



# SPECIAL NOTICE

**CALIFORNIA DEPARTMENT  
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CDTFA WEBSITE

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

CUSTOMER SERVICE CENTER

1-800-400-7115

TTY

711

## Calculating the California Firearm and Ammunition Excise Tax

As a seller of firearms, firearm precursor parts, or ammunition (firearm products), you are responsible for paying the California Firearm and Ammunition Excise Tax (CFET) at the rate of 11 percent of the gross receipts from the retail sale (sales to consumers) in California of any firearm beginning July 1, 2024.<sup>1</sup>

In general, retail sales of firearm products are subject to Sales and Use Tax (SUT) and are also subject to CFET unless a CFET exemption applies.

### Included in gross receipts when calculating SUT and CFET:

- The sales price of a firearm product.
- Any amount included in the purchase of a firearm product, including any discretionary fees, such as credit card fees or handling fees, including transfer fees.
- Generally, shipping charges are included in gross receipts. Charges for shipment directly to the purchaser may be excluded from gross receipts. Because firearms dealers may not ship firearms directly to their purchasers, this exclusion from gross receipts would typically not apply to firearms dealers.

### Not included in gross receipts when calculating SUT and CFET:

- The fees required to be paid by the purchaser (consumer) to the State of California Department of Justice, such as the Dealer Record of Sale fee, safety fees, or processing fees.
- The amount a seller collects as reimbursement from its customers for CFET.

### Tax calculation example:

Selling price of a firearm	\$500.00
Merchant credit card fee	\$ 10.00
<b>Gross receipts</b>	<b>\$510.00</b>
Sales tax due (8.5%* x \$510)	\$ 43.35
CFET due (11% x \$510)	\$ 56.10

\*An 8.5% sales and use tax rate is used for demonstration only.

### CFET exemptions:

The following retail sales of firearm products are exempt from CFET but are still subject to SUT:

- Sales to any active or retired peace officer or any law enforcement agency employing that peace officer.<sup>2</sup>
- Total gross receipts from the retail sales of firearms that are less than five thousand dollars (\$5,000.00) in any quarterly period.<sup>3</sup>

<sup>1</sup> Revenue and Taxation Code (R&TC) sections 36011 and 36035

<sup>2</sup> R&TC section 36021(a)

<sup>3</sup> R&TC section 36021(b)

**For more information:**

Please visit our online *Tax Guide for Sellers of Firearm and Ammunition Products* at [www.cdtfa.ca.gov/industry/sellers-of-firearm-and-ammunition-products](http://www.cdtfa.ca.gov/industry/sellers-of-firearm-and-ammunition-products) or call 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 Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.