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**THINGS TO KNOW
BEFORE YOU BUY
CIGARETTE AND
TOBACCO PRODUCTS!**

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Can Cigarette and Tobacco Products Retailers Purchase Cigarette and Tobacco Products over the Internet or from an Unlicensed Supplier?

Q: I am a cigarette and tobacco products retailer and I found a great price for some cigarettes and tobacco products being sold by a company over the Internet. Can I purchase these products for resale in my store?

A: That depends. In California, a licensed retailer may only purchase tax-paid cigarettes or tobacco products from a licensed California distributor or wholesaler. You can check the California State Board of Equalization's (BOE) website to verify if the company is licensed. Go to <https://efile.boe.ca.gov/boeweb/services/verification.jsp?action=SALES>, and under the *Cigarette and Tobacco Products License* heading click on both distributor and wholesaler for a list of current licensed California cigarette and tobacco products distributors and wholesalers. For retailer's purchase invoice requirements, please refer to *publication 78, Sales of Cigarettes and Tobacco Products in California*, at www.boe.ca.gov/pdf/pub78.pdf.

In addition, any cigarette brand or roll-your-own tobacco products you intend to sell must be listed on the California Attorney General's Tobacco Directory. For more information, visit www.oag.ca.gov/tobacco/directory.

Q: I checked the BOE website and found out the seller does not have a distributor or wholesaler license with California. No wonder the price is so low! Can I still purchase these products?

A: That depends. You can only purchase the cigarette and tobacco products if you are licensed as a California cigarette and/or tobacco products distributor. If you are not a licensed distributor, you must first apply with the BOE. You will need to obtain a license which requires a license application fee and post a minimum security deposit of \$1,000. There is an annual license renewal fee. For cigarette and tobacco products license fee and tax rate information, please visit www.boe.ca.gov/sptaxprog/tax_rates_stfd.htm. You can apply online for a license using Online Services, available on the BOE's website at www.boe.ca.gov. Online Services are also available in the BOE's field offices. If you need assistance, please contact our Customer Service Center at

1-800-400-7115 (TTY:711), and select the option for "Special Taxes and Fees." Customer service representatives are available weekdays from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.

Q: Can I purchase nicotine products or electronic cigarettes sold with nicotine from an unlicensed supplier or over the Internet for resale in my retail store?

A: That depends. You can only purchase the items listed below from an unlicensed supplier who is not required to have a license or over the Internet if you hold a Cigarette and Tobacco Products Distributor's License prior to purchasing. See the prior answer for instructions on how to apply for a distributor's license. A valid retailer's license is also required prior to selling these items at retail:

- Any product containing, made of, or derived from nicotine that is intended for human consumption.
- Electronic cigarettes, any electronic smoking or vaping device that delivers nicotine or other vaporized liquids, when sold in combination (for a single price) with nicotine.
- Any component, part, or accessory of a tobacco product, when sold in combination (for a single price) with nicotine.

Examples include, but are not limited to, eCigarettes, atomizers, vaping tanks or mods sold in combination with nicotine, and vape liquids (eJuice) that contain nicotine.

These types of products, when sold in combination with nicotine for a single price, are subject to the state tobacco products tax imposed by the Cigarette and Tobacco Products Tax Law.

Please note: Electronic smoking/vaping devices that are not sold in combination with nicotine for a single price, or vape liquids that do not contain any nicotine are not subject to the state tobacco products tax; however, they are subject to retail licensing requirements.

Tobacco products do not include medical cannabis products or products that the U.S. Food & Drug Administration has approved as cessation products or for other therapeutic purposes (for example, nicotine patches). Therefore, the cigarette and tobacco products licensing requirement does not apply to retailers of these products.

Protect Yourself!

BOE Publications and Tools Are Available to Help You as a Retailer

- Read [publication 78](#), *Sales of Cigarettes and Tobacco Products in California*.
- Read [publication 152](#), *Cigarette and Tobacco Product Inspections*.
- Read [publication 403](#), *California's Counterfeit-Resistant Cigarette Tax Stamp*.
- Verify a distributor or wholesaler license by name or license number online.
<https://efile.boe.ca.gov/boewebservices/verification.jsp?action=SALES>.
- Sign up for Cigarette and Tobacco Products Tax email notifications.
www.boe.ca.gov/info/enotify.htm.
- Sign up for classes on Cigarette and Tobacco Products Licensing.
www.boe.ca.gov/sutax/cigtobclass.htm.
- Watch online Cigarette and Tobacco Products video presentations at
www.boe.ca.gov/info/VirtualSeminars/VirtualSeminar_online_cig_tob_retail_.htm.
- View the BOE's online *Cigarette and Tobacco Products Tax Guide* at
www.boe.ca.gov/industry/cigarettes_tobacco_products.html.



California State Board
of Equalization

For more information,
please visit BOE's website at
www.boe.ca.gov.