where admission is charged,
2. Carbonated or alcoholic beverages, or
3. Provide tables, chairs, counters, or other dining facilities for their customers.

Occasional sellers. Due to the number, scope, and character of their selling activities, some vendors are not considered to be in the business of selling merchandise and are not required to hold a seller's permit. For example, a person who occasionally clears the family garage of used items and sells only those items could qualify as an occasional seller.

Vendors who sell products purchased from section 6015 retailers (multilevel marketing retailers). Some sellers are not required to hold a seller's permit because they sell only products purchased from dealers we have approved as section 6015 retailers. For example, people who sell new Avon or Tupperware usually buy those items from section 6015 retailers (see "Section 6015 Retailer" information on [BOE-410-D](#), *Swap Meets, Flea Markets, or Special Events Certification*, discussed below).

Qualified itinerant vendors. From April 1, 2010, through December 31, 2011, some U.S. veterans are considered "qualified itinerant vendors" and are the consumers of the products they sell under certain conditions. As consumers, qualified itinerant vendors are not required to hold a seller's permit. There are some exceptions. Itinerant veteran vendors who are engaged in the catering or vending machine business, or who sell alcoholic beverages or single items for more than \$100, are generally required to obtain a seller's permit. For additional information, you may refer to [Special Notice](#), *New Legislation to Affect Certain Veterans*. If vendors at your event are not sure whether they need a seller's permit or whether their sales are taxable, they should contact our Taxpayer Information Section for help at 800-400-7115, weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.

Form available for your use

For your convenience, a [BOE-410-D](#), *Swap Meets, Flea Markets, or Special Events Certification*, may be used for individual seller documentation. The form is available on our website, or you may contact our Taxpayer Information Section. If you choose not to use the form, please be sure that you still obtain all of the required seller information, in writing.

Maintaining adequate records

You must retain copies of seller verification documents for at least four years.

Our representatives visit both weekday and weekend events to verify compliance

Our representatives periodically visit selling events to verify that operators have complied with the legal requirements described in this publication. The representatives may also check to see that vendors making taxable sales are displaying their seller's permits as required by law.

We may require you to provide seller information

We may ask you to provide lists of all sellers who conduct activities on premises you own or control. You must supply the lists or copies of individual seller verification documents within 30 days of our written request. We will verify the information you provide and let you know if any of the vendors at your event incorrectly represented their seller's permit status. You should not rent space to those vendors until we notify you that they hold a valid seller's permit.

Seller's permit verification services available

To verify whether a vendor has a valid seller's permit, you can use our website under "[Verify a Permit or License](#)" (you must have the seller's permit number that you want to verify). You may also call 888-225-5263. To verify a seller's permit by telephone you'll need the permit number, business name, business address, and business owner's name.

Additional form helps cities and counties receive tax for needed services

We may ask you to provide copies of a [BOE-530-B](#), *Local Tax Allocation for Temporary Sales Locations and Certain Auctioneers*, to registered sellers whose businesses are registered outside the city where you are holding your event. While you are not required to distribute this form, doing so helps ensure that the city or county where your event is held receives the local sales tax it is due.

Lack of compliance may result in penalties

If you do not comply with the state law summarized in this publication (Revenue and Taxation Code section 6073), you may be required to pay a penalty of up to \$1,000 for each offense.

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, the application of tax will be based on the law and not on this publication.