

For Immediate Release
April 7, 2008

Contact: NR 18-08-G
Anita Gore
916-327-8988

Sales of Dogs, Cats, and Other Animals are Taxable

The Board of Equalization today announced that pet associations and pet and feed stores will be receiving letters reminding pet sellers that they may be required to report and pay sales tax on their pet sales.

If you are in the business of selling dogs, cats or other animals that are considered non-food animals in California, you need to register with the BOE. Non-food animals are animals commonly kept as pets or companions and are not sold for human consumption.

The need for a permit and to report and pay sales tax to BOE applies to pet stores and individual breeders if they make more than two sales of pets or other non-food animals in a twelve-month period. The number of sales is measured by each individual sale, not by the number of animals sold or by litters.

BOE estimates approximately \$14 million in sales tax is due but goes uncollected every year because some pet sellers are not properly reporting and paying sales tax on their pet sales.

The letters are part of the BOE's outreach campaign designed to remind and encourage retailers who are not properly reporting and paying sales tax on their sales to register with BOE and collect and return sales tax to BOE.

Pet sellers, whether professional breeders or sellers of puppies from the backyard, are required to register with the BOE, just like sellers of other property. Generally, if you are engaged in business in California selling tangible personal property, you are required to register with the BOE and collect sales tax. Pet sellers and sellers of other products who do not comply with registration and reporting obligations may be subject to penalties.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

###

Related Links:

- [*Buying and Selling Dogs, Cats and Other Non-food Animals*](#)
- [*California Seller's Permit Application*](#)
- [*Pet Association Letter*](#)