



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION
PROPERTY AND SPECIAL TAXES DEPARTMENT
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State Controller

KRISTINE CAZADD
Interim Executive Director

Re: LR

Dear Taxpayer:

State Board of Equalization (BOE) records indicate that you currently operate multiple cigarette and tobacco retail locations in California and hold a Cigarette and Tobacco Products Retailer's License for each location. We recognize that as a retailer with multiple locations, there are occasions when transfers of cigarettes or tobacco products between your retail stores take place. However, a transfer of products between retail stores is permitted only in specific instances. This letter provides information regarding the transfer of cigarettes or tobacco products and the documentation required to support such transfers.

A retailer with multiple locations may transfer product from one location to another only when the retailer is the legal owner of both locations, there is documentation to prove that the product is tax-paid, and the documentation is made available to BOE staff during an inspection. In order to prove that the transferred product is tax-paid, the retailer must provide at the time of inspection (1) a copy of the original purchase invoice; (2) legible records showing the name, address, and license number of each retail location; (3) the date the transfer took place; (4) a detailed description of the items transferred, including packaging, flavor, and style; and (5) the number of items transferred. Please note that the description must match exactly the description on the original purchase invoice and the number of items transferred cannot exceed the number of items on the original purchase invoice. Without this documentation available at the time of inspection, it is not possible to establish that the product is tax-paid, and the product is subject to seizure.

Publication 78, *Sales of Cigarettes and Tobacco Products in California*, has been updated and includes more information regarding the transfer of product between retail locations. For a copy of Publication 78 or for answers to other questions, please visit the BOE website at www.boe.ca.gov. You may also call the Taxpayer Information Section at 800-400-7115 (TTY:711) and select the option for Special Taxes and Fees. Assistance is available weekdays from 8:00 am to 5:00 pm (Pacific Time), except during state holidays.

State Board of Equalization
Special Taxes and Fees Division