

# California Tire Fee

## What is the California Tire Fee?

The California Tire Fee is a fee imposed upon the purchase of a new tire. The Board of Equalization (BOE) administers the program on behalf of the Department of Resources, Recycling, and Recovery (CalRecycle), formerly the [California Integrated Waste Management Board](#) (CIWMB) and the [California Air Resources Board](#) (ARB).

## How are the fee revenues used?

Fee revenues are used to fund programs that promote recycling and other alternatives to the landfill disposal and stockpiling of used tires; and for the mitigation or remediation of air pollution caused by the decomposition of tires in this state.

## How much is the fee?

The tire fee is currently \$1.75 for each new tire purchased. The retailer must separately state the tire fee on the receipt or invoice provided to its customers.

## What tires are subject to the fee?

Tires that are subject to the fee are *new* solid or pneumatic\* tires that are intended for use with, but sold separately from:

- on-road or off-road motor vehicles;
- motorized equipment;
- construction equipment;
- farm equipment; and

New tires (including the spare) included with the purchase of:

- a new or used motor vehicle, including a trailer drawn upon a highway or road;
- new or used farm equipment; or
- new or used construction equipment.

\*A "pneumatic tire" is a tire inflated, or capable of inflation, with compressed air.

A "new tire" does not include retreaded, reused, or recycled tires.

## What tires are not subject to the fee?

Tires not subject to the fee include tires intended for use or sold with:

- any self-propelled wheelchair;
- any motorized tricycle or motorized quadricycle, as defined in Division 1, section 407, of the Vehicle Code; and
- any vehicle that is similar to a motorized tricycle or motorized quadricycle and is designed to be operated by a person who, by reason of that person's physical disability, is otherwise unable to move about as a pedestrian.

## Who is required to register and pay the fee?

You must register with the BOE, file as required, and pay the fee to the BOE if you are:

- a California retailer that sells new tires, or
- a California retailer (lessor) that leases/rents new or used motor vehicles, farm equipment, or construction equipment that include new tires, or
- a purchaser (consumer) who purchases new tires for personal or business use, but does not pay the tire fee at the time of purchase. This includes a retailer who becomes a purchaser (consumer) by removing new tires from inventory for purposes other than retail sale or resale.

Penalties may be imposed on any person or business that does not comply with a permit, rule, regulation, standard, or requirement of the California Tire Fee Law. For more information, please refer to the Public Resources Code (PRC) sections 42885 (e) and 42885 (f).

## What if my business is located outside California?

If you are required to have a California seller's permit or Certificate of Registration—Use Tax, you must register for a California Tire Fee account and collect the fee when you sell tires to California retail customers. If you are not sure whether you need to register and collect sales or use tax, see our [publication 77](#), *Out-of-State Sellers: Do You Need to Register with California?*, or call our Taxpayer Information Section.

## BOARD MEMBERS (Names updated 2011)

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## ENVIRONMENTAL FEES 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  
TTY: 711

Or write to us at:  
State Board of Equalization  
Special Taxes and Fees  
PO Box 942879  
Sacramento, CA  
94279-0088

Taxpayers' Rights  
Advocate  
888-324-2798

If you are not required to register for a tire fee account, you may voluntarily register to collect and pay the tire fee as a courtesy to your California customers. Upon collecting the tire fee, you must provide the customer with an invoice or similar document that lists the tire fee as a separate charge. A copy of the invoice or similar document should be retained by both the seller and purchaser.

If the out-of-state seller does not have a California tire fee account, the California purchaser must pay the fee directly to the BOE.

### **Do you lease/rent new or used motor vehicles, construction equipment, or farm equipment that include new tires?**

If you are in the business of leasing/renting new or used motor vehicles, construction equipment, or farm equipment, that include new tires, and you purchase the vehicles/equipment without paying the California Tire Fee, you are responsible for reporting the fee. You owe the tire fee as the consumer on leases or rentals of four months or less; or, as the retailer on leases or rentals of more than four months. In either situation, you are required to register for a California Tire Fee account.

### **How do I register?**

To register for a California Tire Fee account, please call the BOE's Taxpayer Information Section toll-free at 800-400-7115.

### **Is the amount of the fee subject to sales or use tax?**

No. Do not include the fee amount in your sales and use tax calculation.

