

POSSIBLE REGISTRATION REQUIREMENT BOE “QUALIFIED PURCHASER”

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While Sales & Use Tax has been a part of the California Revenue & Taxation Code since 1935, the state has enacted a requirement that all “qualified purchasers” register with the Board of Equalization (BOE) by completing Form BOE-404-A available at the BOE website (<http://www.boe.ca.gov/info/reg.htm>).

A “qualified purchaser” is defined as someone who meets all of these conditions:

- The person receives at least \$100,000 in gross receipts from business operations per calendar year. Note: Gross receipts is the total of all receipts from both in-state and out-of-state business operations.
- The person is not required to hold a seller's permit or certificate of registration for use tax (under §6226 of the Revenue and Taxation Code).
- The person is not a holder of a use tax direct payment permit as described in §7051.3 of the Revenue and Taxation Code.
- The person is not otherwise registered with the BOE to report use tax.

Once registered, Sales & Use Tax Returns must be filed annually (due April 15th for the previous calendar year), even if there are no purchases to report.

➔ **Please refer to the BOE website or contact the BOE at (800) 400-7115 if you are unsure of your registration and/or filing requirements. This information sheet is merely provided as a courtesy to make you aware of your potential obligations. However, compliance with applicable rules is your responsibility.**

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