### **Are any sales exempt from the fee?**

The fee does not apply to the following sales:

- Sales for resale.
- Sales to American Indians occurring on Indian reservations.
- Sales of new tires that the retailer ships directly to a location outside California when the transaction is not subject to California sales or use tax; however, the fee *will* apply if the buyer takes possession of the new tires in California.

*Please note:* Sales to the United States Government are *not* exempt from the California Tire Fee.

### **When are my fee payments and returns due?**

Tire fee returns for retailers are due for the reporting period in which the tires are sold to a retail consumer; or, for the reporting period the tires are removed from inventory by the retailer for purposes other than a retail sale or resale (for instance, a personal or business use, a demonstration, a donation, or a promotional prize.) For consumers who did not pay the fee at the time of purchase, the reporting period is the period in which the tires were purchased.

The reporting period may be quarterly or annually, *as determined by the BOE*. The due date for the return and payment is the fifteenth day of the month following your assigned reporting period. You must file a return for the reporting period even if you did not sell any new tires subject to the fee for the period.

The BOE will mail a return within 15 days of the due date. If you do not receive a return within 15 days of the due date, please contact the BOE or download a tire fee return from our website at [www.boe.ca.gov/pdf/boe501tf.pdf](http://www.boe.ca.gov/pdf/boe501tf.pdf). Your return must be filed timely even if you do not receive a return from the BOE.

Retailers may retain one and a half (1.5) percent of the fee as reimbursement for any costs associated with the collection of the fee and must pay the remainder to the BOE.

If you file a late return or make a late payment, you will be subject to interest and penalty charges. If you pay your fee liability on time but do not file your return on time, you will owe a penalty for filing a late return.

For more information regarding penalties and interest charges that may apply, please refer to the BOE's [publication 75, Interest and Penalties](#), or contact the BOE Taxpayer Information Section.

### **What if I have changes to my business?**

You must notify us in writing if you make any changes to your business. This includes, but is not limited to, selling your business, changing business partners, changing the type of items you sell, changing your mailing address or telephone number, or closing your business. You can use [BOE-345-SP, Notice of Business Change \(PSTD\)](#), which is available on our website at [www.boe.ca.gov/pdf/boe345sp.pdf](http://www.boe.ca.gov/pdf/boe345sp.pdf) to report any changes to your business. It is important to notify us so we can update our records to ensure you receive information and returns timely.

If you close your tire fee account, it is important to file your final return timely to avoid penalty and interest charges. If you need assistance in filing your final return, please contact our Taxpayer Information Section at 800-400-7115.

## How do I pay?

### Electronic Funds Transfer (EFT)

- **Mandatory EFT:** The BOE requires some accounts to pay by EFT based on the dollar volume of their payments. If you are identified as an account that must pay by EFT, *you will be subject to penalty if you use any other payment method.*
- **Voluntary EFT:** You may voluntarily elect to pay by EFT, however, you will need to file [BOE-555-ST, Authorization Agreement for Electronic Funds Transfer \(EFT\)](#), with us first.

For additional information, please visit [www.boe.ca.gov/sptaxprog/speftpstd.htm](http://www.boe.ca.gov/sptaxprog/speftpstd.htm).

### Cash, check, or money order

- Make your check or money order payable to the Board of Equalization.
- Write your California Tire Fee account number on your check or money order.
- You may make your payment:

In person:

You can find a complete list of the BOE field offices at [www.boe.ca.gov/info/phone.htm](http://www.boe.ca.gov/info/phone.htm).

By mail:

State Board of Equalization  
Special Taxes and Fees  
PO Box 942879  
Sacramento, CA 94279-6087

### Do not mail cash

#### Credit card payments



- Credit card payment over the Internet
- Payment using a touch tone phone

For more information, refer to:

[www.boe.ca.gov/electsrv/eservices.htm](http://www.boe.ca.gov/electsrv/eservices.htm), or call the Official Payments Corporation at 800-487-4567.

### For more information

California Tire Fee information available at our website:

[www.boe.ca.gov/pdf/pub91.pdf](http://www.boe.ca.gov/pdf/pub91.pdf)

Department of Resources, Recycling, and Recovery:

[www.calrecycle.ca.gov/tires](http://www.calrecycle.ca.gov/tires)

California Air Resources Board:

[www.arb.ca.gov](http://www.arb.ca.gov)

Board Member contact information:

[www.boe.ca.gov/members/board.htm](http://www.boe.ca.gov/members/board.htm)

*Note:* This publication summarizes the law and applicable regulations in effect when the publication was written. 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.